

ORIGINAL



Gas Pipelines - Transco  
2800 Post Oak Boulevard (77056)  
P.O. Box 1396  
Houston, Texas 77251-1396  
713/215-2000

FILED  
OFFICE OF THE SECRETARY  
02 APR 30 PM 2:14  
FEDERAL ENERGY  
REGULATORY COMMISSION

April 29, 2002

Office of the Secretary  
Federal Energy Regulatory Commission  
888 First Street, N E.  
Washington, DC 20426

Dear Sir:

Enclosed is the required filing of Federal Energy Regulatory Commission Form 2 by Transcontinental Gas Pipeline Corporation for the year ended December 31, 2001. This filing includes one signed and four conformed paper copies of the information submitted electronically to the FERC.

In accordance with General Information Item III (c) of Form 2, there is enclosed one copy of attestation letter signed by Ernst & Young LLP, independent certified public accountants.

Please acknowledge receipt of this letter and its enclosures by signing and returning the copy of the letter provided.

Yours very truly,

James C. Bourne  
Controller

Enclosures

Received the \_\_\_\_\_ day of \_\_\_\_\_, 2002

Federal Energy Regulatory Commission

By \_\_\_\_\_

0205010394-2

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Form Approved  
OMB No. 1902-0028  
(Expires 1/31/2002)

Check appropriate box:

- ☒ An Original Signed Form  
☐ Conformed Copy

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REGULATORY COMMISSION

## FERC Form No. 2 ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES

This report is mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR 260.1. Failure to report may result in criminal fines, civil penalties, another sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Transcontinental Gas Pipe Line Corporation

Year of Report

Dec. 31, 2001



■ Ernst & Young LLP  
One Houston Center  
Suite 2400  
1221 McKinney Street  
Houston, Texas 77010-2007

■ Phone: (713) 750-1500  
Fax: (713) 750-1501  
www.ey.com

## Report Of Independent Auditors

Board of Directors  
Transcontinental Gas Pipe Line Corporation

We have audited the accompanying balance sheets – regulatory basis of Transcontinental Gas Pipe Line Corporation as of December 31, 2001 and 2000, and the related statements of income – regulatory basis, retained earnings – regulatory basis, and cash flows – regulatory basis for the years then ended, included on pages 110 through 122.19 of the accompanying Federal Energy Regulatory Commission Form No. 2. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, the accompanying financial statements have been prepared in conformity with the accounting practices prescribed or permitted by the Federal Energy Regulatory Commission, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States.

In our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, the assets, liabilities and proprietary capital of Transcontinental Gas Pipe Line Corporation at December 31, 2001 and 2000, and its income and expenses, and its cash flows for the years then ended, in conformity with accounting principles prescribed or permitted by the Federal Energy Regulatory Commission.

This report is intended solely for the information and use of Transcontinental Gas Pipe Line Corporation and for filing with the Federal Energy Regulatory Commission and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Ernst & Young LLP*

March 4, 2002

## IDENTIFICATION

01 Exact Legal Name of Respondent

Transcontinental Gas Pipe Line Corporation

02 Year of Report

Dec. 31, 2001

3 Previous Name and Date of Change (If name changed during year)

04 Address of Principal Office at End of Year (Street, City, State, Zip Code)

P. O. Box 1396, Houston, Texas 77251

05 Name of Contact Person

James C. Bourne

06 Title of Contact Person

Controller &amp; CAO

07 Address of Contact Person (Street, City, State, Zip Code)

P. O. Box 1396, Houston, Texas 77251

08 Telephone of Contact Person, Including Area Code

713-215-2390

This Report Is:

(1) ☒ An Original(2) ☐ A Resubmission

10 Date of Report

(Mo, Da, Yr)

04/30/2002

## ATTESTATION

The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.

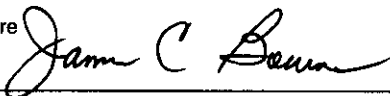
11 Name

James C. Bourne

12 Title

Controller &amp; CAO

13 Signature



14 Date Signed

04/29/2002

Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

**List of Schedules (Natural Gas Company)**

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

Line No.	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
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Name of Respondent Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
List of Schedules (Natural Gas Company) (continued)					
Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."					
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69	Stockholder's Reports (check appropriate box)				
	<input type="checkbox"/> Four copies will be submitted <input checked="" type="checkbox"/> No annual report to stockholders is prepared				

2001 Name of Respondent FERC PDF (Unofficial) 04/30/2002		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Transcontinental Gas Pipe Line Corporation					
<b>General Information</b>					
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>JAMES C. BOURNE CONTROLLER &amp; CHIEF ACCOUNTING OFFICER P. O. BOX 1396 HOUSTON, TEXAS 77251</p>					
<p>2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.</p> <p>DELAWARE 10-05-48</p>					
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>NOT APPLICABLE</p>					
<p>4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.</p> <p>TRANSCONTINENTAL GAS PIPE LINE (TRANSCO) WAS ENGAGED DURING 2001 IN THE PURCHASE (1), TRANSMISSION (2), SALE (3), AND EXCHANGE (4) OF NATURAL GAS IN INTERSTATE COMMERCE IN THE FOLLOWING STATES:</p> <p>TEXAS (1) (2) (3), LOUISIANA (1) (2) (3) (4), MISSISSIPPI (1) (2) (3), ALABAMA (1) (2) (3), GEORGIA (2) (3), SOUTH CAROLINA (2) (3), NORTH CAROLINA (2) (3) (4), PENNSYLVANIA (2) (3) (4), NEW JERSEY (2) (3), NEW YORK (2) (3), VIRGINIA (2) (3), MARYLAND (2), DELAWARE (2) (3), CONNECTICUT (3), NORTH DAKOTA (1).</p>					
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) <input type="checkbox"/> Yes... Enter the date when such independent accountant was initially engaged:</p> <p>(2) <input checked="" type="checkbox"/> No</p>					

Dec. 31, 2001

1. Report in column (a) the names of all corporations, partnerships, business trusts, and similar organizations that directly, indirectly, or jointly held control (see page 103 for definition of control) over the respondent at the end of the year. If control is in a holding company organization, report in a footnote the chain of organization.
2. If control is held by trustees, state in a footnote the names of trustees, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.
3. In column (b) designate type of control over the respondent. Report an "M" if the company is the main parent or controlling company having ultimate control over the respondent. Otherwise, report a "D" for direct, an "I" for indirect, or a "J" for joint control.

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Transcontinental Gas Pipe Line Corporation

**Corporations Controlled by Respondent**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.

**DEFINITIONS**

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary that exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Type of Control (b)	Kind of Business (c)	Percent Voting Stock Owned (d)	Footnote Reference (e)
1	CARDINAL OPERATING COMPANY	D	CONSTRUCTS/OPERATES	100	Not used
2			TRANSMISSION PIPELINE		
3	CUMBERLAND OPERATING COMPANY	D	CONSTRUCTS/OPERATES	100	Not used
4			TRANSMISSION PIPELINE		
5	CROSS BAY OPERATING COMPANY	D	CONSTRUCTS/OPERATES	100	Not used
6			TRANSMISSION PIPELINE		
7	INDEPENDENCE OPERATING COMPANY	D	CONSTRUCTS/OPERATES	100	Not used
8			TRANSMISSION PIPELINE		
9	MARSH RESOURCES, INC.	D	WETLANDS MITIGATION	100	Not used
10	PINE NEEDLE OPERATING COMPANY	D	CONSTRUCTS/OPERATES LNG	100	Not used
11			STORAGE FACILITY		
12	TCPL ENTERPRISES, INC.	D	PURCHASE AND SALE OF	100	Not used
13			TRADE RECEIVABLES		
14	TRANS-CARDINAL COMPANY	D	PIPELINE TRANSMISSION CO.	100	Not used
15	TRANS-CAROLINA LNG COMPANY	D	LNG STORAGE FACILITY	100	Not used
16	TRANS-CO CROSS BAY COMPANY	D	PIPELINE TRANSMISSION CO.	100	Not used
17	TRANS-CUMBERLAND PIPELINE COMPANY	D	PIPELINE TRANSMISSION CO.	100	Not used
18	TRANS-CO INDEPENDENCE PIPELINE COMPANY	D	PIPELINE TRANSMISSION CO.	100	Not used
19	TCPL ENTERPRISES, INC.	D	HOLDING COMPANY	100	Not used
20	TCPL ENTERPRISES, LLC	D	PURCHASE AND SALE OF	100	Not used
21			TRADE RECEIVABLES		
22					
23					
24					
25					
26					
27					
28					
29					
30					

Name of Respondent: <b>Transcontinental Gas Pipe Line Corporation</b>		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, <u>2001</u>
<b>Security Holders and Voting Powers</b>					
<p>1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.</p> <p>2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.</p> <p>3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.</p> <p>4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the</p>					
1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing:		2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy.  Total: 100  By Proxy:		3. Give the date and place of such meeting:  BY WRITTEN CONSENT 10/18/2001	
Line No.	Name (Title) and Address of Security Holder (a)	<b>VOTING SECURITIES</b>			
		4. Number of votes as of (date): 10/18/2001			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
5	TOTAL votes of all voting securities	100	100		
6	TOTAL number of security holders	1	1		
7	TOTAL votes of security holders listed below	100	100		
8	WILLIAMS GAS PIPELINE COMPANY, LLC	100	100		
9	P. O. BOX 1396				
10	HOUSTON, TX. 77251				
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
Transcontinental Gas Pipe Line Corporation			
<b>Important Changes During the Year</b>			

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
  2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
  3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
  4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
  5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.
- Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
  7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
  8. State the estimated annual effect and nature of any important wage scale changes during the year.
  9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
  10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
  11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.

1. None

2. None

3. None

4. None

5. On December 1, 2001, Phase 1 of Transco's MarketLink Expansion Project (CP98-540) was partially placed in service, with full service commencing on December 19, 2001. Phase 1 creates approximately 160 MMcf/d of additional firm transportation capacity on the Transco system from the Leidy interconnect, in Clinton County, Pennsylvania, to deliveries points in Transco's Rate Zone 6, (Pennsylvania, New York and New Jersey), and has an estimated cost of approximately \$123 million.

6. None

7. None

8. The estimated annual effect of merit, promotion, and general increases during 2001 resulted in an increase in base payroll of approximately \$4.3 million.

9. The following is an excerpt of information filed in Transcontinental Gas Pipe Line Corporation's (Transco) 2001 Form 10-K with the Securities and Exchange Commission.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Transcontinental Gas Pipe Line Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/30/2002	Dec 31, 2001
Important Changes During the Year			

**Royalty claims and litigation** In connection with Transco's renegotiations with producers to resolve take-or-pay and other contract claims and to amend gas purchase contracts, Transco entered into certain settlements which may require the indemnification by Transco of certain claims for additional royalties which the producers may be required to pay as a result of such settlements. Transco has been made aware of demands on producers for additional royalties and such producers may receive other demands which could result in claims against Transco pursuant to the indemnification provisions in their respective settlements. Indemnification for royalties will depend on, among other things, the specific lease provisions between the producer and the lessor and the terms of the settlement between the producer and Transco.

On March 15, 1994, a lawsuit was filed in the 189th Judicial District Court of Harris County, Texas (Texaco, Inc. vs. Transcontinental Gas Pipe Line Corporation). In this lawsuit, the plaintiff has claimed approximately \$23 million, including interest and attorneys' fees for reimbursements of settlement amounts paid to royalty owners. In October 1997, a jury verdict in this case found that Transco was required to pay Texaco damages of \$14.5 million plus \$3.75 million in attorney's fees. In 1998, the trial judge entered judgment consistent with the jury verdict and also awarded prejudgment interest of \$5.0 million. In addition, through December 31, 2001, postjudgment interest was approximately \$10.5 million. On June 8, 2000, the Texas Court of Appeals affirmed the trial court judgment and on February 1, 2001, Transco's rehearing request was denied. Transco filed a petition for review on April 2, 2001 with the Texas Supreme Court. On February 21, 2002, the Texas Supreme Court denied Transco's petition for review. As a result, Transco recorded a pre-tax charge to income for the year ended December 31, 2001 in the amount of \$37 million representing management's estimate of the effect of this ruling. Transco plans to request rehearing of the court's decision.

In addition, Transco was notified by Freeport-McMoRan, Inc. (FMP) in February 1995, that pursuant to a settlement with the Mineral Management Service (MMS) of the MMS' claim for royalties due under gas contracts between Transco and FMP which had been modified pursuant to settlement agreements made in 1986 and 1989, FMP was asserting a claim for indemnification of approximately \$6 million, including interest, under the excess royalty provisions of those settlement agreements. On or about March 30, 1995, FMP filed a petition for specific performance seeking recovery against Transco for the sums claimed under the settlement agreements. In May 1998, FMP filed a motion for summary judgment which Transco opposed. In September 1998, the court granted FMP's motion finding that at least a portion of FMP's payment to the MMS was subject to indemnification. Transco appealed the court's ruling, and in March 2000, the appellate court reversed the trial court and remanded the case for trial, which is now scheduled to begin in December 2002. FMP's claim, including interest calculated through December 31, 2001 is \$ 9.6 million.

In August 1996, royalty owners in certain gas wells in Brooks County, Texas, filed a lawsuit against parties producing gas from the wells, claiming \$50 million in damages for incorrectly calculated royalties since 1985. Transco purchased gas from the wells and was also named as a defendant. In July 2000, the lawsuit was settled. The settlement amount was funded by the defendants in proportion to their respective working interests in the wells. Since Transco never owned a working interest in any of the wells, it had no obligation to participate in the funding of the settlement amount. However, in August 2000, one defendant working-interest owner, Mobil, made a claim in the amount of \$6.7 million against Transco for reimbursement of its settlement contribution and associated legal defense costs on the basis that such amount represented excess royalty payments under a gas

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
Important Changes During the Year			

purchase contract it had with Transco. In September 2001, Transco was informed that Mobil filed on August 30, 2000, but did not serve, a lawsuit against Transco seeking reimbursement for the payment made by Mobil to settle the litigation and one-half of the costs and expenses it incurred in defense of the litigation. Transco accepted service of the lawsuit on September 26, 2001. Transco filed an answer to the lawsuit denying liability for Mobil's claim. The lawsuit is in the pretrial discovery phase.

In 1998, the United States Department of Justice informed Williams that Jack Grynberg, an individual, had filed claims in the United States District Court for the District of Colorado under the False Claims Act against Williams and certain of its wholly-owned subsidiaries including Transco. Mr. Grynberg has also filed claims against approximately 300 other energy companies and alleges that the defendants violated the False Claims Act in connection with the measurement and purchase of hydrocarbons. The relief sought is an unspecified amount of royalties allegedly not paid to the federal government, treble damages, a civil penalty, attorneys' fees, and costs. On April 9, 1999, the United States Department of Justice announced that it was declining to intervene in any of the Grynberg qui tam cases; including the action filed against the Williams entities in the United States District Court for the District of Colorado. On October 21, 1999, the Panel on Multi-District Litigation transferred all of the Grynberg qui tam cases, including those filed against Williams, to the United States District Court for the District of Wyoming for pre-trial purposes. Motions to dismiss the complaints were filed by various defendants, including Williams. In May 2001, the Court denied the pending motions.

On June 8, 2001, fourteen Williams entities, including Transco, were named as defendants in a nationwide class action lawsuit which has been pending against other defendants, generally pipeline and gathering companies, for more than one year. The plaintiffs allege that the defendants, including the Williams defendants, have engaged in mismeasurement techniques that distort the heating content of natural gas, resulting in an alleged underpayment of royalties to the class of producer plaintiffs. The Williams entities are pursuing dispositive motions and contesting class certification. In September 2001, the plaintiffs voluntarily dismissed two of the fourteen Williams entities named as defendants.

10. None

11. During the year ended December 31, 2001, the following rate changes (excluding all tracked rate changes) took place:

Effective February 1, 2001, Respondent effectuated a change in rates resulting from implementation of its Compliance Filing in Docket Nos. RP97-71-020 and RP97-71-021 dated February 1, 2001. Such change in rates reflected (1) a decrease of approximately \$20.5 million in demand charges and (2) a decrease of approximately \$0.7 million in commodity charges. The rate change affected all Respondent's transportation and storage customers.

Effective September 1, 2001, Respondent effectuated a change in rates resulting from implementation of its Motion Filing in Docket No. RP01-245 dated August 31, 2001. Such change in rates reflected (1) an increase of approximately \$48.7 million in demand charges and (2) an increase of approximately \$4.6 million commodity charges. The rate change affected all Respondent's transportation, storage and gathering customers.

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
Important Changes During the Year			

Effective December 1, 2001, Respondent reflected an increase of approximately \$1.5 million in demand charges due to the implementation of Phase 1 of the Marketlink Expansion Project which serves six customers.

(1) ☒ An Original  
(2) ☐ A ResubmissionDate of Report  
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## Comparative Balance Sheet (Assets and Other Debits)

Line No.	Title of Account (a)	Reference Page Number (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)
1	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	5,640,457,046	5,317,443,959
3	Construction Work in Progress (107)	200-201	331,493,511	287,332,397
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	5,971,950,557	5,604,776,356
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		3,194,635,712	3,092,608,131
6	Net Utility Plant (Total of line 4 less 5)		2,777,314,845	2,512,168,225
7	Nuclear Fuel (120.1 thru 120.4, and 120.6)		0	0
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)		0	0
9	Nuclear Fuel (Total of line 7 less 8)		0	0
10	Net Utility Plant (Total of lines 6 and 9)		2,777,314,845	2,512,168,225
11	Utility Plant Adjustments (116)	122	0	0
12	Gas Stored-Base Gas (117.1)	220	64,192,469	64,192,469
13	System Balancing Gas (117.2)	220	29,935,795	15,996,393
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220	0	0
15	Gas Owned to System Gas (117.4)	220	0	0
16	<b>OTHER PROPERTY AND INVESTMENTS</b>			
17	Nonutility Property (121)		0	0
18	(Less) Accum. Provision for Depreciation and Amortization (122)		0	0
19	Investments in Associated Companies (123)	222-223	20,678,514	20,678,514
20	Investments in Subsidiary Companies (123.1)	224-225	62,043,115	123,563,887
21	(For Cost of Account 123.1 See Footnote Page 224, line 40)			
22	Noncurrent Portion of Allowances		0	0
23	Other Investments (124)	222-223	0	0
24	Special Funds (125 thru 128)		0	0
25	TOTAL Other Property and Investments (Total of lines 17-20, 22-24)		82,721,629	144,242,401
26	<b>CURRENT AND ACCRUED ASSETS</b>			
27	Cash (131)		5,379,197	2,352,840
28	Special Deposits (132-134)		1,972,832	1,955,192
29	Working Funds (135)		8,965	8,965
30	Temporary Cash Investments (136)	222-223	0	0
31	Notes Receivable (141)		0	0
32	Customer Accounts Receivable (142)		16,205,742	17,472,553
33	Other Accounts Receivable (143)		38,676,990	4,745,394
34	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		0	0
35	Notes Receivable from Associated Companies (145)		324,073,091	437,706,138
36	Accounts Receivable from Associated Companies (146)		106,180,670	87,040,000
37	Fuel Stock (151)		5,374,262	5,653,930
38	Fuel Stock Expenses Undistributed (152)		0	0
39	Residuals (Elec) and Extracted Products (Gas) (153)		0	0
40	Plant Materials and Operating Supplies (154)		31,687,809	30,508,278
41	Merchandise (155)		0	0
42	Other Materials and Supplies (156)		0	0
43	Nuclear Materials Held for Sale (157)		0	0

**Transcontinental Gas Pipe Line Corporation**

(1) ☒ An Original

(2) ☐ A Resubmission

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**Comparative Balance Sheet (Assets and Other Debits)(continued)**[illegible]



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## Page 112

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## Page 113

(1) ☒ An Original

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### Statement of Income for the Year

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,j) in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in discount 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

[illegible]

4. Explain in a footnote if the previous year's figures are different from those reported in prior reports.

5. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on page 122 or in a supplemental statement.

Line No.	Elec. Utility Current Year (in dollars) (e)	Elec. Utility Previous Year (in dollars) (f)	Gas Utility Current Year (in dollars) (g)	Gas Utility Previous Year (in dollars) (h)	Other Utility Current Year (in dollars) (i)	Other Utility Previous Year (in dollars) (j)
1						
2	0	0	1,479,336,844	2,013,663,391	1,100	1,200
3						
4	0	0	973,704,053	1,449,068,703	0	0
5	0	0	45,224,409	39,098,089	0	0
6	0	0	136,235,695	127,277,206	0	0
7	0	0	814,108	814,316	0	0
8	0	0	0	0	0	0
9	0	0	0	0	0	0
10	0	0	0	0	0	0
11	0	0	1,390,552	1,390,552	0	0
12	0	0	13,137,943	7,452,991	0	0
13	0	0	39,185,136	37,772,342	0	0
14	0	0	38,293,836	68,921,752	385	420
15	0	0	5,643,000	11,639,000	0	0
16	0	0	75,875,000	92,680,000	0	0
17	0	0	34,977,000	60,139,000	0	0
18	0	0	0	0	0	0
19	0	0	0	0	0	0
20	0	0	0	0	0	0
21	0	0	0	0	0	0
22	0	0	0	0	0	0
23	0	0	1,268,250,846	1,761,069,969	385	420
24	0	0	211,085,998	252,593,422	715	780

Name of Respondent		This Report Is:		Date of Report (Mo, Da, Yr)	Year of Report
Transcontinental Gas Pipe Line Corporation		(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	04/30/2002	Dec. 31, 2001
Statement of Income for the Year(continued)					
Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year (in dollars) (c)	Total Previous Year (in dollars) (d)	
25	Net Utility Operating Income (Carried forward from page 114)		211,086,713	252,594,202	
26	<b>OTHER INCOME AND DEDUCTIONS</b>				
27	Other Income				
28	Nonutility Operating Income				
29	Revenues from Merchandising, Jobbing and Contract Work (415)		0	0	
30	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		0	0	
31	Revenues from Nonutility Operations (417)		0	0	
32	(Less) Expenses of Nonutility Operations (417.1)		0	0	
33	Nonoperating Rental Income		0	0	
34	Equity in Earnings of Subsidiary Companies (418.1)	119	5,589,614	5,838,791	
35	Interest and Dividend Income (419)		18,930,734	42,210,159	
36	Allowance for Other Funds Used During Construction (419.1)		21,599,220	12,252,969	
37	Miscellaneous Nonoperating Income (421)		4,501,892	6,689,828	
38	Gain on Disposition of Property (421.1)		( 193,033)	( 23,322)	
39	TOTAL Other Income (Total of lines 29 thru 38)		50,428,427	66,968,425	
40	Other Income Deductions				
41	Loss on Disposition of Property (421.2)		0	0	
42	Miscellaneous Amortization (425)		0	0	
43	Miscellaneous Income Deductions (426.1 thru 426.5)	340	17,762,055	21,162,041	
44	TOTAL Other Income Deductions (Total of lines 41 thru 43)	340	17,762,055	21,162,041	
45	Taxes Applic. to Other Income and Deductions				
46	Taxes Other than Income Taxes (408.2)	262-263	0	0	
47	Income Taxes-Federal (409.2)	262-263	7,075,779	12,316,828	
48	Income Taxes-Other (409.2)	262-263	0	0	
49	Provision for Deferred Income Taxes (410.2)	234-235	0	0	
50	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235	0	0	
51	Investment Tax Credit Adjustments-Net (411.5)		0	0	
52	(Less) Investment Tax Credits (420)		23,484	23,484	
53	TOTAL Taxes on Other Income and Deductions (Total of lines 46-52)		7,052,295	12,293,344	
54	Net Other Income and Deductions (Total of lines 39, 44, 53)		25,614,077	33,513,040	
55	<b>INTEREST CHARGES</b>				
56	Interest on Long-Term Debt (427)		67,798,536	69,690,961	
57	Amortization of Debt Disc. and Expense (428)	258-259	1,106,814	1,137,168	
58	Amortization of Loss on Recquired Debt (428.1)		487,403	657,578	
59	(Less) Amortization of Premium on Debt-Credit (429)	258-259	0	0	
60	(Less) Amortization of Gain on Recquired Debt-Credit (429.1)		0	0	
61	Interest on Debt to Associated Companies (430)	340	0	0	
62	Other Interest Expense (431)	340	20,022,281	5,963,862	
63	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		7,194,737	4,738,888	
64	Net Interest Charges (Total of lines 56 thru 63)		82,220,297	72,710,681	
65	Income Before Extraordinary Items (Total of lines 25, 54 and 64)		154,480,493	213,396,561	
66	<b>EXTRAORDINARY ITEMS</b>				
67	Extraordinary Income (434)		0	0	
68	(Less) Extraordinary Deductions (435)		0	0	
69	Net Extraordinary Items (Total of line 67 less line 68)		0	0	
70	Income Taxes-Federal and Other (409.3)	262-263	0	0	
71	Extraordinary Items after Taxes (Total of line 69 less line 70)		0	0	
72	Net Income (Total of lines 65 and 71)		154,480,493	213,396,561	

**Transcontinental Gas Pipe Line Corporation**

(1) ☒ An Original  
(2) ☐ A Resubmission

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### Statement of Retained Earnings for the Year

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

Line No.	Item  (a)	Contra Primary Account Affected  (b)	Current Year Amount (in dollars) (c)	Previous Year Amount (in dollars) (d)
	UNAPPROPRIATED RETAINED EARNINGS			
1	Balance--Beginning of Year		1,336,411,835	1,136,378,176
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
3.01	Credit:			
3.02	Credit:			
3.03	Credit:			
3.04	Credit:			
3.05	Credit:			
3.06	Credit:			
3.07	Credit:			
3.08	Credit:			
3.09	Credit:			
3.10	Credit:			
4	TOTAL Credits to Retained Earnings (Account 439) (Total of lines 3.01 to 3.?)			
4.01	Debit:			
4.02	Debit:			
4.03	Debit:			
4.04	Debit:			
4.05	Debit:			
4.06	Debit:			
4.07	Debit:			
4.08	Debit:			
4.09	Debit:			
4.10	Debit:			
5	TOTAL Debits to Retained Earnings (Account 439) (Total of lines 4.01 to 4.?)			
6	Balance Transferred from Income (Acct 433 less Acct 418.1)		148,890,879	207,557,770
7	Appropriations of Retained Earnings (Account 436)			
7.01				
7.02				
7.03				
7.04				
7.05				
7.06				
7.07				
7.08				
7.09				
7.10				
8	TOTAL Appropriations of Retained Earnings (Account 436) (Total of lines 7.01 to			
9	Dividends Declared-Preferred Stock (Account 437)			
9.01				
9.02				
9.02				
9.03				
9.04				
9.05				
9.06				

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Statement of Retained Earnings for the Year (continued)						
6. Show separately the State and Federal income tax effect of items shown in Account 439, Adjustments to Retained Earnings. 7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent; state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated. At lines 3, 4, 7, 9, 11, and 15, add rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, e.g., 3.01, 3.02, etc.						
Line No.	Item (a)		Current Year Amount (in dollars) (c)	Previous Year Amount (in dollars) (d)		
9.07						
9.08						
9.09						
9.10						
10	TOTAL Dividends Declared-Preferred Stock (Account 437) (Total of lines 9.01 to 9					
11	Dividends Declared-Common Stock (Account 438)					
11.01	Intercompany Non-cash dividends		( 990,004)	( 13,362,902)		
11.02						
11.03						
11.04						
11.05						
11.06						
11.07						
11.08						
11.09						
11.10						
12	TOTAL Dividends Declared-Common Stock (Account 438) (Total of lines 11.01 to 11.		( 990,004)	( 13,362,902)		
13	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings		5,589,614	5,838,791		
14	Balance-End of Year (Total of lines 1, 4, 5, 6, 8, 10, 12 and 13)		1,489,902,324	1,336,411,835		
	APPROPRIATED RETAINED EARNINGS (Account 215)					
15.01						
15.02						
15.03						
15.04						
15.05						
15.06						
15.07						
15.08						
15.09						
15.10						
16	TOTAL Appropriated Retained Earnings (Account 215)					
	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)					
17	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.					
18	TOTAL Appropriated Retained Earnings (Account 215, 215.1) (Total of lines 16 and					
19	TOTAL Retained Earnings (Account 215, 215.1, 216) (Total of lines 14 and 18)		1,489,902,324	1,336,411,835		
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)					
20	Balance-Beginning of Year (Debit or Credit)		9,457,664	3,618,873		
21	Equity in Earnings for Year (Credit) (Account 418.1)		5,589,614	5,838,791		
22	(Less) Dividends Received (Debit)					
23	Other Changes (Explain)					
24	Balance-End of Year		15,047,278	9,457,664		

**Statement of Cash Flows**

1. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.
4. Investing Activities: Include at Other (Line 27) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per U.S. of A. General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 122.

Line No.	Description (See Instructions for explanation of codes)	Current Year Amount	Previous Year Amount
(a)	(b)	(c)	
1	Net Cash Flow from Operating Activities		
2	Net Income (Line 72(c) on page 116)	154,480,493	213,396,561
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	141,999,797	133,397,708
5	Amortization of (Specify)		
5.01	Debt Discount and Expense	2,543,381	2,537,556
5.02	Loss on Reacquired Debt	487,403	657,578
5.03			
5.04			
5.05			
5.06			
5.07			
5.08			
5.09			
5.10			
5.11			
5.12			
5.13			
5.14			
5.15			
6	Deferred Income Taxes (Net)	40,898,000	32,541,000
7	Investment Tax Credit Adjustments (Net)		
8	Net (Increase) Decrease in Receivables	( 51,805,455)	( 32,733,425)
9	Net (Increase) Decrease in Inventory	( 14,766,781)	24,261,338
10	Net (Increase) Decrease in Allowances Inventory		
11	Net Increase (Decrease) in Payables and Accrued Expenses	( 156,674,342)	101,125,169
12	Net (Increase) Decrease in Other Regulatory Assets	( 3,240,645)	3,133,386
13	Net Increase (Decrease) in Other Regulatory Liabilities	9,764,726	6,855,495
14	(Less) Allowance for Other Funds Used During Construction	21,599,220	12,252,969
15	(Less) Undistributed Earnings from Subsidiary Companies	5,589,614	5,838,791
16	Other:		
16.01	Storage Service Gas Available for Customer Nomination	( 1,511,614)	( 7,061,072)
16.02	Increase (decrease) in Potential Rate Refunds	28,771,244	( 127,721,825)
16.03	Cashout and Other Deferred Inventory	( 6,277,695)	( 26,373,822)
16.04	Net Transportation and Exchange Receivable Imbalance	4,127,711	18,825,384
16.05	Vacation Reserve	1,548,691	2,055,127
16.06	Reserve for Legal and Regulatory Issues	21,850,000	
16.07	Accrued Insurance	( 3,403,906)	2,254,773
16.08	Employee Bonus/Stock Option Program	2,391,009	( 937,955)
16.09	Accrued Estimated Environmental Costs	1,400,000	
16.10	Accrued Post Retirement Benefits Other than Pension	( 6,924,395)	( 3,482,472)



Name of Respondent: Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Statement of Cash Flows (continued)					
Line No.	Description (See Instructions for explanation of codes) (a)	Current Year Amount (b)	Previous Year Amount (c)		
3.11	Accrued Pension Costs	( 12,013,456)	( 5,700,736)		
16.12	Deferred Cash Out	( 23,821,372)	15,858,447		
16.13	ERISA Excess Benefits	1,388,178	967,641		
16.14	Reserve for Tower Lease	( 6,848,590)	( 6,848,590)		
16.15	Other, Net	1,696,039	372,460		
17	Net Cash Provided by (Used in) Operating Activities				
18	(Total of Lines 2 thru 16.7)	98,869,567	329,287,966		
19					
20	Cash Flows from Investment Activities:				
21	Construction and Acquisition of Plant (including land):				
22	Gross Additions to Utility Plant (less nuclear fuel)	( 409,755,398)	( 347,758,677)		
23	Gross Additions to Nuclear Fuel				
24	Gross Additions to Common Utility Plant				
25	Gross Additions to Nonutility Plant				
26	(Less) Allowance for Other Funds Used During Construction	( 21,599,220)	( 12,252,969)		
27	Other:				
27.01					
27.02					
27.03					
27.04					
27.05					
28	Cash Outflows for Plant (Total of lines 22 thru 27.7)	( 388,156,178)	( 335,505,708)		
29					
30	Acquisition of Other Noncurrent Assets (d)				
31	Proceeds from Disposal of Noncurrent Assets (d)				
32					
33	Investments in and Advances to Assoc. and Subsidiary Companies	( 1,817,709,760)	( 3,042,368,239)		
34	Contributions and Advances from Assoc. and Subsidiary Companies				
35	Disposition of Investments in (and Advances to)				
36	Associated and Subsidiary Companies	1,997,855,831	3,032,008,608		
37					
38	Purchase of Investment Securities (a)				
39	Proceeds from Sales of Investment Securities (a)				

Name of Respondent: Transcontinental Gas Pipe Line Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Statement of Cash Flows (continued)					
<p>5. Codes used:</p> <p>(a) Net Proceeds or payments.</p> <p>(b) Bonds, Debentures, and other long-term debt.</p> <p>(c) Include commercial paper.</p> <p>(d) Identify separate such items as investments fixed assets, intangibles, etc.</p> <p>6. Enter on page 122 clarifications and explanations.</p> <p>7. At lines 5, 16, 27, 47, 56, 58, and 65, add rows as necessary to report all data. Number the extra rows in sequence, 5.01, 5.02, etc.</p>					
Line No.	Description (See Instructions for explanation of codes) (a)	Current Year Amount (b)	Previous Year Amount (c)		
40	Loans Made or Purchased				
41	Collections on Loans				
42					
43	Net (Increase) Decrease in Receivables				
44	Net (Increase) Decrease in Inventory				
45	Net (Increase) Decrease in Allowance Held for Speculation				
46	Net Increase (Decrease) in Payables and Accrued Expenses	6,489,621	( 3,331,704)		
47	Other:				
47.01	Net Retirements	1,300,843	8,379,378		
47.02	Preliminary Survey and Investigation Charges	870,898	( 261,181)		
47.03					
47.04					
47.05					
47.06					
47.08					
47.09					
47.10					
48	Net Cash Provided by (Used in) Investing Activities				
49	(Total of lines 28 thru 47.?)	( 199,348,745)	( 341,078,846)		
50					
51	Cash Flows from Financing Activities:				
52	Proceeds from Issuance of:				
53	Long-Term Debt (b)	299,205,000			
54	Preferred Stock				
55	Common Stock				
56	Other:				
56.01	Debt Issue Costs	( 3,199,465)			
56.02					
56.03					
56.04					
56.05					
57	Net Increase in Short-Term Debt (c)				
58	Other:				
58.01					
58.02					
58.03					
58.04					
58.05					
58.06					
58.07					
58.08					

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Name of Respondent Transcontinental Gas Pipe Line Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		04/30/2002	Dec. 31, 2001
Statement of Cash Flows (continued)					
Line No.	Description (See Instructions for explanation of codes) (a)	Current Year Amount (b)	Previous Year Amount (c)		
58.09					
58.10					
59	Cash Provided by Outside Sources (Total of lines 53 thru 58.7)	296,005,535			
60					
61	Payments for Retirement of:				
62	Long-Term Debt (b)	( 192,500,000)			
63	Preferred Stock				
64	Common Stock				
65	Other:				
65.01	Loss on Reacquired 9-1/8% Debenture Due 2017				
65.02					
65.03					
65.04					
65.05					
66	Net Decrease in Short-Term Debt (c)				
67					
68	Dividends on Preferred Stock				
69	Dividends on Common Stock				
70	Net Cash Provided by (Used in) Financing Activities				
71	(Total of lines 59 thru 69)	103,505,535			
72					
73	Net Increase (Decrease) in Cash and Cash Equivalents				
74	(Total of Line 18, 49 and 71)	3,026,357	( 11,790,880)		
75					
76	Cash and Cash Equivalents at Beginning of Year	2,361,805	14,152,685		
77					
78	Cash and Cash Equivalents at End of Year	5,388,162	2,361,805		

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1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets.
4. Where Account 189, Unamortized Loss on Recquired Debt, and 257, Unamortized Gain on Recquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
7. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
8. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
9. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

### 1. CORPORATE STRUCTURE AND CONTROL

Transcontinental Gas Pipe Line Corporation (Transco) is a wholly-owned subsidiary of Williams Gas Pipeline Company, LLC (WGP). WGP is a wholly-owned subsidiary of The Williams Companies, Inc. (Williams).

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of operations** Transco is an interstate natural gas transmission company which owns a natural gas pipeline system extending from Texas, Louisiana, Mississippi and the Gulf of Mexico through the states of Alabama, Georgia, South Carolina, North Carolina, Virginia, Maryland, Pennsylvania and New Jersey to the New York City metropolitan area. The system serves customers in Texas and the eleven southeast and Atlantic seaboard states mentioned above, including major metropolitan areas in Georgia, North Carolina, New York, New Jersey and Pennsylvania. Transco also holds a minority interest in an intrastate natural gas pipeline in North Carolina.

**Basis of presentation** The accompanying financial statements were prepared on a historical basis as required by the Federal Energy Regulatory Commission (FERC) in accordance with its uniform system of accounts and published accounting releases, which do not necessarily conform with accounting principles generally accepted in the United States. Accordingly, certain FERC accounting and disclosure requirements differ from accounting principles generally accepted in the United States. The primary difference relates to a purchase price allocation determined upon the acquisition of Transco Energy Company and its subsidiaries, including Transco, by Williams in 1995. This acquisition was accounted for using the purchase method of accounting and an allocation of the purchase price was assigned to the assets and liabilities of Transco based on their estimated fair values. The purchase price allocation to Transco primarily consisted of a \$1.5 billion allocation to property, plant and equipment and adjustments to deferred taxes based upon the book basis of the net assets recorded as a result of the acquisition. However, Transco's purchase price allocation assigned to property, plant and equipment and the related adjustments to deferred taxes and amortization are not reflected in the FERC financial statements included herein.

As a participant in Williams' cash management program, Transco and its subsidiaries have advances to and from Williams through Transco's parent company, WGP. These advances are represented by demand notes. Transco currently expects to receive payment of these advances within the next twelve months and has recorded such advances as current in the accompanying Balance

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sheet. Transco also made advances to WGP that are not expected to be repaid within the next twelve months and has recorded such advances as investments in associated companies in the accompanying Balance Sheet. The interest rate on intercompany demand notes is the London Interbank Offered Rate plus a rate ranging from 0.625% to 0.6875% per annum.

Through an agency agreement with Transco, Williams Energy Marketing & Trading Company (WEM&T), (formerly Williams Energy Services Company) an affiliate of Transco, manages Transco's jurisdictional merchant gas sales. The long-term purchase agreements managed by WEM&T remain in Transco's name, as do the corresponding sales of such purchased gas. Therefore, Transco continues to record natural gas sales revenues and the related accounts receivable and cost of natural gas sales and the related accounts payable for the jurisdictional merchant sales that are managed by WEM&T. Through the agency agreement, WEM&T receives all margins associated with jurisdictional merchant gas sales business and, as Transco's agent, assumes all market and credit risk associated with Transco's jurisdictional merchant gas sales. Consequently, Transco's merchant gas sales service has no impact on its operating income or results of operations.

**Use of estimates** The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Estimates and assumptions which, in the opinion of management, are significant to the underlying amounts included in the financial statements and for which it would be reasonably possible that future events or information could change those estimates include: 1) revenues subject to refund; 2) litigation-related contingencies; 3) environmental remediation obligations; and 4) impairment assessments of long-lived assets.

**Revenue recognition** Revenues for sales of products are recognized in the period of delivery and revenues from the transportation of gas are recognized in the period the service is provided based on contractual terms and the related transported volumes. Transco is subject to FERC regulations and, accordingly, certain revenues collected may be subject to possible refunds upon final orders in pending cases. Transco records rate refund liabilities considering Transco and other third party regulatory proceedings, advice of counsel and estimated total exposure, as discounted and risk weighted, as well as collection and other risks.

**Contingent liabilities** Transco establishes reserves for estimated loss contingencies when it is management's assessment that a loss is probable and the amount of the loss can be reasonably estimated. Revisions to contingent liabilities are reflected in income in the period in which different facts or information become known or circumstances change that affect the previous assumptions with respect to the likelihood or amount of loss. Reserves for contingent liabilities are based upon management's assumptions and estimates, advice of legal counsel or other third parties regarding the probable outcomes of the matter. Should the outcome differ from the assumptions and estimates, revisions to the estimated reserves for contingent liabilities would be required.

**Property, plant and equipment** Property, plant and equipment is recorded at cost. Gains or losses from the ordinary sale or retirement of property, plant and equipment are credited or charged to accumulated depreciation; certain other gains or losses are recorded in net income.

Depreciation rates used for major regulated gas plant facilities at December 31, 2001 and 2000 are as follows:

Category of Property	2001	2000
Gathering facilities	2.60%-3.80%	2.60%-3.80%
Storage facilities	2.50%	2.50%
Onshore transmission facilities	2.35%	2.35%
Offshore transmission facilities	1.50%	1.50%

Depreciation of general plant is provided on a group basis at straight-line rates.

**Impairment of long-lived assets** Transco evaluates long-lived assets for impairment when events or changes in circumstances

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indicate, in management's judgment, that the carrying value of such assets may not be recoverable. When such a determination has been made, management's estimate of undiscounted future cash flows attributable to the assets is compared to the carrying value of the assets to determine whether an impairment has occurred. If an impairment of the carrying value has occurred, the amount of the impairment recognized in the financial statements is determined by estimating the fair value of the assets and recording a loss for the amount that the carrying value exceeds the estimated fair value.

Judgments and assumptions are inherent in management's estimate of undiscounted future cash flows used to determine recoverability of an asset and the estimate of an asset's fair value used to calculate the amount of impairment to recognize. The use of alternate judgments and/or assumptions could result in the recognition of different levels of impairment charges in the financial statements.

**Accounting for repair and maintenance costs** Transco accounts for repair and maintenance costs under the guidance of FERC regulations. The FERC identifies installation, construction and replacement costs that are to be capitalized. All other costs are expensed as incurred.

**Comprehensive income** Through a wholly-owned subsidiary, Transco holds a 35% interest in Pine Needle LNG Company, LLC (Pine Needle). In 1998, Pine Needle executed an interest rate swap agreement with a bank, which swapped floating rate debt into fixed rate debt. This interest rate swap qualifies as a cash flow hedge transaction under the accounting and reporting standards established by Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities" and amended by SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities." Transco adopted these standards effective January 1, 2001. As such, Transco's equity interest in the changes in fair value of Pine Needle's hedge is recognized in other comprehensive income which is a component of other paid-in capital.

Comprehensive income for the years ended December 31, 2001 and 2000, respectively, are as follows (in thousands):

	Years Ended December 31,	
	2001	2000
Net income	\$ 154,480	\$ 213,397
Equity interest in unrealized loss on interest rate hedge	(572)	-
Total comprehensive income	\$ 153,908	\$ 213,397

**Accounting for income taxes** Williams and its wholly-owned subsidiaries, which includes Transco, file a consolidated federal income tax return. It is Williams' policy to charge or credit Transco with an amount equivalent to its federal income tax expense or benefit computed as if Transco had filed a separate return.

Transco uses the liability method of accounting for income taxes which requires, among other things, provisions for all temporary differences between the financial basis and the tax basis in Transco's assets and liabilities and adjustments to the existing deferred tax balances for changes in tax rates, whereby such balances will more closely approximate the actual taxes to be paid.

**Allowance for doubtful receivables** Due to its customer base, Transco has not historically experienced recurring credit losses in connection with its receivables. As a result, receivables determined to be uncollectible are reserved or written off in the period of such determination. At December 31, 2001 and 2000, Transco had no allowance for doubtful accounts.

**Securitizations and transfers of financial instruments** Transco has agreements to sell, on an ongoing basis, certain of its trade accounts receivable through revolving securitization structures and retains servicing responsibilities as well as a subordinate interest in the transferred receivables. The contractual arrangements to sell accounts receivable under this structure will expire on March 25, 2002. Transco accounts for the securitization of trade accounts receivable in accordance with SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." The statement became effective for transfers and servicing of financial assets and extinguishments of liabilities occurring after March 31, 2001. As a result, the latered receivables are removed from the Balance Sheet and a retained interest is recorded for the amount of receivables sold in excess of cash received.

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Transco determines the fair value of its retained interests based on the present value of future expected cash flows using management's best estimates of various factors, including credit loss experience and discount rates commensurate with the risks involved. These assumptions are updated periodically based on actual results, thus the estimated credit loss and discount rates utilized are materially consistent with historical performance. The fair value of the servicing responsibility is estimated based on internal costs, which approximate market. Costs associated with the sale of receivables are included in miscellaneous income deductions in the Statement of Income.

**Cash flows from operating activities** Transco uses the indirect method to report cash flows from operating activities, which requires adjustments to net income to reconcile to net cash flows provided by operating activities. Transco includes short-term, highly-liquid investments that have a maturity of three months or less as cash equivalents.

**Allowance for funds used during construction** The allowance for funds used during construction (AFUDC) represents the cost of funds applicable to regulated natural gas transmission plant under construction as permitted by FERC regulatory practices. The allowance for borrowed funds used during construction was \$7.4 million and \$5.3 million for 2001 and 2000, respectively. The allowance for equity funds was \$21.6 million and \$12.2 million for 2001 and 2000, respectively.

**Gas inventory** Transco utilizes the last-in, first-out (LIFO) method of accounting for inventory gas in storage. Transco utilizes the average cost method of accounting for gas available for customer nomination.

**Gas imbalances** In the course of providing transportation services to customers, Transco may receive different quantities of gas from shippers than the quantities delivered on behalf of those shippers. Additionally, Transco transports gas on various pipeline systems which may deliver different quantities of gas on behalf of Transco than the quantities of gas received from Transco. These transactions result in gas transportation and exchange imbalance receivables and payables which are recovered or repaid in cash or through the receipt or delivery of gas in the future and are recorded in the accompanying Balance Sheet. Settlement of imbalances requires agreement between the pipelines and shippers as to allocations of volumes to specific transportation contracts and timing of delivery of gas based on operational conditions. Transco's tariff includes a method whereby most transportation imbalances generated after August 1, 1991 are settled on a monthly basis. Imbalances predating August 1, 1991 are being recovered or repaid in cash or through the receipt or delivery of gas upon agreement of the parties as to the allocation of the gas volumes, and as permitted by pipeline operating conditions. These imbalances have been classified as miscellaneous current and accrued assets or miscellaneous current and accrued liabilities at December 31, 2001 and 2000.

**Employee stock-based awards** Employee stock-based awards are accounted for under Accounting Principles Board Opinion (APBO) No. 25, "Accounting for Stock Issued to Employees" and related interpretations. Williams' fixed plan common stock options do not result in compensation expense, because the exercise price of the stock options equals the market price of the underlying stock on the date of grant.

**New accounting standards** In June 2001, the Financial Accounting Standards Board (FASB) issued SFAS No. 141, "Business Combinations" and SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 141 establishes accounting and reporting standards for business combinations and requires all business combinations to be accounted for by the purchase method. The statement is effective for all business combinations initiated after June 30, 2001, and any business combinations accounted for using the purchase method for which the date of acquisition is July 1, 2001, or later. SFAS No. 142 addresses accounting and reporting standards for goodwill and other intangible assets. Under the provisions of this statement, goodwill and intangible assets with indefinite useful lives are no longer amortized, but will be tested annually for impairment. Transco applied the new rules beginning January 1, 2002. Because Transco has no goodwill and intangible assets are amortized at rates approved by the FERC through regulatory proceedings, the adoption of these standards is not expected to have a material effect on Transco's results of operations and financial position.

In June 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations." This statement addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated

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asset retirement costs and amends SFAS No. 19, "Financial Accounting and Reporting by Oil and Gas Producing Companies." The statement requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made, and that the associated asset retirement costs be capitalized as part of the carrying amount of the long-lived asset. The statement is effective for financial statements issued for fiscal years beginning after June 15, 2002. The effect of this standard on Transco's results of operations and financial position is being evaluated.

In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." This statement supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of" and amends APB Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of Disposal of a Segment of a Business and Extraordinary, Unusual and Infrequently Occurring Events and Transactions." The statement retains the basic framework of SFAS No. 121, resolves certain implementation issues of SFAS No. 121, extends applicability to discontinued operations, and broadens the presentation of discontinued operations to include a component of an entity. The statement is being applied prospectively, beginning January 1, 2002. Initial adoption of this statement did not have any impact on Transco's results of operations or financial position.

### 3. CONTINGENT LIABILITIES AND COMMITMENTS

#### Rate and Regulatory Matters

**General rate case (Docket No. RP01-245)** On March 1, 2001, Transco submitted to the FERC a general rate filing principally designed to recover costs associated with an increase in rate base resulting from additional plant, an increase in rate of return and related taxes, and an increase in operation and maintenance expenses. The filing reflects an annual cost of service increase of approximately \$227 million over the cost of service underlying the rates reflected in the settlement of Transco's Docket No. RP97-71 rate proceeding, as subsequently adjusted pursuant to the terms of that settlement and FERC orders resolving issues reserved by the settlement for FERC decision. The filing also reflects certain changes to Transco's tariff, cost allocation and rate design methods, including, among other things, the roll-in of Transco's Mobile Bay expansion project, and a pro forma proposal to roll-in the costs of Transco's SunBelt, Pocono and Cherokee expansion projects.

On March 28, 2001, the FERC issued an order accepting and suspending Transco's March 1, 2001 general rate filing to be effective September 1, 2001, subject to refund and the outcome of a hearing. On August 31, 2001, Transco filed a motion to place the rates into effect on September 1, 2001, in accordance with the FERC's March 28, 2001 order. On September 27, 2001, the FERC accepted that filing, subject to certain conditions, including the condition that Transco file tariff sheets regarding the elimination of costs associated with facilities that the FERC had approved for abandonment in the various spindown proceedings discussed below. On October 9, 2001, Transco filed a request for rehearing of that condition in the September 27, 2001 order. On November 6, 2001, the FERC granted Transco an extension of time to comply with the requirement in the September 27, 2001 order on Transco's motion rate filing that Transco adjust its rates to reflect the removal of the costs of facilities abandoned in the spindown proceedings. The FERC granted the extension of time until 30 days after the FERC acts on Transco's request for rehearing of the September 27, 2001 order.

On December 19, 2001, the FERC issued an order on rehearing of its September 27, 2001 order. In the December 19 order, the FERC granted rehearing of the requirement that Transco adjust its rates to eliminate costs related to the facilities that have not yet been abandoned and transferred, but denied rehearing of that requirement with respect to certain facilities that were abandoned and transferred effective December 1, 2001 since Transco no longer owns those facilities and the facilities are no longer used by Transco to provide jurisdictional service. As to the facilities that have not yet been abandoned and transferred, the FERC has issued orders in Docket Nos. CP01-34-000, CP01-103-000 and CP01-368-000 directing Transco to show cause why it should not be required to file revised rates reflecting the removal of the costs associated with those facilities effective with the date the facilities are abandoned and transferred. As to the facilities that were abandoned and transferred effective December 1, 2001, the FERC directed that Transco file revised tariff sheets to be effective December 1, 2001, reflecting the removal of the costs of the facilities that were abandoned and transferred.

On January 18, 2002, Transco filed answers to the show cause orders in Docket Nos. CP01-34-000, CP01-103-000 and



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CP01-368-000, stating that it should not be required to adjust its rates upon abandonment and transfer of the facilities but that the rate effects should be addressed in the next general rate case following any abandonment and transfer of the facilities. On January 18, 2002, Transco also filed a request for rehearing of the December 19, 2001 order with respect to the facilities that were abandoned and transferred effective December 1, 2001, stating that it should not be required to adjust its rates effective December 1, 2001, and that the rate effects of that abandonment and transfer should be addressed in Transco's next general rate case. Subject to that request for rehearing, Transco filed on January 18, 2002 a compliance filing to adjust its rates, effective December 1, 2001, to reflect the removal of the costs of the facilities that were abandoned and transferred. On February 28, 2002, the FERC issued an order on Transco's January 18, 2002 filing, which consolidates the issues concerning whether Transco's filing complies with the directive of the December 19, 2001 order with the hearing established in this general rate case proceeding, and accepts the January 18, 2002 filing effective December 1, 2001, subject to refund, the outcome of rehearing of the December 19, 2001 order and the outcome of the hearing in Docket No. RP01-245. Transco has provided a reserve for rate refunds which it believes is adequate for any refunds that may be required.

**General rate case (Docket No. RP97-71)** On November 1, 1996, Transco submitted to the FERC a general rate case filing principally designed to recover costs associated with increased capital expenditures. These increased capital expenditures primarily relate to system reliability, integrity and Clean Air Act compliance.

When stated on a comparable basis, the rates Transco placed into effect on May 1, 1997, subject to refund, represented an annual cost of service increase of approximately \$47 million over the cost of service underlying the rates contained in the settlement of Transco's last general rate filing (Docket No. RP95-197).

The filing also included (1) a pro-forma proposal to roll-in the costs of Transco's Leidy Line and Southern expansion incremental projects and (2) a pro-forma proposal to make interruptible transportation (IT) backhaul rates equal to the IT forward haul rates.

On November 29, 1996, the FERC issued an order accepting Transco's filing, suspending its effectiveness until May 2, 1997 (subsequently revised, on rehearing, to May 1, 1997) and establishing a hearing to examine the reasonableness of Transco's proposed rates. In addition, the order consolidated Transco's pro forma roll-in proposal with the Phase II hearing in Docket No. RP95-197.

On January 20, 1998, Transco filed a Stipulation and Agreement for approval by the FERC, which resolves all cost of service, throughput and other issues in this proceeding, except rate of return, capital structure and certain minor cost allocation and rate design issues. On June 12, 1998, the FERC issued an order approving the settlement. On October 30, 1998, Transco issued refunds in connection with the settlement in the amount of \$89.5 million, including interest, for which Transco had previously provided a reserve. The issues not resolved by the settlement were litigated by the parties before a FERC Administrative Law Judge (ALJ). On March 30, 1999, the ALJ issued her initial decision which is consistent with the rate of return and capital structure policies FERC announced in RP95-197. Applying these policies, the ALJ recommended utilization of Transco's own capital structure, consisting of 60.2% equity, and a return on equity of 12.40%. Based on developments in regulatory proceedings involving Transco, and on advice from counsel, in the fourth quarter of 1999, Transco adjusted its reserve for rate refunds by \$26.0 million (\$23.4 million of principal and \$2.6 million of interest) to reflect its conclusion that the risk associated with one of the issues in this proceeding has been eliminated. On March 17, 2000, the FERC issued an order which, among other things, affirmed the ALJ's decision on the rate of return and capital structure issues. On April 17, 2000, several parties requested rehearing of, among other things, issues related to the FERC's rate of return decision in the March 17, 2000, order. Transco evaluated the effect of the order and requests for rehearing and, during the second quarter of 2000, reduced its reserve for rate refunds by \$71.2 million (\$62.7 million of principal and \$8.5 million of interest) to reflect its conclusion that the risk associated with certain of the issues in this proceeding has been eliminated. On November 1, 2000, Transco made rate refunds of \$95 million, including interest, for the period May 1, 1997 through February 29, 2000. On January 24, 2001, the FERC issued an order denying all of the requests for rehearing of the March 17, 2000 order, and directing Transco to file revised tariff sheets consistent with the order effective February 1, 2001 and to make appropriate refunds. On March 26, 2001, Transco made final rate refunds of \$25 million, including interest, for the period March 1, 2000 through January 31, 2001, for which Transco had previously provided a reserve.

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**General rate case (Docket No. RP95-197)** On March 1, 1995, Transco filed with the FERC a general rate case that proposed changes in the rates for Transco's transportation, sales and storage service rate schedules effective April 1, 1995. The changes in rates, if accepted as proposed, would have generated additional annual jurisdictional revenues of approximately \$132 million over the pre-filed rates in effect, based, among other things, on an increase in Transco's cost of capital resulting from an increase in the equity component of the capital structure used (the filing was based on Transco's own capital structure) and in the cost of equity from the pre-filed rate of return on equity of 14.45% to the proposed rate of return on equity of 15.25%.

On March 31, 1995, the FERC issued an order on Transco's filing which accepted and suspended the tariff sheets relating to Transco's rates, to be effective September 1, 1995, subject to refund, and established hearing procedures.

Through settlement and litigation, all issues in this proceeding have been resolved, except certain cost allocation and rate design issues discussed below.

A hearing concerning the cost allocation and rate design issues not resolved by settlement concluded in November 1996. A supplemental hearing to consider Transco's roll-in proposal filed in Docket No. RP97-71 was completed in June 1997. On March 24, 1998, the Administrative Law Judge (ALJ) issued an initial decision on all of these issues. As to the main issue addressed in the decision, rolled-in pricing, the ALJ determined that the proponents of roll-in, including Transco, must satisfy the burden under Section 5 of the NGA and demonstrate that Transco's existing incremental rate treatment is unjust and unreasonable and that the proposed rolled-in rate treatment is just and reasonable. The ALJ ruled that neither Transco nor any of the other roll-in proponents had satisfied that burden and, therefore, that Transco's existing incremental rate treatment must remain in effect. On April 16, 1999, the FERC issued an order reversing the ALJ, concluding that Transco's proposal did not have to meet the Section 5 burden discussed above and that under the appropriate standard, Section 4, Transco had demonstrated that its proposal was just and reasonable. As a result, the FERC remanded to the ALJ issues regarding the implementation of Transco's roll-in proposal. Several parties filed requests for rehearing of the FERC's April 16, 1999 order, and on March 28, 2001, the FERC issued an order denying those requests for rehearing. On April 27, 2001, several parties filed a request for rehearing of the March 28, 2001 order, and on June 13, 2001, the FERC denied that request for rehearing. On August 10, 2001, several parties filed a petition for review in the United States Court of Appeals for the District of Columbia Circuit (D.C. Circuit Court) of the FERC's April 16, 1999, March 28, 2001 and June 13, 2001 orders. On April 4, 2000, the ALJ issued an initial decision on the remanded issues relating to the implementation of Transco's roll-in proposal. The ALJ ruled in favor of Transco's positions, with the exception of one of Transco's proposed cost allocation changes and a requirement that the roll-in of the costs of the incremental projects into Transco's system rates be phased in over a three-year period. On October 12, 2001 the FERC issued an order on the ALJ's April 4, 2000 initial decision which generally upholds the decision, with the exception of the ALJ's approval of a change in the allocation of costs to a Transco storage service and the ALJ's decision to phase the roll-in of the costs of the incremental projects into Transco's system rates. The FERC determined that Transco must retain its existing method of allocating costs to the storage service, and that it is not necessary to phase the roll-in of the costs. On November 13, 2001, Transco and certain other parties each filed requests for rehearing of the FERC's October 12, 2001 order. Pursuant to the terms of the settlement in this proceeding, the resolution of the roll-in issue will be effective prospectively after a final FERC order no longer subject to rehearing.

**Rate of return calculation** On January 30, 1998, the FERC convened a public conference to consider, on an industry-wide basis, issues with respect to rates of return for interstate natural gas pipelines. In July 1998, the FERC issued orders announcing a modification of its methodology for calculating a pipeline's return on equity. Certain parties appealed the FERC's action because the modified formula results in somewhat higher rates of return compared to the rates of return calculated by the prior formula. These appeals have been denied and the FERC has continued to utilize the formula as modified in 1998.

**Production area rate design (Docket Nos. RP92-137 and RP93-136)** Transco has expressed to the FERC concerns that inconsistent treatment under Order 636 of Transco and its competitor pipelines with regard to rate design and cost allocation issues in the production area may result in rates which could make Transco less competitive, both in terms of production-area and long-haul transportation. A hearing before an ALJ (Docket Nos. RP92-137 and RP93-136), dealing with, among other things, Transco's production-area rate design, concluded in June 1994. On July 19, 1995, the ALJ issued an initial decision finding that Transco's proposed production area rate design, and its existing use of a system wide cost of service and allocation of firm capacity in the production area are unjust and unreasonable. The ALJ therefore recommended that Transco divide its costs between its

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production area and market area, and permit its customers to renominate their firm entitlements.

On July 3, 1996, the FERC issued an order on review of the ALJ's initial decision concerning, among other things, Transco's production area rate design. The FERC rejected the ALJ's recommendations that Transco divide its costs between its production area and market area, and permit its customers to renominate their firm entitlements. The FERC also concluded that Transco may offer firm service on its supply laterals through an open season and eliminate its IT feeder service in favor of an interruptible service option that does not afford shippers feeding firm transportation on Transco's production area mainline a priority over other interruptible transportation. On December 18, 1996, the FERC denied rehearing of its July 3, 1996 Order. Several parties, including Transco, filed petitions for review in the D.C. Circuit Court of the FERC's orders addressing production area rate design issues. Transco subsequently withdrew its appeal. On March 24, 2000, the D.C. Circuit Court issued its opinion in the remaining appeal. The court determined that the FERC failed to adequately explain its decision to reject Transco's production area rate design proposal for its supply laterals, and remanded the case back to the FERC for further action. In response to an order issued by the FERC on July 31, 2000, the parties submitted briefs on the issues in order to assist the FERC in determining how best to proceed in this case. On May 31, 2001, the FERC issued its order on remand, addressing the issues briefed by the parties. The FERC held that Transco's "firm-to-the-wellhead" proposal would abrogate shipper contracts in a manner not authorized by those contracts, and therefore rejected the proposal. As a result, Transco's current production area rate design and service structure remains in effect. Transco and other parties each filed a request for rehearing of the FERC's order, and on July 27, 2001, the FERC denied those requests. Several parties, including Transco, have filed petitions for review in the D.C. Circuit Court of the FERC's May 31 and July 27, 2001 orders.

**Gathering facilities spin-down order (Docket Nos. CP96-206-000 and CP96-207-000)** In February 1996, Transco filed an application with the FERC for an order authorizing the abandonment of certain facilities located onshore and offshore in Texas, Louisiana and Mississippi by conveyance to Williams Gas Processing - Gulf Coast Company (Gas Processing), an affiliate of Transco. The net book value recorded by Transco at December 31, 2001 of the facilities was approximately \$115 million. Operating income recorded by Transco for the year ended December 31, 2001 associated with the facilities was approximately \$0.5 million; however, such operating income may not be representative of the effects of the spin-down on Transco's future operating income due to various factors, including future regulatory actions. Concurrently, Gas Processing filed a petition for declaratory order requesting a determination that its gathering services and rates be exempt from FERC regulation under the NGA. On September 25, 1996, the FERC issued an order dismissing Transco's application and Gas Processing's petition for declaratory order. On October 25, 1996, Transco and Gas Processing filed a joint request for rehearing of the FERC's September 25 order, and in August 1997, filed a request that rehearing be expedited. On June 14, 2001, the FERC issued an order that denied the request for rehearing filed by Transco and Gas Processing. An appeal of the order denying rehearing was filed on July 26, 2001.

In addition, Transco has filed with the FERC the four applications described below seeking authorization to abandon portions of the facilities included in the February 1996 application.

**Tilden/McMullen Facilities Spin-down Proceeding (Docket Nos. CP98-236 and 242)** In February 1998, Transco filed an application with the FERC seeking authorization to abandon Transco's onshore Tilden/McMullen Gathering System located in Texas by conveyance to Gas Processing. Gas Processing filed a contemporaneous request that the FERC declare that the facilities sought to be abandoned would be considered nonjurisdictional gathering facilities upon transfer to Gas Processing. In May 1999, the FERC issued an order in which it determined that certain of the facilities would be gathering facilities upon transfer to Gas Processing, i.e., 1) those facilities upstream of and including the Tilden Plant, 2) the South McMullen and Goebel Laterals located downstream of the Tilden Plant, and 3) the small, short laterals which branch out from the McMullen Lateral downstream of the Tilden Plant at several points along its length. However, the FERC determined that the McMullen Lateral itself, as well as two compressor units, are jurisdictional facilities, but authorized their abandonment subject to Gas Processing obtaining a certificate to operate those facilities. On June 3, 1999, Transco and Gas Processing filed for rehearing of the order with regard to the facilities classified by the FERC as jurisdictional facilities, and on October 5, 1999, the FERC denied the rehearing request. On March 7, 2000, Transco filed a limited NGA Section 4 filing with the FERC, notifying the FERC that Transco intended to effectuate the spin-down to Gas Processing of the Tilden/McMullen facilities determined by the FERC to be nonjurisdictional gathering facilities be effective April 1, 2000, and adjusting Transco's rates on a prospective basis effective with the spin-down to reflect a decrease in Transco's overall cost of service, rate base and operation and maintenance expense resulting from the spin-down. The net book

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value of the facilities included in this limited NGA filing is approximately \$10 million and annual operating income associated with these facilities is estimated to be less than \$1 million. On April 6, 2000, the FERC issued an order accepting the March 7, 2000, filing effective April 1, 2000, subject to refund and the outcome of the Docket No. RP97-71 proceeding. Effective April 1, 2000, the applicable Tilden/McMullen facilities were spun down by Transco through a non-cash dividend of \$9.9 million.

**North Padre Island/Central Texas Systems Spin-down Proceeding (Docket Nos. CP01-32-000 and CP01-34-000)** In November 2000, Transco filed an application with the FERC seeking authorization to abandon certain of Transco's offshore Texas facilities by conveyance to Gas Processing. Gas Processing filed a contemporaneous request that the FERC declare that the facilities sought to be abandoned would be considered nonjurisdictional gathering facilities upon transfer to Gas Processing. On July 25, 2001, the FERC approved the abandonment and the non-jurisdictional treatment of all the facilities requested in the applications of Transco and Gas Processing. Effective December 1, 2001, a portion of the applicable facilities was spun down by Transco through a non-cash dividend of \$0.9 million, which represents the net book value of the facilities as of that date. At December 31, 2001, the net book value of the facilities remaining to be spun down in this proceeding was approximately \$25.6 million. The transfer of these facilities will not have a material impact on Transco's results of operations and financial position.

**North High Island/West Cameron Systems Spin-down Proceeding (Docket Nos. CP01-103-000 and CP01-104-000)** In March 2001, Transco filed an application with the FERC seeking authorization to abandon certain of Transco's offshore Texas and offshore and onshore Louisiana facilities by conveyance to Gas Processing. Gas Processing filed a contemporaneous request that the FERC declare that the facilities sought to be abandoned would be considered nonjurisdictional gathering facilities upon transfer to Gas Processing. On July 25, 2001, the FERC approved the abandonment and the non-jurisdictional treatment of a portion of the facilities requested in the applications of Transco and Gas Processing. On August 24, 2001, Transco and Gas Processing filed a Request for Rehearing and Limited Stay, and on December 19, 2001, the FERC issued an Order on Rehearing denying the requests to reclassify the remaining facilities as non-jurisdictional gathering and requiring Transco to show cause why it should not be required to file to adjust its rates 30 days prior to the effectiveness of the transfer of the facilities from Transco to Gas Processing.

**Central Louisiana System Spin-down Proceeding (Docket Nos. CP01-368-000 and CP01-369-000)** In May 2001, Transco filed an application with the FERC seeking authorization to abandon certain of Transco's offshore and onshore Louisiana facilities by conveyance to Gas Processing. Gas Processing filed a contemporaneous request that the FERC declare that the facilities sought to be abandoned would be considered nonjurisdictional gathering facilities upon transfer to Gas Processing. On August 31, 2001, the FERC approved the abandonment and the non-jurisdictional treatment of a portion of the facilities requested in the applications of Transco and Gas Processing. On October 1, 2001, Transco and Gas Processing filed a Request for Rehearing and Limited Stay, and on December 19, 2001, the FERC issued an Order on Rehearing denying the request to reclassify the remaining facilities as non-jurisdictional gathering and requiring Transco to show cause why it should not be required to file to adjust its rates 30 days prior to the effectiveness of the transfer of the facilities from Transco to Gas Processing.

The net book value, at the application date, of the North High Island/West Cameron and Central Louisiana facilities included in these two applications was approximately \$26.7 million. The transfer of these facilities will not have a material impact on Transco's results of operations and financial position.

**1999 Fuel Tracker (Docket No. TM99-6-29)** On March 1, 1999, Transco made its annual filing pursuant to its FERC Gas Tariff to recalculate the fuel retention percentages applicable to Transco's transportation and storage rate schedules, to be effective April 1, 1999. Included in the filing were two adjustments that increased the estimated gas required for operations in prior periods by approximately 8 billion cubic feet. By letter order dated March 31, 1999, the FERC accepted the filing to be effective April 1, 1999, subject to refund and to further FERC action.

On February 23, 2000, the FERC issued an order disallowing the major portions of the adjustments reflected in the March 1, 1999 filing. The FERC determined that Transco's tariff does not permit those adjustments, and as a result, the passthrough of those prior period adjustments must be determined on a case by case basis, based on the relative equities involved. Based on its analysis of the facts in this case, the FERC found in the February 23, 2000 order that the equities weighed against Transco. On March 24, 2000, Transco filed a request for rehearing of the February 23, 2000 order and on October 30, 2000, the FERC issued an order granting rehearing. The FERC found that its decision to disallow the adjustments amounted to a "penalty" that is not equitable to

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Transco. The FERC therefore permits Transco to make the adjustments, but requires Transco to collect the revenue associated with the adjustments over a seven-year period. On November 29, 2000, several of Transco's customers jointly filed for rehearing of the FERC's October 30 order. On December 29, 2000, Transco filed tariff sheets and supporting documentation in compliance with the FERC's October 30 order, and certain parties protested that filing. On May 30, 2001, the FERC issued an order that denied the joint request for rehearing, and on July 19, 2001, certain customers filed an appeal of the FERC's October 30 and May 30 orders with the D.C. Circuit Court. Transco's December 29, 2000 compliance filing is pending before the FERC. In the second quarter of 2001, Transco recorded a \$15 million reduction in the cost of natural gas transportation to reflect the regulatory approval to recover the cost of gas required for operations in prior periods.

**Notice of Proposed Rulemaking (Docket No. RM01-10-000)** On September 27, 2001, the FERC issued a Notice of Proposed Rulemaking proposing to adopt uniform standards of conduct for transmission providers. The proposed rules define transmission providers as interstate natural gas pipelines and public utilities that own, operate or control electric transmission facilities. The proposed standards would regulate the conduct of transmission providers with their energy affiliates. The FERC proposes to define energy affiliates broadly to include any transmission provider affiliate that engages in or is involved in transmission (gas or electric) transactions, or manages or controls transmission capacity, or buys, sells, trades or administers natural gas or electric energy or engages in financial transactions relating to the sale or transmission of natural gas or electricity. Current rules regulate the conduct of Transco and its natural gas marketing affiliates. If adopted, these new standards would require the adoption of new compliance measures by Transco.

#### Legal Proceedings

**Royalty claims and litigation** In connection with Transco's renegotiations with producers to resolve take-or-pay and other contract claims and to amend gas purchase contracts, Transco entered into certain settlements which may require the indemnification by Transco of certain claims for additional royalties which the producers may be required to pay as a result of such settlements. Transco has been made aware of demands on producers for additional royalties and such producers may receive other demands which could result in claims against Transco pursuant to the indemnification provisions in their respective settlements. Indemnification for royalties will depend on, among other things, the specific lease provisions between the producer and the lessor and the terms of the settlement between the producer and Transco.

On March 15, 1994, a lawsuit was filed in the 189th Judicial District Court of Harris County, Texas (Texaco, Inc. vs. Transcontinental Gas Pipe Line Corporation). In this lawsuit, the plaintiff has claimed approximately \$23 million, including interest and attorneys' fees for reimbursements of settlement amounts paid to royalty owners. In October 1997, a jury verdict in this case found that Transco was required to pay Texaco damages of \$14.5 million plus \$3.75 million in attorney's fees. In 1998, the trial judge entered judgment consistent with the jury verdict and also awarded prejudgment interest of \$5.0 million. In addition, through December 31, 2001, postjudgment interest was approximately \$10.5 million. On June 8, 2000, the Texas Court of Appeals affirmed the trial court judgment and on February 1, 2001, Transco's rehearing request was denied. Transco filed a petition for review on April 2, 2001 with the Texas Supreme Court. On February 21, 2002, the Texas Supreme Court denied Transco's petition for review. As a result, Transco recorded a pre-tax charge to income for the year ended December 31, 2001 in the amount of \$37 million representing management's estimate of the effect of this ruling. Transco plans to request rehearing of the court's decision.

In addition, Transco was notified by Freeport-McMoRan, Inc. (FMP) in February 1995, that pursuant to a settlement with the Mineral Management Service (MMS) of the MMS' claim for royalties due under gas contracts between Transco and FMP which had been modified pursuant to settlement agreements made in 1986 and 1989, FMP was asserting a claim for indemnification of approximately \$6 million, including interest, under the excess royalty provisions of those settlement agreements. On or about March 30, 1995, FMP filed a petition for specific performance seeking recovery against Transco for the sums claimed under the settlement agreements. In May 1998, FMP filed a motion for summary judgment which Transco opposed. In September 1998, the court granted FMP's motion finding that at least a portion of FMP's payment to the MMS was subject to indemnification. Transco appealed the court's ruling, and in March 2000, the appellate court reversed the trial court and remanded the case for trial, which is now scheduled to begin in December 2002. FMP's claim, including interest calculated through December 31, 2001 is \$9.6 million.

In August 1996, royalty owners in certain gas wells in Brooks County, Texas, filed a lawsuit against parties producing gas

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from the wells, claiming \$50 million in damages for incorrectly calculated royalties since 1985. Transco purchased gas from the wells and was also named as a defendant. In July 2000, the lawsuit was settled. The settlement amount was funded by the defendants in proportion to their respective working interests in the wells. Since Transco never owned a working interest in any of the wells, it had no obligation to participate in the funding of the settlement amount. However, in August 2000, one defendant working-interest owner, Mobil, made a claim in the amount of \$6.7 million against Transco for reimbursement of its settlement contribution and associated legal defense costs on the basis that such amount represented excess royalty payments under a gas purchase contract it had with Transco. In September 2001, Transco was informed that Mobil filed on August 30, 2000, but did not serve, a lawsuit against Transco seeking reimbursement for the payment made by Mobil to settle the litigation and one-half of the costs and expenses it incurred in defense of the litigation. Transco accepted service of the lawsuit on September 26, 2001. Transco filed an answer to the lawsuit denying liability for Mobil's claim. The lawsuit is in the pretrial discovery phase.

In 1998, the United States Department of Justice informed Williams that Jack Grynberg, an individual, had filed claims in the United States District Court for the District of Colorado under the False Claims Act against Williams and certain of its wholly-owned subsidiaries including Transco. Mr. Grynberg has also filed claims against approximately 300 other energy companies and alleges that the defendants violated the False Claims Act in connection with the measurement and purchase of hydrocarbons. The relief sought is an unspecified amount of royalties allegedly not paid to the federal government, treble damages, a civil penalty, attorneys' fees, and costs. On April 9, 1999, the United States Department of Justice announced that it was declining to intervene in any of the Grynberg qui tam cases; including the action filed against the Williams entities in the United States District Court for the District of Colorado. On October 21, 1999, the Panel on Multi-District Litigation transferred all of the Grynberg qui tam cases, including those filed against Williams, to the United States District Court for the District of Wyoming for pre-trial purposes. Motions to dismiss the complaints were filed by various defendants, including Williams. In May 2001, the Court denied the pending motions.

On June 8, 2001, fourteen Williams entities, including Transco, were named as defendants in a nationwide class action lawsuit which has been pending against other defendants, generally pipeline and gathering companies, for more than one year. The plaintiffs allege that the defendants, including the Williams defendants, have engaged in mismeasurement techniques that distort the heating content of natural gas, resulting in an alleged underpayment of royalties to the class of producer plaintiffs. The Williams entities are pursuing dispositive motions and contesting class certification. In September 2001, the plaintiffs voluntarily dismissed two of the fourteen Williams entities named as defendants.

### Environmental Matters

In July 1999, Transco received a letter stating that the U.S. Department of Justice (DOJ), at the request of the U.S. Environmental Protection Agency (EPA), intends to file a civil action against Transco arising from its waste management practices at Transco's compressor stations and metering stations located in eleven (11) states from Texas to New Jersey. DOJ stated in the letter that its complaint will seek civil penalties and injunctive relief under federal environmental laws. DOJ offered to discuss settlement of the claim and discussions began in September 1999 and continued into 2001. Transco believes it has substantially addressed environmental concerns on its system through ongoing voluntary remediation and management programs. In December 2001, Transco agreed to settle this matter by signing a Consent Decree which will be filed for U.S. District Court approval. The Consent Decree provides for a civil penalty of \$1.4 million, which was accrued by Transco in 2001.

Transco is subject to extensive federal, state and local environmental laws and regulations which affect Transco's operations related to the construction and operation of its pipeline facilities. Appropriate governmental authorities may enforce these laws and regulations with a variety of civil and criminal enforcement measures, including monetary penalties, assessment and remediation requirements and injunctions as to future compliance. Transco's use and disposal of hazardous materials are subject to the requirements of the federal Toxic Substances Control Act (TSCA), the federal Resource Conservation and Recovery Act (RCRA) and comparable state statutes. The Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), also known as "Superfund," imposes liability, without regard to fault or the legality of the original act, for release of a "hazardous substance" into the environment. Because these laws and regulations change from time to time, practices that have been acceptable the industry and to the regulators have to be changed and assessment and monitoring have to be undertaken to determine whether those practices have damaged the environment and whether remediation is required. Since 1989, Transco has had studies underway

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to test certain of its facilities for the presence of toxic and hazardous substances to determine to what extent, if any, remediation may be necessary. On the basis of the findings to date, Transco estimates that environmental assessment and remediation costs that will be incurred over the next five years under TSCA, RCRA, CERCLA and comparable state statutes will total approximately \$32 million to \$35 million, measured on an undiscounted basis. This estimate depends upon a number of assumptions concerning the scope of remediation that will be required at certain locations and the cost of remedial measures to be undertaken. Transco is continuing to conduct environmental assessments and is implementing a variety of remedial measures that may result in increases or decreases in the total estimated costs. At December 31, 2001, Transco had a reserve of approximately \$32 million for these estimated costs that has been recorded in miscellaneous current and accrued liabilities (\$5 million) and other deferred credits (\$27 million) in the accompanying Balance Sheet.

Transco considers environmental assessment and remediation costs and costs associated with compliance with environmental standards to be recoverable through rates, since they are prudent costs incurred in the ordinary course of business. To date, Transco has been permitted recovery of environmental costs incurred, and it is Transco's intent to continue seeking recovery of such costs, as incurred, through rate filings. Therefore, these estimated costs of environmental assessment and remediation have been recorded as regulatory assets in other regulatory assets in the accompanying Balance Sheet.

Transco has used lubricating oils containing polychlorinated biphenyls (PCBs) and, although the use of such oils was discontinued in the 1970s, has discovered residual PCB contamination in equipment and soils at certain gas compressor station sites. Transco has worked closely with the EPA and state regulatory authorities regarding PCB issues, and has a program to assess and remediate such conditions where they exist, the costs of which are included in the \$32 million to \$35 million range discussed above.

Transco has been identified as a potentially responsible party (PRP) at various Superfund and state waste disposal sites. Based on present volumetric estimates and other factors, Transco's estimated aggregate exposure for remediation of these sites is less than \$500,000. The estimated remediation costs for all such sites have been included in Transco's environmental reserve discussed above. Liability under CERCLA (and applicable state law) can be joint and several with other PRPs. Although volumetric allocation is a factor in assessing liability, it is not necessarily determinative; thus, the ultimate liability could be substantially greater than the amounts described above.

Transco is also subject to the federal Clean Air Act and to the federal Clean Air Act Amendments of 1990 (1990 Amendments), which added significantly to the existing requirements established by the federal Clean Air Act. The 1990 Amendments required that the EPA issue new regulations, mainly related to stationary sources, air toxics, ozone non-attainment areas and acid rain. During the last few years Transco has been acquiring all necessary permits and installing new emission control devices required for new or modified facilities in areas designated as attainment by EPA and is continuing that process. Transco operates facilities in some areas of the country currently designated as non-attainment and it anticipates that during 2002 the EPA may designate additional new non-attainment areas which might impact Transco's operations. Pursuant to non-attainment area requirements of the 1990 Amendments, and recently proposed EPA rules designed to mitigate the migration of ground-level ozone (NOx) in 22 eastern states, Transco is planning installation of air pollution controls on existing sources at certain facilities in order to reduce NOx emissions. Transco anticipates that additional facilities may be subject to increased controls within five years. For many of these facilities, Transco is developing more cost effective and innovative compressor engine control designs. Due to the developing nature of federal and state emission regulations, it is not possible to precisely determine the ultimate emission control costs. In addition, the Texas Natural Resources Conservation Commission (TNRCC) has issued regulations regarding emissions in the Houston/Galveston and Beaumont/Port Arthur areas of Texas. The emission control additions required to comply with current federal Clean Air Act requirements, the 1990 Amendments, the TNRCC regulations and the individual state implementation plans for NOx reductions are estimated to cost in the range of \$180 million to \$200 million. These costs may be incurred over the next four years and will be recorded as additions to property, plant and equipment as the facilities are added. If the EPA designates additional new non-attainment areas in 2002 which impact Transco's operations, the cost of additions to property, plant and equipment is expected to increase. Transco is unable at this time to estimate with any certainty the cost of additions that may be required to meet new regulations, although it is believed that some of those costs are included in the ranges discussed above.

Additionally, the EPA is expected to promulgate new rules regarding hazardous air pollutants in 2002, which impose controls in addition to the controls described above. Transco at this time cannot predict with any certainty the exact cost associated with the



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installation of those controls. Transco considers costs associated with compliance with the environmental laws and regulations described above to be prudent costs incurred in the ordinary course of business and, therefore, recoverable through its rates.

### Summary

While no assurances may be given, Transco does not believe that the ultimate resolution of the foregoing matters, taken as a whole and after consideration of amounts accrued, recovery from customers, insurance coverage or other indemnification arrangements, will have a materially adverse effect upon Transco's future financial position, results of operations or cash flow requirements.

### Other Commitments

**Commitments for construction** Transco has commitments for construction and acquisition of property, plant and equipment of approximately \$121 million at December 31, 2001 of which the majority relates to construction materials for pipeline expansion projects.

## 4. DEBT, FINANCING ARRANGEMENTS AND LEASES

**Long-term debt** At December 31, 2001 and 2000, long-term debt issues were outstanding as follows (in thousands):

	2001	2000
Debtures:		
7.08% due 2026	\$ 7,500	\$ 200,000
7.25% due 2026	200,000	200,000
Total debtures	207,500	400,000
Advances from associated companies	11	11
Notes:		
8-7/8% due 2002	125,000	125,000
Variable rate due 2002	150,000	150,000
6-1/8% due 2005	200,000	200,000
6-1/4% due 2008	100,000	100,000
7% due 2011	300,000	-
Total notes	875,000	575,000
Total long-term debt issues	1,082,511	975,011
Less: Unamortized debt premium	2,183	1,868
Current maturities	282,323	200,000
Total long-term debt, less current maturities	\$ 798,005	\$ 773,143



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Sinking fund or prepayment requirements applicable to long-term debt outstanding at December 31, 2001 are as follows (in thousands):

2002:

7.08% Debentures	\$ 7,500
8-7/8% Note	125,000
Variable rate Note	150,000
Total	<u>\$ 282,500</u>

2005:

6-1/8% Note	<u>\$ 200,000</u>
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There are no sinking fund requirements applicable to long-term debt outstanding for the years 2003, 2004 and 2006.

No property is pledged as collateral under any of the long-term debt issues.

Williams and certain of its subsidiaries, including Transco, are parties to a \$700 million credit agreement (Credit Agreement), under which Transco can borrow up to \$400 million if the funds available under the Credit Agreement have not been borrowed by Williams or other subsidiaries. Interest rates vary with current market conditions based on the base rate of Citibank N.A., three-month certificates of deposit of major United States money market banks, federal funds rate or the London Interbank Offered Rate. The Credit Agreement contains restrictions which limit, under certain circumstances, the issuance of additional debt, the attachment of liens on any assets and any change of ownership of Transco. As of December 31, 2001, Transco had no outstanding borrowings under this agreement.

In August 2001, Transco issued \$300 million of Series A notes (7.00% Notes), which pay interest at 7.00% per annum on February 15 and August 15 of each year, beginning February 15, 2002. The 7.00% Notes mature on August 15, 2011, but are subject to redemption at anytime, at Transco's option, in whole or part, at a specified redemption price, plus accrued and unpaid interest to the date of redemption. In January 2002, Transco completed the exchange of all the Series A notes for an equal amount of Series B notes. Transco did not receive any cash proceeds from this exchange. The terms of the Series B notes are substantially identical to those of the Series A notes, except that the transfer restrictions and registration rights relating to the Series A notes do not apply to the Series B notes. The net proceeds of the sale of the notes are being used to fund capital expenditures and for general corporate purposes.

The \$200 million of current maturities of long-term debt at December 31, 2000 consisted of 7.08% Debentures that were to mature on July 15, 2026, but were subject to redemption, at anytime after July 15, 2001, at Transco's option, in whole or part, at a specified redemption price, plus accrued and unpaid interest to the date of redemption. Additionally, the holder of each 7.08% Debenture could have elected between May 15, 2001 and June 15, 2001 to have such 7.08% Debenture repaid on July 15, 2001 at 100% of the principal amount. Holders of \$192.5 million of the 7.08% Debentures elected to receive repayment on July 15, 2001. Transco intends to exercise its option to redeem the remaining \$7.5 million of the 7.08% Debentures within the next twelve months. In July 2001, WGP repaid advances to Transco to provide interim funding for the repayment.

**Restrictive covenants** At December 31, 2001, none of Transco's debt instruments restrict the amount of dividends distributable.

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**Lease obligations** Prior to December 23, 1998, Transco had a 20-year lease agreement for its headquarters building (Williams Tower) which expires in 2004 (Williams Tower lease). On December 23, 1998, Transco assigned and transferred to Laughton, L.L.C., (Laughton), an affiliate of Transco, all its right, title and interest in the Williams Tower lease and entered into an agreement to sublease the premises from Laughton through March 29, 2003 (Williams Tower sublease). All other terms of the Williams Tower lease are incorporated into the Williams Tower sublease, including sublease agreements between Transco and other parties that also expire in 2004.

The future minimum lease payments under Transco's various operating leases, including the Williams Tower sublease, net of future minimum sublease receipts under Transco's existing sublease agreements through March 29, 2003, are as follows (in thousands):

	Operating Leases		
	Building Sublease	Other Leases	Total
2002	\$ 21,461	\$ 3,088	\$ 24,549
2003	5,363	2,606	7,969
2004	-	2,509	2,509
2005	-	2,509	2,509
2006	-	2,045	2,045
Thereafter	-	325	325
Total net minimum obligations	\$ 26,824	\$ 13,082	\$ 39,906

Transco's lease expense was \$15.2 million in 2001 and \$18.1 million in 2000.

## 5. EMPLOYEE BENEFIT PLANS

**Pension plan** Transco participates in a non-contributory defined-benefit pension plan with Williams and its subsidiaries that provides pension benefits for retired employees of Transco. Cash contributions related to Transco's participation in the plan totaled \$13.1 million in 2001 and \$7.2 million in 2000.

**Postretirement benefits other than pensions** Transco participates in a plan with Williams and its subsidiaries that provides certain health care and life insurance benefits for retired employees of Transco that were hired prior to January 1, 1996. The accounting for the plan anticipates future cost-sharing changes to the written plan that are consistent with Williams' expressed intent to increase the retiree contribution rate annually, generally in line with health care cost increases. Cash contributions totaled \$10.4 million in 2001 and \$10.3 million in 2000. Transco recovers the actuarially determined cost of postretirement benefits through rates that are set through periodic general rate filings. Any differences between the annual actuarially determined cost and amounts currently being recovered in rates are collected or refunded through future rate adjustments.

**Defined-contribution plan** Transco employees participate in a Williams defined-contribution plan. Compensation expense of \$5.8 million and \$4.6 million was recognized by Transco in 2001 and 2000, respectively.

**Employee stock-based awards** Williams has several plans providing for common stock-based awards to its employees and employees of its subsidiaries. The plans permit the granting of various types of awards including, but not limited to, stock options,

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stock appreciation rights, restricted stock and deferred stock. Awards may be granted for no consideration other than prior and future services or based on certain financial performance targets being achieved. The purchase price per share for stock options may not be less than the market price of the underlying stock on the date of grant. Stock options generally become exercisable after five years, subject to accelerated vesting if certain future stock prices are achieved. Stock options expire ten years after grant.

SFAS No. 123, "Accounting for Stock-Based Compensation," requires that companies who continue to apply APBO No. 25 disclose pro forma net income assuming that the fair-value method in SFAS No. 123 had been applied in measuring compensation cost. Pro forma net income for Transco beginning with 1997 employee stock-based awards, was \$153.3 million and \$209.9 million for 2001 and 2000, respectively. Reported net income was \$154.5 million and \$213.4 million for 2001 and 2000, respectively. Pro forma amounts for 2001 include compensation expense from certain awards made in 1999 and compensation expense from awards made in 2001. Pro forma amounts for 2000 include compensation expense from certain awards made in 1999 and the total compensation expense from awards made in 2000, as these awards fully vested in 2000 as a result of the accelerated vesting provisions. Since compensation expense from stock options is recognized over the future years' vesting period, and additional awards generally are made each year, pro forma amounts may not be representative of future years' amounts.

The following table provides Transco employees' stock option activity related to Williams common stock for 2001 and 2000 (options in thousands):

	2001		2000	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding - beginning of year	2,514	\$ 26.76	2,301	\$ 23.38
Granted	465	37.92	353	45.87
Exercised	(142)	17.03	(214)	20.37
Forfeited/expired	(64)	37.41	(13)	44.00
Employee transfers, net	91	-	87	-
Adjustment for WCG spinoff (1)	262	-	-	-
Outstanding - end of year	3,126	\$ 26.32	2,514	\$ 26.76
Exercisable at year end	2,539	\$ 24.34	2,389	\$ 26.20

(1) Effective with the spinoff of Williams Communications Group on April 23, 2001, by Williams, the number of unexercised Williams stock options and the exercise price were adjusted to preserve the intrinsic value of the stock options that existed prior to the spinoff.

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The following summary provides information about Williams stock options that are outstanding and exercisable by Transco employees at December 31, 2001 (options in thousands):

Range of Exercise Prices	Stock Options Outstanding			Stock Options Exercisable	
	Options	Weighted Average Exercises Price	Weighted Average Remaining Contractual Life (years)	Options	Weighted Average Exercise Price
\$3.33 to \$25.13	1,523	\$ 16.19	4.6	1,523	\$ 16.19
\$26.79 to \$45.33	1,603	\$ 35.94	8.0	1,016	\$ 36.56
Total	3,126	\$ 26.32	6.3	2,539	\$ 24.34

The weighted average fair value at the date of grant of options for Williams common stock granted during 2001 and 2000 was \$10.93 and \$15.44, respectively. The fair value of the stock options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted average assumptions: expected life of the stock options of approximately five years; volatility of the expected market price of Williams common stock of 35 percent in 2001 and 31 percent in 2000; risk-free interest rate of 4.8 percent in 2001 and 6.5 percent in 2000; and a dividend yield of 1.9 percent in 2001 and 1.5 percent in 2000.

## 6. INCOME TAXES

Following is a summary of the provision for income taxes for 2001 and 2000 (in thousands):

	2001	2000
Federal:		
Current	\$ 45,370	\$ 81,239
Deferred	36,205	28,806
	<u>81,575</u>	<u>110,045</u>
State and municipal:		
Current	5,643	11,639
Deferred	4,693	3,735
	<u>10,336</u>	<u>15,374</u>
Provision for income taxes	<u>\$ 91,911</u>	<u>\$ 125,419</u>

Following is a reconciliation of the provision for income taxes at the federal statutory rate to the provision for income taxes (in thousands):

	2001	2000
Taxes computed by applying the federal statutory rate	\$ 86,237	\$ 118,585
Reclassification of state liability	-	-
State and municipal income taxes	6,720	9,993
Other, net	<u>(1,046)</u>	<u>(3,159)</u>
Provision for income taxes	<u>\$ 91,911</u>	<u>\$ 125,419</u>

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Significant components of deferred income tax assets and liabilities as of December 31, 2001 and 2000 are as follows (in thousands):

	2001	2000
<u>Deferred tax liabilities</u>		
Property, plant and equipment	\$ 460,744	\$ 403,873
Deferred charges	29,700	27,080
Other	1,794	1,991
Total deferred tax liabilities	492,238	432,944
<u>Deferred tax assets</u>		
Estimated rate refund liability	23,793	12,475
Accrued payroll and benefits	6,390	7,944
Other accrued liabilities	18,356	5,031
Deferred state income taxes – noncurrent liabilities	16,189	14,560
Other noncurrent liabilities	11,946	21,412
Other	12,530	9,043
Total deferred tax assets	89,204	70,465
Net deferred tax liabilities	\$ 403,034	\$ 362,479

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## 7. FINANCIAL INSTRUMENTS

### Fair values

The carrying amount and estimated fair values of Transco's financial instruments as of December 31, 2001 and 2000 are as follows (in thousands):

	Carrying Amount		Fair Value	
	2001	2000	2001	2000
Financial assets:				
Cash and short-term financial assets	\$ 361,493	\$ 440,068	\$ 361,493	\$ 440,068
Long-term financial assets	20,679	20,679	20,679	20,679
Financial liabilities:				
Long-term debt	1,080,317	973,132	1,081,740	959,007

For cash and short-term financial assets (advances to affiliates and receivable from a special purpose entity), at variable interest rates, the carrying amount is a reasonable estimate of fair value due to the short maturity of those instruments. For long-term financial assets (advances to affiliates), the carrying amount is a reasonable estimate of fair value because the interest rate is a variable rate.

For Transco's publicly traded long-term debt, estimated fair value is based on quoted market prices at year-end. For Transco's private debt, which are all at variable interest rates, estimated fair value is equivalent to the carrying amount.

**Credit and market risk** Transco, through a wholly-owned bankruptcy remote subsidiary, sells certain trade accounts receivable to a Special Purpose Entity (SPE) in a securitization structure requiring annual renewal. Transco acts as the servicing agent for sold receivables and receives a servicing fee approximating the fair value of such services. At December 31, 2001, approximately \$96 million of accounts receivable that would otherwise be Transco's receivables were sold to the SPE in exchange for \$64 million in cash and a \$32 million subordinated retained interest in the accounts receivable sold to the SPE. In 2000, Transco sold accounts receivable to the special purpose entity under a similar structure. For 2001 and 2000, Transco received cash from the SPE of approximately \$1,661 million and \$1,820 million, respectively. The sales of these receivables resulted in a charge to results of operations of approximately \$5 million and \$9 million in 2001 and 2000, respectively. The retained interest in accounts receivable sold to the SPE is subject to credit risk to the extent that these receivables are not collected.

As of December 31, 2001 and 2000, Transco had trade receivables of \$16 million and \$17 million, respectively. Transco's credit risk exposure in the event of nonperformance by the other parties is limited to the face value of the receivables. No collateral is required on these receivables. Transco has not historically experienced significant credit losses in connection with its trade receivables.

## 8. TRANSACTIONS WITH MAJOR CUSTOMERS AND AFFILIATES

**Major customers** Operating revenues received from WEM&T, an affiliate, Public Service Electric and Gas Company and Consolidated Edison Company of New York, Inc., the three major customers of Transco, were \$170.0 million, \$133.8 million and \$101.4 million in 2001 and \$101.9 million, \$172.3 million and \$174.4 million in 2000, respectively.

**Affiliates** Included in Transco's operating revenues for 2001 and 2000 are revenues received from affiliates of \$170.6 million and \$113.0 million, respectively. The rates charged to provide sales and services to affiliates are the same as those that are charged to similarly-situated nonaffiliated customers.

Through an agency agreement with Transco, WEM&T manages Transco's jurisdictional merchant gas sales. For the years

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ended December 31, 2001 and 2000, included in Transco's cost of sales is \$27.2 million and \$19.0 million, respectively, representing agency fees billed to Transco by WEM&T under the agency agreement.

Included in Transco's cost of sales for 2001 and 2000 is purchased gas cost from affiliates of \$427.5 million and \$735.0 million, respectively. All gas purchases are made at market or contract prices.

Transco has long-term gas purchase contracts containing either fixed prices or variable prices that are at a significant premium to the estimated market price. However, due to contract expirations and estimated deliverability declines, Transco's estimated purchase commitments under such gas purchase contracts are not material to Transco's total gas purchases. Furthermore, through the agency agreement with Transco, WEM&T has assumed management of Transco's merchant sales service and, as Transco's agent, is at risk for any above-spot-market gas costs that it may incur.

Also included in Transco's cost of transportation is transportation expense of \$4.8 million in 2001 and \$4.2 million in 2000 applicable to the transportation of gas by Texas Gas Transmission Corporation (Texas Gas), an affiliate of Transco. Texas Gas is regulated by the FERC and its transportation rates charged to Transco are approved by the FERC.

Williams has a policy of charging subsidiary companies for management services provided by the parent company and other affiliated companies. Included in Transco's administrative and general expenses for 2001 and 2000, were \$32.7 million and \$21.6 million, respectively, for such corporate expenses charged by Williams and other affiliated companies. Management considers the cost of these services to be reasonable.

Transco has an operating agreement with Williams Field Services (WFS) whereby WFS, as Transco's agent, assumed operational control of Transco's gas gathering facilities. Included in Transco's operation and maintenance expenses for 2001 and 2000, are \$37.2 million and \$28.6 million, respectively, charged by WFS to operate Transco's gas gathering facilities.

In December 1999, Transco assigned its 100% equity interest in the Buccaneer Gas Pipeline Company, L.L.C. (Buccaneer) to WGP. Transco billed WGP \$0.8 million in 2000 for costs incurred on behalf of Buccaneer.

#### 9. STATEMENT OF CASH FLOWS

	2001	2000
Account 131 Cash	\$ 5,379,197	\$ 2,352,840
Account 135 Working Funds	8,965	8,965
Cash and cash equivalents at end of year	\$ 5,388,162	\$ 2,361,805

For the years ended December 31, 2001 and 2000, Transco paid \$60,903,421 and \$78,996,165 respectively, for interest (net of amount capitalized) and \$103,233,378 and \$71,546,204, respectively, for income taxes

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Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion					
Line No.	Item (a)	Total (b)			
1	UTILITY PLANT				
2	In Service				
3	Plant in Service (Classified)	5,313,211,950			
4	Property Under Capital Leases				
5	Plant Purchased or Sold				
6	Completed Construction not Classified	316,522,473			
7	Experimental Plant Unclassified				
8	TOTAL Utility Plant (Total of lines 3 thru 7)	5,629,734,423			
9	Leased to Others	123,767			
10	Held for Future Use	9,672,204			
11	Construction Work in Progress	331,493,511			
12	Acquisition Adjustments	926,652			
13	TOTAL Utility Plant (Total of lines 8 thru 12)	5,971,950,557			
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	3,194,635,712			
15	Net Utility Plant (Total of lines 13 and 14)	2,777,314,845			
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
17	In Service:				
18	Depreciation	3,129,657,125			
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights				
20	Amortization of Underground Storage Land and Land Rights				
21	Amortization of Other Utility Plant	60,956,852			
22	TOTAL In Service (Total of lines 18 thru 21)	3,190,613,977			
23	Leased to Others				
24	Depreciation	130,766			
25	Amortization and Depletion				
26	TOTAL Leased to Others (Total of lines 24 and 25)	130,766			
27	Held for Future Use				
28	Depreciation	2,964,317			
29	Amortization				
30	TOTAL Held for Future Use (Total of lines 28 and 29)	2,964,317			
31	Abandonment of Leases (Natural Gas)				
32	Amortization of Plant Acquisition Adjustment	926,652			
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	3,194,635,712			



Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion (continued)

Line No.	Electric (c)	Gas (d)	Other (specify) (e)	Common (f)
1				
2				
3		5,313,211,950		
4				
5				
6		316,522,473		
7				
8		5,629,734,423		
9		123,767		
10		9,672,204		
11		331,493,511		
12		926,652		
13		5,971,950,557		
14		3,194,635,712		
15		2,777,314,845		
16				
17				
18		3,129,657,125		
19				
20				
21		60,956,852		
22		3,190,613,977		
23				
24		130,766		
25				
26		130,766		
27				
28		2,964,317		
29				
30		2,964,317		
31				
32		926,652		
33		3,194,635,712		

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**Gas Plant in Service (Accounts 101, 102, 103, and 106)**

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and Account 106, Completed Construction Not Classified-Gas.
3. Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.
4. Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d).

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	INTANGIBLE PLANT		
2	301 Organization	2,387	
3	302 Franchises and Consents	26,159,084	
4	303 Miscellaneous Intangible Plant	6,405,224	
5	TOTAL Intangible Plant (Enter Total of lines 2 thru 4)	32,566,695	
6	PRODUCTION PLANT		
7	Natural Gas Production and Gathering Plant		
8	325.1 Producing Lands		
9	325.2 Producing Leaseholds		
10	325.3 Gas Rights		
11	325.4 Rights-of-Way	78,793	
12	325.5 Other Land and Land Rights	108,948	
13	326 Gas Well Structures		
14	327 Field Compressor Station Structures		
15	328 Field Measuring and Regulating Station Equipment	32,206	
16	329 Other Structures		
17	330 Producing Gas Wells-Well Construction		
18	331 Producing Gas Wells-Well Equipment		
19	332 Field Lines	19,820,606	1,010
20	333 Field Compressor Station Equipment	632,802	
21	334 Field Measuring and Regulating Station Equipment	2,887,670	2,675,541
22	335 Drilling and Cleaning Equipment		
23	336 Purification Equipment	2,931,720	19,774
24	337 Other Equipment		
25	338 Unsuccessful Exploration and Development Costs		
26	TOTAL Production and Gathering Plant (Enter Total of lines 8 thru 33)	26,492,745	2,696,325
27	PRODUCTS EXTRACTION PLANT		
28	340 Land and Land Rights		
29	341 Structures and Improvements		
30	342 Extraction and Refining Equipment		
31	343 Pipe Lines		
32	344 Extracted Products Storage Equipment		
33	345 Compressor Equipment		

Transcontinental Gas Pipe Line Corporation

**Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)**

including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1				
2				2,387
3				26,159,084
4				6,405,224
5				32,566,695
6				
7				
8				
9				
10				
11				78,793
12				108,948
13				
14				
15				32,206
16				
17				
18				
19				19,821,616
20				632,802
21	25,014		2,405	5,540,602
22				
23				2,951,494
24				
25				
26	25,014		2,405	29,166,461
27				
28				
29				
30				
31				
32				
33				

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Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)					
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)		
34	346 Gas Measuring and Regulating Equipment				
35	347 Other Equipment				
36	TOTAL Products Extraction Plant (Enter Total of lines 28 thru 35)				
37	TOTAL Natural Gas Production Plant (Enter Total of lines 26 and	26,492,745	2,696,325		
38	Manufactured Gas Production Plant (Submit Supplementary Statement)				
39	TOTAL Production Plant (Enter Total of lines 37 and 38)	26,492,745	2,696,325		
40	NATURAL GAS STORAGE AND PROCESSING PLANT				
41	Underground Storage Plant				
42	350.1 Land	1,306,125			
43	350.2 Rights-of-Way	150,763			
44	351 Structures and Improvements	9,905,259	442,817		
45	352 Wells	65,719,667	2,343,772		
46	352.1 Storage Leaseholds and Rights	9,022,112			
47	352.2 Reservoirs	53,484,809	1,721,213		
48	352.3 Non-recoverable Natural Gas	4,028,874			
49	353 Lines	17,252,824	( 248,448)		
50	354 Compressor Station Equipment	82,867,948	664,851		
51	355 Other Equipment	1,148,851	( 69,613)		
52	356 Purification Equipment	15,753,419			
53	357 Other Equipment	1,005,696			
54	TOTAL Underground Storage Plant (Enter Total of lines 42 thru	261,646,347	4,854,592		
55	Other Storage Plant				
56	360 Land and Land Rights	1,698,432			
57	361 Structures and Improvements	7,689,728	36,092		
58	362 Gas Holders	9,961,399	315,414		
59	363 Purification Equipment	3,929,381			
60	363.1 Liquefaction Equipment	1,824,961	16,845		
61	363.2 Vaporizing Equipment	1,801,417			
62	363.3 Compressor Equipment	28,366,115	212,481		
63	363.4 Measuring and Regulating Equipment	131,240			
64	363.5 Other Equipment	417,867			
65	TOTAL Other Storage Plant (Enter Total of lines 56 thru 64)	55,820,540	580,832		
66	Base Load Liquefied Natural Gas Terminating and Processing Plant				
67	364.1 Land and Land Rights				
68	364.2 Structures and Improvements				
69	364.3 LNG Processing Terminal Equipment				
70	364.4 LNG Transportation Equipment				
71	364.5 Measuring and Regulating Equipment				
72	364.6 Compressor Station Equipment				
73	364.7 Communications Equipment				
74	364.8 Other Equipment				
75	TOTAL Base Load Liquefied Nat'l Gas, Terminating and Processing				
76	TOTAL Nat'l Gas Storage and Processing Plant (Total of lines 54, 65	317,466,887	5,435,424		
77	TRANSMISSION PLAN				
78	365.1 Land and Land Rights	29,721,996	42,520		
79	365.2 Rights-of-Way	50,953,138	2,638,021		
80	366 Structures and Improvements	144,791,150	( 1,334,360)		

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Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)					
Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	
34					
35					
36					
37	25,014		2,405	29,166,461	
38					
39	25,014		2,405	29,166,461	
40					
41					
42				1,306,125	
43				150,763	
44	2,468			10,345,608	
45				68,063,439	
46				9,022,112	
47				55,206,022	
48				4,028,874	
49	270,981			16,733,395	
50	109,272			83,423,527	
51	23,154			1,056,084	
52				15,753,419	
53				1,005,696	
54	405,875			266,095,064	
55					
56				1,698,432	
57	4,172			7,721,648	
58				10,276,813	
59				3,929,381	
60	84,734			1,757,072	
61				1,801,417	
62	83,660			28,494,936	
63				131,240	
64				417,867	
65	172,566			56,228,806	
66					
67					
68					
69					
70					
71					
72					
73					
74					
75					
76	578,441			322,323,870	
77					
78	11,145			29,753,371	
79	3,345			53,587,814	
80	125,588			143,331,202	

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Transcontinental Gas Pipe Line Corporation

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Account	Balance at Beginning of Year	Additions
	(a)	(b)	(c)
81	367 Mains	3,393,454,611	162,344,338
82	368 Compressor Station Equipment	928,922,545	153,975,737
83	369 Measuring and Regulating Station Equipment	77,848,533	6,133,433
84	370 Communication Equipment		
85	371 Other Equipment	78,640,793	1,541,891
86	TOTAL Transmission Plant (Enter Totals of lines 78 thru 85)	4,704,332,766	325,341,580
87	DISTRIBUTION PLANT		
88	374 Land and Land Rights		
89	375 Structures and Improvements		
90	376 Mains		
91	377 Compressor Station Equipment		
92	378 Measuring and Regulating Station Equipment-General		
93	379 Measuring and Regulating Station Equipment-City Gate		
94	380 Services		
95	381 Meters		
96	382 Meter Installations		
97	383 House Regulators		
98	384 House Regulator Installations		
99	385 Industrial Measuring and Regulating Station Equipment		
100	386 Other Property on Customers' Premises		
101	387 Other Equipment		
102	TOTAL Distribution Plant (Enter Total of lines 88 thru 101)		
103	GENERAL PLANT		
104	389 Land and Land Rights	191,646	
105	390 Structures and Improvements	58,732,611	1,984,877
106	391 Office Furniture and Equipment	101,968,245	26,842,451
107	392 Transportation Equipment	38,371,373	716,285
108	393 Stores Equipment	47,703	13,265
109	394 Tools, Shop, and Garage Equipment	7,697,342	702,649
110	395 Laboratory Equipment	360,961	3,407
111	396 Power Operated Equipment	5,249,583	363,540
112	397 Communication Equipment	12,663,385	4,472,138
113	398 Miscellaneous Equipment	579,394	105,879
114	Subtotal (Enter Total of lines 104 thru 113)	225,862,243	35,204,491
115	399 Other Tangible Property		
116	TOTAL General Plant (Enter Total of lines 114 and 115)	225,862,243	35,204,491
117	TOTAL (Accounts 101 and 106)	5,306,721,336	368,677,820
118	Gas Plant Purchased (See Instruction 8)		
119	(Less) Gas Plant Sold (See Instruction 8)		
120	Experimental Gas Plant Unclassified		
121	TOTAL Gas Plant In Service (Enter Total of lines 117 thru 120)	5,306,721,336	368,677,820

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Transcontinental Gas Pipe Line Corporation

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
81	25,946,766			3,529,852,183
82	8,824,059			1,074,074,223
83	2,406,184		( 2,405)	81,573,377
84				
85	155,514			80,027,170
86	37,472,601		( 2,405)	4,992,199,340
87				
88				
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102				
103				
104	2,013			189,633
105	30,876			60,686,612
106	3,489,847			125,320,849
107	2,129,072			36,958,586
108	3,918			57,050
109	697,479			7,702,512
110	41,672			322,696
111	851,413			4,761,710
112	336,723			16,798,800
113	5,664			679,609
114	7,588,677			253,478,057
115				
116	7,588,677			253,478,057
117	45,664,733			5,629,734,423
118				
119				
120				
121	45,664,733			5,629,734,423

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Gas Property and Capacity Leased to Others					
1. For all leases in which the average lease income over the initial term of the lease exceeds \$500,000 provide in column (c), a description of each facility or leased capacity that is classified as gas plant in service, and is leased to others for gas operations. 2. In column (d) provide the lease payments received from others. 3. Designate associated companies with an asterisk in column (b).					
Line No.	Name of Lessor (a)	*	Description of Lease (c)	Lease Payments for Current Year (d)	
1	ATLANTIC RICHFIELD COMPANY		4,530 FEET OF 2-1/2 FIELD GATHERING		
2			LINE PLUS 1,762 FT. OF WELL LINE IN		
3			LIVE OAK COUNTY, TX		
4					
5	UNION OIL COMPANY OF CALIFORNIA		265 HORSEPOWER COMPRESSOR STATION	1,100	
6			AND 10 MMCFD DEHYDRATION UNIT.		
7			GUEYDAN FIELD, VERMILLION PARISH,		
8			LOUISIANA		
9					
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44					
45	Total			1,100	



**Gas Plant Held for Future Use (Account 105)**

- Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.
- For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	FEE LAND, 1,186.97 ACRES IN	10/01/1992		5,477,690
2	MADISON, ALABAMA			
3				
4	LATERAL, 20.6 MILES OF 16	10/01/1985		1,336,494
5	MECOM-SAN JACINTO LATERAL,			
6	CAMERON PARISH, LOUISIANA			
7				
8	OTHER FACILITIES (22 ITEMS)			2,659,021
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44				
45	Total			9,672,204

Transcontinental Gas Pipe Line Corporation

**Construction Work in Progress-Gas (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	SUNDANCE	103,071,229	25,127,081
2	MARKETLINK	71,357,630	286,799,171
3	SOFTWARE DEVELOPMENT	88,549,326	57,115,210
4	AUTOMATION & COMMUNICATION SYSTEMS	6,184,783	4,959,754
5	CLEANAIR	22,442,067	167,050,963
6	MOMENTUM	8,020,279	215,676,751
7	STORAGE	1,516,575	1,541,879
8	SMARTPIG	8,985,930	31,601,003
9	OTHER CONSTRUCTION	21,365,692	69,583,513
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11			
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44			
45	Total	331,493,511	859,455,325

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
<b>General Description of Construction Overhead Procedure</b>			

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

## **I. CONSTRUCTION OVERHEADS**

### **A. ENGINEERING SUPERVISION**

#### **(a) NATURE OF OVERHEAD -**

1. GENERAL OFFICE ENGINEERING AND SUPERVISION SALARIES AND EXPENSES DIRECTLY INCIDENT TO SPECIFIC CONSTRUCTION JOBS.
2. PORTION OF SALARIES OF CERTAIN GENERAL OFFICE PERSONNEL ENGAGED IN PREPARATION OF CONSTRUCTION WORK ORDER ESTIMATES, PROGRESS STUDIES AND CONSTRUCTION COST ACCOUNTING.

#### **(b) PROCEDURE FOR DETERMINING AMOUNT CAPITALIZED -**

1. CHARGED DIRECTLY TO SPECIFIC CONSTRUCTION PROJECTS FROM THE TIME SHEETS, EXPENSE REPORTS, INVOICES AND OTHER SOURCE DOCUMENTS.
2. CHARGED DIRECTLY TO CONSTRUCTION OVERHEAD CLEARING WORK ORDER ON BASIS OF TIME SHEETS FOR SUBSEQUENT ALLOCATION TO SPECIFIC CONSTRUCTION PROJECTS.

#### **(c) METHOD OF DISTRIBUTION TO CONSTRUCTION JOBS -**

1. CHARGED DIRECTLY TO APPLICABLE CONSTRUCTION WORK ORDERS.
2. ALLOCATED TO INCOMPLETE CONSTRUCTION WORK ORDERS ON THE BASIS OF DIRECT CONSTRUCTION COSTS INCURRED AFTER EXCLUDING WORK ORDERS FOR LEASEHOLDS, OFFICE FURNITURE AND EQUIPMENT, DEVELOPED SOFTWARE, TRANSPORTATION EQUIPMENT, TOOLS AND WORK EQUIPMENT AND OTHER MISCELLANEOUS EQUIPMENT.

#### **(d) DIFFERENT RATES APPLIED -**

1. SAME RATE IS APPLIED TO ALL CONSTRUCTION
2. SAME RATE IS APPLIED TO ALL CONSTRUCTION

#### **(e) BASIS OF DIFFERENTIATION**

1. N/A
2. N/A

#### **(f) OVERHEADS DIRECTLY OR INDIRECTLY APPLIED**

1. DIRECTLY
2. INDIRECTLY

## **B. ADMINISTRATIVE AND GENERAL EXPENSES TRANSFERRED**

### **(a) NATURE OF OVERHEAD -**

1. PORTION OF THE TOTAL COST OF ALL A&G DEPARTMENTS (ACCOUNTS 920, 921 AND 931).
2. PORTION OF THE TOTAL COST OF THE PURCHASING DEPARTMENT (ACCOUNTS 920, 921, AND 931).

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General Description of Construction Overhead Procedure			

3. PORTION OF CERTAIN FRINGE BENEFITS COSTS (HOLIDAY COST, VACATION COSTS, RETIREMENT PLAN, INVESTMENT PLUS PLAN, ALL EMPLOYEE INCENTIVE PLAN & GROUP INSURANCE). (ACCOUNTS 920 & 926)

**(b) PROCEDURE FOR DETERMINING AMOUNT CAPITALIZED -**

1. PERCENTAGE OF THE LABOR COST CHARGED TO CONSTRUCTION TO THE TOTAL LABOR COST EXCLUDING A&G DEPARTMENTS, APPLIED TO THE TOTAL COST OF A&G DEPARTMENTS.
2. PERCENTAGE OF PURCHASE ORDERS ISSUED FOR CONSTRUCTION MATERIALS TO TOTAL PURCHASE ORDERS ISSUED.
3. FROM STUDIES MADE OF THE PREVIOUS YEAR'S COST, A PRECENTAGE OF EACH TYPE OF FRINGE BENEFIT COST TO DIRECT LABOR COST HAS BEEN DEVELOPED. THESE DEVELOPED PERCENTAGES ARE APPLIED MONTHLY TO THE ACTUAL CONSTRUCTION LABOR INCURRED AND THE RESULTANT AMOUNTS ARE CHARGED DIRECTLY TO SPECIFIC CONSTRUCTION JOBS.

**(c) METHOD OF DISTRIBUTION TO CONSTRUCTION JOBS -**

1. ALLOCATED TO INCOMPLETE CONSTRUCTION WORK ORDERS ON THE BASIS OF DIRECT CONSTRUCTION COSTS INCURRED AFTER EXCLUDING WORK ORDERS FOR LEASEHOLDS, OFFICE FURNITURE AND EQUIPMENT, TRANSPORTATION EQUIPMENT, TOOLS AND WORK EQUIPMENT, DEVELOPED SOFTWARE AND OTHER MISCELLANEOUS EQUIPMENT.
2. ALLOCATED TO INCOMPLETE CONSTRUCTION WORK ORDERS ON THE BASIS OF DIRECT CONSTRUCTION COSTS INCURRED AFTER EXCLUDING WORK ORDERS FOR LEASEHOLDS, OFFICE FURNITURE AND EQUIPMENT, TRANSPORTATION EQUIPMENT, TOOLS AND WORK EQUIPMENT, DEVELOPED SOFTWARE AND OTHER MISCELLANEOUS EQUIPMENT.
3. CHARGED DIRECTLY TO APPLICABLE CONSTRUCTION WORK ORDERS.

**(d) DIFFERENT RATES APPLIED -**

1. SAME RATE IS APPLIED TO ALL CONSTRUCTION.
2. SAME RATE IS APPLIED TO ALL CONSTRUCTION.
3. SAME RATE IS APPLIED TO ALL CONSTRUCTION.

**(e) BASIS OF DIFFERENTIATION**

1. N/A
2. N/A
3. N/A

**(f) OVERHEADS DIRECTLY OR INDIRECTLY APPLIED**

1. INDIRECTLY APPLIED
2. INDIRECTLY APPLIED
3. DIRECTLY APPLIED

**II. ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION CAPITALIZED ON PROJECTS IN THE PROCESS OF CONSTRUCTION.**

1. ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION IS COMPUTED ON ALL CLASSES OF PROPERTY FOR PROJECTS WHERE THE CONSTRUCTION PERIOD IS 30 DAYS OR MORE.
2. THE MEAN OF THE CURRENT MONTHLY EXPENDITURES ADDED TO THE BALANCE OF THE PREVIOUS

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General Description of Construction Overhead Procedure			

MONTH (EXCLUDING CONTRACT RETAINAGE AND THE ALLOWANCE EXCEPT FOR THE SEMI-ANNUAL COMPOUNDING OF THE ALLOWANCE ALLOWED BY THE COMMISSION) COMPRISE THE BASE FOR THE COMPUTATION OF THE ALLOWANCE AT RATE OF 10.36% PER ANNUM FOR ALL PROJECTS.

3. THE COMPUTATION PERIOD IS FROM THE DATE COSTS ARE FIRST INCURRED UNTIL THE FACILITIES ARE PLACED IN SERVICE.
4. THE RATE OF 10.36% RESULTS FROM THE USE OF THE FORMULA IN DOCKET RM75-27, ORDER NO. 561 APPROVED ON FEBRUARY 2, 1977.
5. THE AFUDC RATE FOR BORROWED FUNDS AFTER COMPOUNDING IS 2.61% AND FOR OTHER FUNDS AFTER COMPOUNDING IS 7.91%.

General Description of Construction Overhead Procedure (continued)

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

For line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ratio (percent) (c)	Cost Rate Percentage (d)
(1)	Average Short-Term Debt	S		
(2)	Short-Term Interest			s
(3)	Long-Term Debt	D 975,000,000	34.40	d 6.94
(4)	Preferred Stock	P		p
(5)	Common Equity	C 1,632,218,914	62.60	c 12.40
(6)	Total Capitalization	2,607,218,914	100.00	
(7)	Average Construction Work In Progress Balance	W 474,435,906		

2. Gross Rate for Borrowed Funds  $s(S/W) + d[(D/(D+P+C)) (1-(S/W))]$  2.60

3. Rate for Other Funds  $\{1-(S/W)\} [p(P/(D+P+C)) + c(C/(D+P+C))]$  7.76

4. Weighted Average Rate Actually Used for the Year:

a. Rate for Borrowed Funds - 2.61  
 b. Rate for Other Funds - 7.91

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Transcontinental Gas Pipe Line Corporation					
Accumulated Provision for Depreciation of Gas Utility Plant (Account 108)					
<p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, line 10, column (c), and that reported for gas plant in service, page 204-209, column (d), excluding retirements of nondepreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p> <p>5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g., 7.01, 7.02,</p>					
Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
Section A. BALANCES AND CHANGES DURING YEAR					
1	Balance Beginning of Year	3,035,274,052	3,032,178,969	2,964,317	130,766
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	134,045,754	134,045,754		
4	(413) Expense of Gas Plant Leased to Others				
5	Transportation Expenses - Clearing	1,915,211	1,915,211		
6	Other Clearing Accounts	1,489,407	1,489,407		
7	Other Clearing (Specify):				
7.01					
7.02					
7.03					
7.04					
7.05					
8	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 7.?)	137,450,372	137,450,372		
9	Net Charges for Plant Retired:				
10	Book Cost of Plant Retired	( 45,664,733)	( 45,664,733)		
11	Cost of Removal	( 15,798,575)	( 15,798,575)		
12	Salvage (Credit)	( 17,099,419)	( 17,099,419)		
13	TOTAL Net Chrgs for Plant Ret. (Total of lines 10 thru 12) 13)	( 44,363,889)	( 44,363,889)		
14	Other Debit or Credit Items (Describe):				
14.01	Purchase Koch Assets	3,083,536	3,083,536		
14.02	Dividend of Server	132,550	132,550		
14.03	Dividend -N. Padre Is. spindown (Docket CP01-32)	1,175,587	1,175,587		
14.04					
14.05					
14.06					
14.07					
14.08					
14.09					
14.10					
15	Balance End of Year (Total of lines 1,8,13, 14to14.?)	3,132,752,208	3,129,657,125	2,964,317	130,766

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Transcontinental Gas Pipe Line Corporation									
Gas Stored (Accounts 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, and 164.3)									
<p>1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.</p> <p>2. Report in column (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and as property recordable in the plant accounts.</p> <p>3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).</p>									
Line No.	Description (a)	(Account 117.1) (b)	(Account 117.2) (c)	Noncurrent (Account 117.3) (d)	(Account 117.4) (e)	Current (Account 164.1) (f)	LNG (Account 164.2) (g)	LNG (Account 164.3) (h)	Total (i)
1	Balance at Beginning of Year	64,192,469	15,996,393				796,573		80,985,435
2	Gas Delivered to Storage		54,720,678				150,701		54,871,379
3	Gas Withdrawn from Storage		36,107,195				132,125		36,239,320
4	Other Debits and Credits		( 4,674,081)						( 4,674,081)
5	Balance at End of Year	64,192,469	29,935,795				815,143		94,943,413
6	Dth	91,688,038	12,302,189				2,101,479		106,091,706
7	Amount Per Dth	0.7000	2.4300				0.3900		0.8900

## Investments (Account 123, 124, and 136)

1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.
2. Provide a subheading for each account and list thereunder the information called for:
  - (a) Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.
  - (b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment	*	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)	Purchases or Additions During the Year
	(a)	(b)	(c)	(d)
1	123 ACCOUNT - NOTE RECEIVABLE	*	20,678,514	
2	WILLIAMS GAS PIPELINE COMPANY LLC			
3	ISSUED JANUARY 1, 1999	*		
4	TERMINATES JANUARY 1, 2009			
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Investments (Account 123, 124, and 136) (continued)

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Line No.	Sales or Other Dispositions During Year	Principal Amount or No. of Shares at End of Year	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)	Revenues for Year	Gain or Loss from Investment Disposed of
	(e)	(f)	(g)	(h)	(i)
1			20,678,514	1,004,296	
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
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39					
40					

Name of Respondent Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Investments in Subsidiary Companies (Account 123.1)					
<p>1. Report below investments in Account 123.1, Investments in Subsidiary Companies.</p> <p>2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).</p> <p>(a) Investment in Securities-List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.</p> <p>(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.</p>					
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	
1	PINE NEEDLE OPERATING COMPANY				
2	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	07/12/1995		1,000	
3	TOTAL PINE NEEDLE OPERATING COMPANY			1,000	
4	CARDINAL OPERATING COMPANY				
5	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	11/30/1995		1,000	
6	TOTAL CARDINAL OPERATING COMPANY			1,000	
7	TRANSCAROLINA LNG COMPANY				
8	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	07/12/1995		1,000	
9	UNDISTRIBUTED EARNINGS			4,242,535	
10	INVESTMENT ADVANCE			14,892,241	
11	DERIVATIVE				
12	TOTAL TRANSCAROLINA LNG COMPANY			19,135,776	
13	TRANSCARDINAL COMPANY				
14	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	11/30/1995		1,000	
15	UNDISTRIBUTED EARNINGS			3,804,540	
16	INVESTMENT ADVANCE			25,683,474	
17	TOTAL TRANSCARDINAL COMPANY			29,489,014	
18	WGP ENTERPRISES, INC.				
19	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	01/31/1996		1,000	
20	UNDISTRIBUTED EARNINGS			( 67,164)	
21	CAPITAL CONTRIBUTION BY PARENT			72,531	
22	TOTAL WGP ENTERPRISES, INC.			6,367	
23	MARSH RESOURCES, INC.				
24	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	03/27/1997		1,000	
25	UNDISTRIBUTED EARNINGS			1,446,030	
26	TOTAL MARSH RESOURCES, INC.			1,447,030	
27	INDEPENDENCE OPERATING COMPANY				
28	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	03/27/1997		1,000	
29	TOTAL INDEPENDENCE OPERATING COMPANY			1,000	
30	TRANSCO INDEPENDENCE PIPELINE COMPANY				
31	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	03/27/1997		1,000	
32	UNDISTRIBUTED EARNINGS			62,695	
33	INVESTMENT ADVANCE			10,737,376	
34	TOTAL TRANSCO INDEPENDENCE PIPELINE COMPANY			10,801,071	
35	CUMBERLAND OPERATING COMPANY				
36	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	08/20/1997		1,000	
37	TOTAL CUMBERLAND OPERATING COMPANY			1,000	
38	TRANSCUMBERLAND PIPELINE COMPANY				
39	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	08/20/1997		1,000	

**Investments in Subsidiary Companies (Account 123.1) (continued)**

4. Designate in a footnote, any securities, notes, or accounts that were pledged, and state the name of pledgee and purpose of the pledge.  
 5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.  
 6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.  
 7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost), and the selling price thereof, not including interest adjustments includible in column (f).  
 8. Report on Line 40, column (a) the total cost of Account 123.1.

Line No.	Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)
1				
2			1,000	
3			1,000	
4				
5			1,000	
6			1,000	
7				
8			1,000	
9	2,415,163		6,657,698	
10		3,946,831	10,945,410	
11		( 572,336)	( 572,336)	
12	2,415,163	4,519,167	17,031,772	
13				
14			1,000	
15	2,664,157		6,468,697	
16		17,741,491	17,941,983	
17	2,664,157	7,741,491	24,411,680	
18				
19		1,000		
20	( 12,616)	( 79,780)		
21		72,531		
22	( 12,616)	( 6,249)		
23				
24			1,000	
25	365,287		1,811,317	
26	365,287		1,812,317	
27				
28			1,000	
29			1,000	
30				
31			1,000	
32	( 3,833)		58,862	
33		( 1,325,702)	12,063,078	
34	( 3,833)	( 1,325,702)	12,122,940	
35				
36			1,000	
37			1,000	
38				
39			1,000	

**Transcontinental Gas Pipe Line Corporation**

## Investments in Subsidiary Companies (Account 123.1) (continued)

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	UNDISTRIBUTED EARNINGS			( 579,859)
2	INVESTMENT ADVANCE			865,879
3	TOTAL TRANSCUMBERLAND PIPELINE COMPANY			287,020
4	TGPL ENTERPRISES, INC.			
5	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	01/02/1997		1,000
6	CAPITAL CONTRIBUTION BY PARENT			4,000,000
7	UNDISTRIBUTED EARNINGS			500,610
8	INVESTMENT ADVANCE			56,666,120
9	TOTAL TGPL ENTERPRISES, INC.			61,167,730
10	CROSS BAY OPERATING COMPANY			
11	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	08/20/1998		1,000
12	TOTAL CROSS BAY OPERATING COMPANY			1,000
13	TRANSCO CROSS BAY OPERATING COMPANY			
14	COMMON STOCK, \$1 PAR VALUE, 1000 SHARES	08/20/1998		1,000
15	UNDISTRIBUTED EARNINGS			48,277
16	INVESTMENT ADVANCE			1,175,602
17	TOTAL TRANSCO CROSS BAY COMPANY			1,224,879
18	TGPL ENTERPRISES, LLC	04/01/2001		
19	CONTRIBUTED CAPITAL			
20	UNDISTRIBUTED EARNINGS			
21	TOTAL TGPL ENTERPRISES, LLC			
22				
23				
24				
25				
26				
27				
28				
29				
30				
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39				
40	TOTAL Cost of Account 123.1 \$	46,995,837	TOTAL	123,563,887

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Name of Respondent

ERC PDF (Unofficial) 04/30/2002

This Report Is:

(1) ☒ An Original

(2) ☐ A Resubmission

Date of Report

(Mo, Da, Yr)

04/30/2002

Year of Report

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Transcontinental Gas Pipe Line Corporation

Investments in Subsidiary Companies (Account 123.1) (continued)

Line No.	Equity in Subsidiary Earnings for Year  (e)	Revenues for Year  (f)	Amount of Investment at End of Year  (g)	Gain or Loss from Investment Disposed of (h)
1	5,095		( 574,764)	
2		( 50,284)	916,163	
3	5,095	( 50,284)	342,399	
4				
5		1,000		
6		4,000,000		
7	65,314	565,924		
8		56,666,120		
9	65,314	61,233,044		
10				
11			1,000	
12			1,000	
13				
14			1,000	
15	91,634		139,911	
16		( 434,157)	1,609,759	
17	91,634	( 434,157)	1,750,670	
18				
19		( 4,001,000)	4,001,000	
20	( 587)	( 565,924)	565,337	
21	( 587)	( 4,566,924)	4,566,337	
22				
23				
24				
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26				
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39				
40	5,589,614	67,110,386	62,043,115	

2002	Name of Respondent: Transcontinental Gas Pipe Line Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)				

### PREPAYMENTS (ACCOUNT 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	1,152,941
2	Prepaid Rents	2,234,578
3	Prepaid Taxes	
4	Prepaid Interest	
5	Miscellaneous Prepayments	471,241
6	TOTAL	3,858,760



**Other Regulatory Assets (Account 182.3)**

1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Year (b)	Debits (c)	Written off During Year Account Charged (d)	Written off During Year Amount (e)	Balance at End of Year (f)
1	ESTIMATED ENVIRONMENTAL COSTS	35,000,000	2,343,595	253	3,761,000	33,582,595
2				182.3	1,582,595	( 1,582,595)
3	FUEL TRACKER-TRANSPORTATION, STORAGE, FLASH DEFERRAL AND CARRYING COSTS	( 8,078,867)	42,032,408	182.3	4,945,164	29,008,377
4				431	52,593,428	( 52,593,428)
5				854	2,199,410	( 2,199,410)
6				232	1,508,544	( 1,508,544)
7			20,632,218			20,632,218
8	GREAT PLAINS TRACKERS AND CARRYING COSTS	( 3,269,684)	13,656,967	182.3	2,666,157	7,721,126
9				431	787,275	( 787,275)
10				489	6,880,924	( 6,880,924)
11				858	699,208	( 699,208)
12	ELECTRIC POWER TRACKERS AND CARRYING COSTS	3,125,468	14,274,209	431	7,116	17,392,561
13				182.3	1,032,092	( 1,032,092)
4				489	20,484,353	( 20,484,353)
15	DEFERRED TAX LIABILITY RELATED TO EQUITY AFUDC	44,733,551	13,137,943	407.3	616,780	57,254,714
16	DEFERRED TAX LIABILITY RELATED TO INCREASE IN FEDERAL TAX RATE	8,459,991		407.3	773,772	7,686,219
17	INCREASE IN STATE TAX RATE	1,921,380				1,921,380
18	DEFERRED COSTS POSTRETIREMENT BENEFITS OTHER THAN PENSIONS	5,511,991		495	578,970	4,933,021
19				254	4,933,021	( 4,933,021)
20	DEVELOPED SOFTWARE COSTS	3,661,435	240,398	146.5	18,705	3,883,128
21				232	3,467	( 3,467)
22				234	5,112	( 5,112)
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Dec. 31, 2001[illegible]

Transcontinental Gas Pipe Line Corporation

This Report Is:

- (1) ☒ An Original  
 (2) ☐ A Resubmission

Date of Report  
 (Mo, Da, Yr)  
 04/30/2002

Year of Report  
 Dec. 31, 2001

**Miscellaneous Deferred Debits (Account 186)**

1. Report below the details called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a).
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits  (a)	Balance at Beginning of Year  (b)	Debits  (c)	Credits  Account Charged (d)	Credits  Amount (e)	Balance at End of Year  (f)
1	UNDISTRIBUTED BUILDING MATERIALS	348,314				348,314
2	MATERIALS RETURNED TO VENDOR	798,957				798,957
3	STORAGE SERVICE GAS AVAILABLE					
4	FOR CUSTOMER NOMINATION	11,673,000	96,894,960	806	74,019,026	34,548,934
5				142	560,716	( 560,716)
6				232	1,450,598	( 1,450,598)
7				253	8,600,176	( 8,600,176)
8				854	3,551,872	( 3,551,872)
9						
10	DEFERRED REGULATORY COMMISSION					
11	EXPENSES	2,667,925	3,696,634	928	3,592,083	2,772,476
12	WILTEL LEASE IMPROVEMENT COSTS	2,622,028		184	987,013	1,635,015
13	DEFERRED SUBLEASING COSTS	684,279	8,515	931	208,742	484,052
14	DEFERRED DEPRECIATION					
15	ADJUSTMENT		233,653			233,653
16	STORAGE FLEX ADJUSTMENT	( 18,740,519)	40,515,256	806	48,610,502	( 26,835,765)
17	SIM/CASHOUT INVENTORY	45,114,341	87,155,266	806	67,608,411	64,661,196
18				142	5,173,914	( 5,173,914)
19	INTERCOMPANY RECEIVABLE					
20	DEFERRED	396,142		146	168,113	228,029
21	EMPLOYEE RELOCATION COSTS	679,233	1,138,125	131	18,877	1,798,481
22				143	28,799	( 28,799)
23				184	1,262,616	( 1,262,616)
24				856	14,624	( 14,624)
25				921	288,347	( 288,347)
26	OTHER	44,364	851,907,972		851,788,300	164,036
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39	Miscellaneous Work in Progress...					
40	Total	46,288,064	1,081,550,381		1,067,832,729	58,905,716

Dec. 31, 2001

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. At lines 4 and 6, add rows as necessary to report all data. Number the additional rows in sequence 4.01, 4.02, etc. and 6.01, 6.02, etc.

Line No.	Account Subdivisions  (a)	Balance at Beginning of Year  (b)	Changes During Year  Amounts Debited to Account 410.1 (c)	Changes During Year  Amounts Credited to Account 411.1 (d)
1	Account 190			
2	Electric			
3	Gas	89,470,741	4,430,000	29,279,000
4	Other (Define)			
4.01				
4.02				
4.03				
4.04				
4.05				
4.06				
4.07				
4.08				
4.09				
4.10				
4.11				
4.12				
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4.22				
4.23				
4.24				
4.25				
4.26				
4.27				
4.28				
4.29				
4.30				
5	Total (Total of lines 2 thru 4)	89,470,741	4,430,000	29,279,000
6	Other (Specify)			
6.01				
6.02				
6.03				
6.04				
6.05				
6.06				
6.07				

Transcontinental Gas Pipe Line Corporation

**Accumulated Deferred Income Taxes (Account 190) (continued)**

4. If more space is needed, use separate pages as required.  
5. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under "Other."

Line No.	Changes During Year	Changes During Year	Adjustments	Adjustments	Adjustments	Adjustments	Balance at End of Year
	Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits Account No. (g)	Debits Amount (h)	Credits Account No. (i)	Credits Amount (j)	
1							
2							
3							114,319,741
4							
4.01							
4.02							
4.03							
4.04							
4.05							
4.06							
4.07							
4.08							
4.09							
4.10							
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4.23							
4.24							
4.25							
4.26							
4.27							
4.28							
4.29							
4.30							
5							114,319,741
6							
6.01							
6.02							
6.03							
6.04							
6.05							
6.06							
6.07							

Name of Respondent Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Accumulated Deferred Income Taxes (Account 190) (continued)</b>					
Line No.	Account Subdivisions  (a)	Balance at Beginning of Year  (b)	Changes During Year  Amounts Debited to Account 410.1 (c)	Changes During Year  Amounts Credited to Account 411.1 (d)	
6.08					
6.09					
6.10					
6.11					
6.12					
6.13					
6.14					
6.15					
6.16					
6.17					
6.18					
6.19					
6.20					
7	TOTAL Account 190 (Total of lines 5 thru 6.7)	89,470,741	4,430,000	29,279,000	
8	Classification of TOTAL				
9	Federal Income Tax	79,204,160	3,922,000	25,919,000	
10	State Income Tax	10,266,581	508,000	3,360,000	
11	Local Income Tax				

2000		Name of Respondent		ERC PDF (Unofficial) 04/30/2002		This Report Is:		Date of Report		Year of Report	
		Transcontinental Gas Pipe Line Corporation				(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 04/30/2002		Dec. 31, 2001	
Accumulated Deferred Income Taxes (Account 190) (continued)											
Line No.	Changes During Year	Changes During Year	Adjustments	Adjustments	Adjustments	Adjustments	Balance at End of Year				
	Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits Account No. (g)	Debits Amount (h)	Credits Account No. (i)	Credits Amount (j)	(k)				
6.08											
6.09											
6.10											
6.11											
6.12											
6.13											
6.14											
6.15											
6.16											
6.17											
6.18											
6.19											
6.20											
7							114,319,741				
8											
9							101,201,160				
10							13,118,581				
11											

Transcontinental Gas Pipe Line Corporation

Capital Stock (Accounts 201 and 204)

1. Report below the details called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per Share (c)	Call Price at End of Year (d)
1	COMMON STOCK	100	1.00	
2	PREFERRED STOCK			
3	CUMULATIVE PREFERRED STOCK WITHOUT PAR VALUE	10,000,000		
4	CUMULATIVE SECOND PREFERRED STOCK, WITHOUT PAR VALUE	2,000,000		
5	COMMON STOCK - TOTAL	100		
6	PREFERRED STOCK - TOTAL	12,000,000		
7				
8				
9				
10				
11				
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Name of Respondent

Transcontinental Gas Pipe Line Corporation

This Report Is:

(1) ☒ An Original(2) ☐ A Resubmission

Date of Report

(Mo, Da, Yr)

04/30/2002

Year of Report

Dec. 31, 2001

**Capital Stock (Accounts 201 and 204)**

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.

5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.

6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

Line No.	Outstanding per Bal. Sheet (total amt outstanding without reduction for amts held by respondent) Shares (e)	Outstanding per Bal. Sheet Amount (f)	Held by Respondent As Reacquired Stock (Acct 217) Shares (g)	Held by Respondent As Reacquired Stock (Acct 217) Cost (h)	Held by Respondent In Sinking and Other Funds Shares (i)	Held by Respondent In Sinking and Other Funds Amount (j)
1	100	100				
2						
3						
4						
5	100	100				
6						
7						
8						
9						
10						
11						
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Name of Respondent Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Capital Stock: Subscribed, Liability for Conversion, Premium on, and Installments Received on (Accts 202, 203, 205, 206, 207, and 212)</b>					
1. Show for each of the above accounts the amounts applying to each class and series of capital stock. 2. For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year. 3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of year. 4. For Premium on Account 207, Capital Stock, designate with an asterisk in column (b), any amounts representing the excess of consideration received over stated values of stocks without par value.					
Line No.	Name of Account and Description of Item (a)	* (b)	Number of Shares (c)	Amount (d)	
1	ACCOUNT 207, PREMIUM ON COMMON STOCK - \$1.00 PAR VALUE		100	96,155,516	
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40	Total		100	96,155,516	

2000 Name of Respondent	ERC PDF (Unofficial) 04/30/2002	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Transcontinental Gas Pipe Line Corporation				

**Other Paid-In Capital (Accounts 208-211)**

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.  
 (b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.  
 (c) Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.  
 (d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	ACCOUNT 210 - GAIN ON RESALE OR CANCELLATION OF REACQUIRED CAPITAL STOCK	8,464,194
2		
3	ACCOUNT 211- FEDERAL INCOME TAX SAVING RESULTING FROM EMPLOYEE BENEFIT PROGRAM	125,779
4	TRANSTOCK CONTRIBUTION	45,166,645
5	CAPITAL CONTRIBUTION	146,592,761
6	RETURN ON CAPITAL TO PARENT	( 697,916)
7	OTHER COMPREHENSIVE INCOME (LOSS)	( 572,336)
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40	<b>Total</b>	<b>199,079,127</b>

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
<b>Securities Issued or Assumed and Securities Refunded or Retired During the Year</b>			

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.
2. Provide details showing the full accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

**SECURITIES REDEEMED DURING YEAR**

PRINCIPAL AMOUNT OF DEBENTURES REDEEMED	\$ 192,500,000 (1)
ORIGINAL AMOUNT ISSUED	\$ 200,000,000
DATE OF REDEMPTION	7/15/2001
MATURITY DATE	2026
INTEREST RATE	7.08%
ISSUE EXPENSE AND DISCOUNT	- (2)

**NOTES**

- (1) CHARGED TO ACCOUNT 221
- (2) FULLY AMORTIZED TO ACCOUNT 181 AND 226 AT DATE OF REDEMPTION

ON JULY 15, 1996, TRANSCO ISSUED \$200 MILLION PRINCIPAL AMOUNT OF DEBENTURES DUE 2026 AT 7.08% INTEREST PER ANNUM. THE UNDERWRITER WAS A GROUP OF COMPANIES INCLUDING MERRILL LYNCH & CO., CHASE SECURITIES INC., CITICORP SECURITIES, INC., AND SMITH BARNEY INC. WITH CITIBANK, N.A. AS TRUSTEE. HOLDERS OF \$192.5 MILLION OF THESE DEBENTURES ELECTED TO HAVE THEM REPAID ON JULY 15, 2001 AT 100% OF THE PRINCIPAL AMOUNT. TRANSCO INTENDS TO REDEEM THE REMAINING \$7.5 MILLION PRINCIPAL AMOUNT OF THESE DEBENTURES IN 2002.

**SECURITIES ISSUED DURING YEAR**

PRINCIPAL AMOUNT OF NOTES ISSUED	\$ 300,000,000 (1)
INTEREST RATE	7.00%
DATE OF ISSUANCE	8/27/2001
MATURITY DATE	8/15/2011
ISSUE EXPENSE AND DISCOUNT	
INCURRED THROUGH 12/31/01	\$ 7,422,960 (2)

**NOTES**

- (1) CREDITED TO ACCOUNT 224
- (2) CHARGED TO ACCOUNT 181 AND 226

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
Securities Issued or Assumed and Securities Refunded or Retired During the Year			

ON AUGUST 27, 2001, TRANSCO ISSUED \$300 MILLION PRINCIPAL AMOUNT OF SERIES A NOTES DUE AUGUST 15, 2011 AT 7.00% INTEREST PER ANNUM.

IN JANUARY 2002, TRANSCO COMPLETED THE EXCHANGE OF ALL SERIES A NOTES FOR AN EQUAL AMOUNT OF SERIES B NOTES. TRANSCO DID NOT RECEIVE ANY CASH PROCEEDS FROM THIS EXCHANGE. THE TERMS OF THE SERIES B NOTES ARE SUBSTANTIALLY IDENTICAL TO THOSE OF THE SERIES A NOTES, EXCEPT THAT THE TRANSFER RESTRICTIONS AND REGISTRATION RIGHTS RELATING TO THE SERIES A NOTES DO NOT APPLY TO THE SERIES B NOTES. THE EXCHANGE AGENT FOR THIS EXCHANGE OFFERING WAS CITIBANK, N.A.

Name of Respondent		ERC PDF (Unofficial) 04/30/2002		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002		Year of Report Dec. 31, 2001	
Transcontinental Gas Pipe Line Corporation									
Long-Term Debt (Accounts 221, 222, 223, and 224)									
<p>1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.</p> <p>2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p>									
Line No.	Class and Series of Obligation and Name of Stock Exchange  (a)			Nominal Date of Issue  (b)	Date of Maturity  (c)	Outstanding (Total amount outstanding without reduction for amts held by respondent)  (d)			
1	ACCOUNT 221 - DEBENTURE 7.08% DUE 2026			07/15/1996	07/15/2026	7,500,000			
2	ACCOUNT 221 - DEBENTURE 7.25% DUE 2026			12/02/1996	12/01/2026	200,000,000			
3	TOTAL ACCOUNT 221					207,500,000			
4	ACCOUNT 223 - NOTE ADVANCE PINE NEEDLE OPERATING COMPANY			07/12/1995		1,000			
5	ACCOUNT 223 - NOTE ADVANCE TRANSCAROLINA LNG COMPANY			07/12/1995		1,000			
6	ACCOUNT 223 - NOTE ADVANCE CARDINAL OPERATING COMPANY			11/30/1995		1,000			
7	ACCOUNT 223 - NOTE ADVANCE TRANSCARDINAL COMPANY			11/30/1995		1,000			
8	ACCOUNT 223 - NOTE ADVANCE MARSH RESOURCES, INC.			03/27/1997		1,000			
9	ACCOUNT 223 - NOTE ADVANCE INDEPENDENCE OPERATING COMPANY			03/27/1997		1,000			
10	ACCOUNT 223 - NOTE ADVANCE TRANSCO INDEPENDENCE PIPELINE COMPANY			03/27/1997		1,000			
11	ACCOUNT 223 - NOTE ADVANCE CUMBERLAND OPERATING COMPANY			08/20/1997		1,000			
12	ACCOUNT 223 - NOTE ADVANCE TRANSCUMBERLAND PIPELINE COMPANY			08/20/1997		1,000			
13	ACCOUNT 223 - NOTE ADVANCE CROSS BAY OPERATING COMPANY			08/20/1998		1,000			
14	ACCOUNT 223 - NOTE ADVANCE TRANSCO CROSS BAY COMPANY			08/20/1998		1,000			
5	TOTAL ACCOUNT 223 (DEMAND NOTES)					11,000			
16	ACCOUNT 224 - NOTES 8-7/8% DUE 2002			09/15/1992	09/15/2002	125,000,000			
17	ACCOUNT 224 - WILLIAMS CREDIT AGREEMENT			07/25/2000	07/25/2005				
18	ACCOUNT 224 - NOTES 6-1/8% DUE 2005			01/16/1998	01/15/2005	200,000,000			
19	ACCOUNT 224 - NOTES 6-1/4% DUE 2008			01/16/1998	01/15/2008	100,000,000			
20	ACCOUNT 224 - ADJUSTABLE EURODOLLAR RATE NOTE DUE 2002			07/31/1997	07/31/2002	150,000,000			
21	ACCOUNT 224 - NOTES 7% DUE 2011			08/27/2001	08/15/2011	300,000,000			
22	TOTAL ACCOUNT 224					875,000,000			
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40	TOTAL					1,082,511,000			

Transcontinental Gas Pipe Line Corporation

(1) ☒ An Original

(Mo, Da, Yr)

Dec. 31, 2001

(2) ☐ A Resubmission

04/30/2002

**Long-Term Debt (Accounts 221, 222, 223, and 224)**

5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.

6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.

7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.

8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.

9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Line No.	Interest for Year Rate (in %) (e)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct 222) (g)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per \$100 at End of Year (i)
1	7.080	7,875,517			
2	7.250	14,500,000			100.00
3		22,375,517			
4					
5					
6					
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16	8.880	11,093,750			
17					
18	6.130	13,244,680			
19	6.250	6,655,708			
20	4.730	7,101,055			
21	7.000	7,327,826			
22		45,423,019			
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40		67,798,536			

200

Name of Respondent

ERC PDF (Unofficial) 04/30/2002

This Report Is:

(1) ☒ An Original

(2) ☐ A Resubmission

Date of Report (Mo, Da, Yr)

04/30/2002

Year of Report

Dec. 31, 2001

Transcontinental Gas Pipe Line Corporation

Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.

2. Show premium amounts by enclosing the figures in parentheses.

3. In column (b) show the principal amount of bonds or other long-term debt originally issued.

4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt	Principal Amount of Debt Issued	Total Expense Premium or Discount	Amortization Period	Amortization Period
	(a)	(b)	(c)	Date From (d)	Date To (e)
1	ACCOUNT 181 - UNAMORTIZED DEBT EXPENSE				
2	DEBENTURE 7.08% - DUE 2026	200,000,000	1,522,589	07/15/1996	07/15/2001
3	DEBENTURE 7.25% - DUE 2026	200,000,000	1,881,003	12/02/1996	12/01/2026
4	NOTES 8-7/8% - DUE 2002	125,000,000	355,223	09/15/1992	09/15/2002
5	NOTES 6-1/8% - DUE 2005	200,000,000	7,257,959	01/16/1998	01/15/2005
6	NOTES 6-1/4% - DUE 2008	100,000,000	4,824,182	01/16/1998	01/15/2008
7	NOTES 7% - DUE 2011	300,000,000	3,199,465	08/27/2001	08/15/2011
8	TOTAL ACCOUNT 181	1,125,000,000	19,040,421		
9					
10	ACCOUNT 226 - UNAMORTIZED DISCOUNT ON LONG-TERM DEBT				
11	DEBENTURE 7.25% - DUE 2026	200,000,000	340,000	12/02/1996	12/01/2026
12	NOTES 8-7/8% - DUE 2002	125,000,000	2,500,000	09/15/1992	09/15/2002
13	NOTES 6-1/8% - DUE 2005	200,000,000	1,122,000	01/16/1998	01/15/2005
14	NOTES 6-1/4% - DUE 2008	100,000,000	535,000	01/16/1998	01/15/2008
15	NOTES 7% - DUE 2011	300,000,000	795,000	08/27/2001	08/15/2011
16	TOTAL ACCOUNT 226	925,000,000	5,292,000		
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Transcontinental Gas Pipe Line Corporation

Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.

7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

Line No.	Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)
1				
2	163,403		163,403	
3	1,624,456		62,882	1,561,574
4	62,133		36,371	25,762
5	3,692,999		1,205,783	2,487,236
6	3,396,602		482,819	2,913,783
7		3,199,465	111,343	3,088,122
8	8,939,593	3,199,465	2,062,581	10,076,477
9				
10				
11	324,885		4,411	320,474
12	427,083		250,000	177,083
13	706,408		158,648	547,760
14	410,096		47,771	362,325
15		795,000	19,950	775,050
16	1,868,472	795,000	480,780	2,182,692
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Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.

2. In column (c) show the principal amount of bonds or other long-term debt reacquired.

3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.

4. Show loss amounts by enclosing the figures in parentheses.

5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt  (a)	Date Reacquired  (b)	Principal of Debt Reacquired  (c)	Net Gain or Loss  (d)	Balance at Beginning of Year  (e)	Balance at End of Year  (f)
1	ACCOUNT 189 - DEBENTURE 9-1/8% - DUE 2017	10/08/1997	150,000,000		7,839,059	7,351,656
2	TOTAL ACCOUNT 189		150,000,000		7,839,059	7,351,656
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2002 Name of Respondent: Transcontinental Gas Pipe Line Corporation		ERC PDF (Unofficial) 04/30/2002		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002		Year of Report Dec. 31, 2001	
<b>Reconciliation of Reported Net Income with Taxable Income for Feder Income Taxes</b>									
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.</p>									
Line No.	Details (a)								Amount (b)
1	Net Income for the Year (Page 116)								154,480,493
2	Reconciling Items for the Year								
3									
4	Taxable Income Not Reported on Books								
5	Contributions in Aid of Construction								12,463,000
6	Contingent Revenue Refunds								28,771,000
7									
8	TOTAL								41,234,000
9	Deductions Recorded on Books Not Deducted for Return								
10	Book Depreciation								142,051,000
11	Federal Income Tax								45,370,000
12	Deferred Federal Income Tax and Other								107,971,000
13	TOTAL								295,392,000
14	Income Recorded on Books Not Included in Return								
15	Allowance for Funds Used During Construction								( 21,599,000)
16	Allowance for Funds Used During Construction Gross-up								( 12,521,000)
17	Equity in Earnings-Subsidiaries								( 5,590,000)
18	TOTAL								( 39,710,000)
19	Deductions on Return Not Charged Against Book Income								
20	Tax Depreciation								( 198,351,000)
21	Cash Out Reserve								( 12,035,000)
22	Capitalized Information Services								( 80,600,000)
23	Tower Lease Reserve								( 6,848,000)
24	Pension								( 12,013,000)
25	Other								( 6,309,493)
26	TOTAL								( 316,156,493)
27	Federal Tax Net Income								135,240,000
28	Show Computation of Tax:								38,253,836
29									
30									
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35									

2001 Name of Respondent: <b>Transcontinental Gas Pipe Line Corporation</b>		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) <b>04/30/2002</b>	Year of Report <b>Dec. 31, 2001</b>
<b>Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)</b>				
1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.				
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.				
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.				
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.				
Line No.	Kind of Tax (See Instruction 5)  (a)	Balance at Beg. of Year  Taxes Accrued (b)	Balance at Beg. of Year  Prepaid Taxes (c)	
1	FEDERAL INCOME	38,457,341		
2	TOTAL FEDERAL	38,457,341		
3	FICA	( 16,586)		
4	FEDERAL UNEMPLOYMENT			
5	FEDERAL MEDICARE			
6	ALABAMA - UNEMPLOYMENT			
7	FLORIDA - UNEMPLOYMENT			
8	GEORGIA - UNEMPLOYMENT			
9	LOUISIANA - UNEMPLOYMENT			
10	MARYLAND - UNEMPLOYMENT			
11	MISSISSIPPI - UNEMPLOYMENT			
12	NORTH CAROLINA - UNEMPLOYMENT			
13	NEW JERSEY - UNEMPLOYMENT			
14	NEW JERSEY - DISABILITY			
15	OKLAHOMA - UNEMPLOYMENT			
6	PENNSYLVANIA - UNEMPLOYMENT			
17	SOUTH CAROLINA - UNEMPLOYMENT			
18	TEXAS - UNEMPLOYMENT			
19	UTAH - UNEMPLOYMENT			
20	VIRGINIA - UNEMPLOYMENT			
21	WISCONSIN - UNEMPLOYMENT			
22	WASHINGTON, DC - UNEMPLOYMENT			
23	TOTAL PAYROLL	( 16,586)		
24	ALABAMA - INCOME	316,997		
25	GEORGIA - INCOME	153,544		
26	LOUISIANA - INCOME	( 149,989)		
27	MARYLAND - INCOME	22,904		
28	MISSISSIPPI - INCOME	63,362		
29	NORTH CAROLINA - INCOME	128,422		
30	NEW JERSEY - INCOME	379,221		
31	NEW YORK - INCOME			
32	NEW YORK CITY, NY - INCOME	3,719		
33	PENNSYLVANIA - INCOME	237,021		
34	PHILADELPHIA, PA - INCOME	( 195)		
35	SOUTH CAROLINA - INCOME	( 174,471)		
36	VIRGINIA - INCOME	38,199		
37	WASHINGTON, DC - INCOME	( 1,334)		
38	FLORIDA - INCOME			
39	TOTAL STATE/CITY INCOME	1,017,400		

Transcontinental Gas Pipe Line Corporation

(1) ☒ An Original  
(2) ☐ A Resubmission

04/30/2002

Dec. 31, 2001

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
(continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
- Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.

Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (h)
1	45,370,000	91,896,999		( 8,069,658)	
2	45,370,000	91,896,999		( 8,069,658)	
3	6,221,912	6,220,373		( 15,047)	
4	92,694	92,694			
5	1,758,675	1,758,675			
6	4,748	4,748			
7	42	42			
8	569	569			
9	787	787			
10	25,336	25,336			
11	2,705	2,705			
12	2,535	2,535			
13	61,512	61,512			
14					
15	21	21			
16	39,446	39,446			
17	3,003	3,003			
18	91,791	91,791			
19	33	33			
20					
21					
22					
23	8,305,809	8,304,270		( 15,047)	
24	334,000	903,336		( 252,339)	
25	359,000	763,135		( 250,591)	
26	806,000	1,903,384		( 1,247,373)	
27	95,000	157,434		( 39,530)	
28	394,000	669,524		( 212,162)	
29	747,000	1,220,217		( 344,795)	
30	1,326,000	2,065,309		( 360,088)	
31					
32	7,000	18,704		( 7,985)	
33	1,061,000	1,922,738		( 624,717)	
34		282,863		( 283,058)	
35	199,000	516,207		( 491,678)	
36	315,000	907,775		( 554,576)	
37		100		( 1,434)	
38		5,652		( 5,652)	
39	5,643,000	11,336,378		( 4,675,978)	

Transcontinental Gas Pipe Line Corporation

(1) ☒ An Original

(Mo, Da, Yr)

Dec. 31, 2001

(2) ☐ A Resubmission

04/30/2002

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.

2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.

3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.

4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

**DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)**

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Dept. (Account 408.1, 409.1) (k)	Other income and Deductions (Account 408.2, 409.2) (l)
1		38,294,221		7,075,779
2		38,294,221		7,075,779
3		2,720,855		
4		92,694		
5		1,758,675		
6		4,748		
7		42		
8		569		
9		787		
10		25,336		
11		2,705		
12		2,535		
13		61,512		
14				
15		21		
16		39,446		
17		3,003		
18		91,791		
19		33		
20				
21				
22				
23		4,804,752		
24		334,000		
25		359,000		
26		806,000		
27		95,000		
28		394,000		
29		747,000		
30		1,326,000		
31				
32		7,000		
33		1,061,000		
34				
35		199,000		
36		315,000		
37				
38				
39		5,643,000		

(1) ☒ An Original  
(2) ☐ A ResubmissionDate of Report  
(Mo, Da, Yr)  
04/30/2002Year of Report  
Dec. 31, 2001

Transcontinental Gas Pipe Line Corporation

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
(continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.

**DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)**

Line No.	Extraordinary Items (Account 409.3)  (m)	Other Utility Opn. Income (Account 408.1, 409.1)  (n)	Adjustment to Ret. Earnings (Account 439)  (o)	Other  (p)
1				
2				
3				3,501,057
4				
5				
6				
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15				
16				
17				
18				
19				
20				
21				
22				
23				3,501,057
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37				
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2002 Name of Respondent: Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)</b> (continued)					
Line No.	Kind of Tax (See Instruction 5)  (a)	Balance at Beg. of Year  Taxes Accrued (b)	Balance at Beg. of Year  Prepaid Taxes (c)		
1	ALABAMA - USE	4,420			
2	FEDERAL HEAVY VEHICLE - USE				
3	GEORGIA - USE	60,611			
4	LOUISIANA - USE	73,049			
5	MARYLAND - USE	4,694			
6	MISSISSIPPI - USE	65,575			
7	NORTH CAROLINA - USE	30,861			
8	NEW JERSEY - USE	36,766			
9	NEW JERSEY - FUEL USE				
10	NEW YORK - USE	17,858			
11	PENNSYLVANIA - USE	4,298			
12	SOUTH CAROLINA - USE	5,590			
13	TEXAS - USE	225,600			
14	VIRGINIA - USE	59,809			
15	MISCELLANEOUS - USE	119,757			
16	TOTAL USE	708,888			
17	ALABAMA - PROPERTY	( 5,014)			
18	GEORGIA - PROPERTY	1,259,233			
19	INDIANA - PROPERTY				
20	LOUISIANA - PROPERTY	105,996			
21	MARYLAND - PROPERTY	288,089			
22	MISSISSIPPI - PROPERTY	2,931,000			
23	NORTH CAROLINA - PROPERTY				
24	NEW JERSEY - PROPERTY	11,486			
25	NEW MEXICO - PROPERTY				
26	NEW YORK - PROPERTY				
27	OKLAHOMA - PROPERTY				
28	PENNSYLVANIA - PROPERTY	( 1,925)			
29	SOUTH CAROLINA - PROPERTY	3			
30	TEXAS - PROPERTY	2,803,007			
31	VIRGINIA - PROPERTY				
32	TOTAL PROPERTY	7,391,875			
33	ALABAMA - FRANCHISE	319,351			
34	DELAWARE - FRANCHISE	108,211			
35	GEORGIA - FRANCHISE	10,017			
36	LOUISIANA - FRANCHISE	2,587,372			
37	LOUISIANA NATURAL GAS - FRANCHISE	( 67,555)			
38	MISSISSIPPI - FRANCHISE	658,023			
39	NORTH CAROLINA - FRANCHISE	515,875			



**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
 (continued)

Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (h)
1	776,225	738,628		42,017	
2					
3	1,295,101	1,320,541		35,171	
4	815,469	867,399		21,119	
5	44,072	46,685		2,081	
6	363,883	408,395		21,063	
7	1,523,151	1,519,338		34,674	
8	20,166	48,778		8,154	
9					
10	3,045	27,561		( 6,658)	
11	48,433	49,413		3,318	
12	21,065	21,266		5,389	
13	1,654,944	2,336,853		( 456,309)	
14	219,110	299,480		( 20,561)	
15			1,344	121,101	
16	6,784,664	7,684,337	1,344	( 189,441)	
17	2,259,249	2,254,235			
18	1,853,747	2,489,636	1	623,345	
19					
20	7,579,133	7,685,128	( 1)		
21	1,324,642	1,284,650		328,081	
22	3,095,793	2,930,890		3,095,903	
23	769,003	769,003			
24	5,793,518	5,805,003	( 1)		
25	81	81			
26	1,757,652	1,757,652			
27	155	155			
28	215,544	213,618	( 1)		
29	1,257,921	1,257,924			
30	2,298,164	2,327,083		2,774,088	
31	692,165	692,165			
32	28,896,767	29,467,223	( 2)	6,821,417	
33	104,700	( 269,786)		693,837	
34	60,100	148,311		20,000	
35	5,000			15,017	
36	902,500	1,148,887	2	2,340,983	
37	1,284,100	1,242,308		( 25,763)	
38	389,200	348,600		698,623	
39	198,800	118,480		596,195	

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Name of Respondent

ERC PDF (Unofficial) 04/30/2002

This Report Is:

(1) ☒ An Original

(2) ☐ A Resubmission

Date of Report (Mo, Da, Yr)

04/30/2002

Year of Report

Dec. 31, 2001

Transcontinental Gas Pipe Line Corporation

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)

(continued)

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Electric (Account 408.1, 409.1)  (i)	Gas (Account 408.1, 409.1)  (j)	Other Utility Dept. (Account 408.1, 409.1)  (k)	Other Income and Deductions (Account 408.2, 409.2)  (l)
1		( 78,456)		
2				
3		93,250		
4		458,730		
5		( 11,357)		
6		49,703		
7		( 20,917)		
8		6,655		
9				
10		( 7,000)		
11		13,561		
12		( 21,344)		
13		271,422		
14		( 78,730)		
15				
16		675,517		
17		2,259,249		
18		1,853,747		
19				
20		7,579,133		
1		1,324,642		
22		3,095,793		
23		769,003		
24		5,793,518		
25		81		
26		1,757,652		
27		155		
28		215,544		
29		1,257,921		
30		2,298,164		
31		692,165		
32		28,896,767		
33		104,700		
34		60,100		
35		5,000		
36		902,500		
37		1,284,100		
38		389,200		
39		198,800		

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**Transcontinental Gas Pipe Line Corporation**

(1)

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## An Original

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14

## A Resubmission

(Mo, Da, Yr)

04/30/2002

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Dec. 31, 2001

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
(continued)

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Extraordinary Items (Account 409.3)  (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)
1				854,681
2				
3				1,201,851
4				356,739
5				55,429
6				314,180
7				1,544,068
8				13,511
9				
10				10,045
11				34,872
12				42,409
13				1,383,522
14				297,840
15				
16				6,109,147
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Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
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**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
(continued)

Line No.	Kind of Tax (See Instruction 5)  (a)	Balance at Beg. of Year  Taxes Accrued (b)	Balance at Beg. of Year  Prepaid Taxes (c)
1	NEW YORK - FRANCHISE	37,441	
2	PENNSYLVANIA - FRANCHISE	1,035,664	
3	PENNSYLVANIA - GROSS RECEIPTS	5,573	
4	SOUTH CAROLINA - FRANCHISE	76,797	
5	TEXAS - FRANCHISE	( 19,081)	
6	TOTAL FRANCHISE	5,267,688	
7			
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TOTAL		52,826,606	

2002

Name of Respondent: Transcontinental Gas Pipe Line Corporation

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04/30/2002

Year of Report  
Dec. 31, 2001

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)  
(continued)

Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (h)
1	75,300	119,592		( 6,851)	
2	1,388,700	1,659,985		764,379	
3	225,900	209,285		22,188	
4	38,400			115,197	
5	135,400	178,870		( 62,551)	
6	4,808,100	4,904,532	2	5,171,254	
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39					
TOTAL	99,808,340	153,593,739	1,344	( 957,453)	

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This Report is:  
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 04/30/2002

Year of Report  
 Dec. 31, 2001

Transcontinental Gas Pipe Line Corporation

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
 (continued)

**DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)**

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Dept. (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1		75,300		
2		1,388,700		
3		225,900		
4		38,400		
5		135,400		
6		4,808,100		
7				
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<b>TOTAL</b>		83,122,357		7,075,779

2002

Name of Respondent: ERC PDF (Unofficial) 04/30/2002

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Transcontinental Gas Pipe Line Corporation

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)  
(continued)

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Extraordinary Items (Account 409.3)  (m)	Other Utility Opn. Income (Account 408.1, 409.1)  (n)	Adjustment to Ret. Earnings (Account 439)  (o)	Other  (p)
1				
2				
3				
4				
5				
6				
7				
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TOTAL				9,610,204

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Name of Respondent		ERC PDF (Unofficial) 04/30/2002		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002		Year of Report Dec. 31, 2001	
Transcontinental Gas Pipe Line Corporation									
Miscellaneous Current and Accrued Liabilities (Account 242)									
1. Describe and report the amount of other current and accrued liabilities at the end of year.									
2. Minor items (less than \$250,000) may be grouped under appropriate title.									
Line No.	Item (a)								Balance at End of Year (b)
1	ACCRUED INSURANCE - AUTO, GENERAL LIABILITY AND WORKERS' COMPENSATION								2,636,483
2	ACCRUED INSURANCE - DENTAL, MEDICAL, LIFE AND OTHER								4,339,567
3	ACCRUED PAID TIME OFF ALLOWANCE								12,944,056
4	EMPLOYEE BONUS/STOCK OPTIONS PROGRAMS								10,271,039
5	EXECUTIVE INCENTIVE COMPENSATION PROGRAM								5,347,815
6	TRANSPORTATION AND EXCHANGE GAS IMBALANCE								11,824,541
7	POTENTIAL ASSESSMENT BY EPA								1,400,000
8	PROVISION FOR RESTRUCTURING								6,848,590
9	RESERVE FOR LEGAL AND REGULATORY ISSUES								21,250,000
10	RESERVE FOR JOINT VENTURE AUDIT								380,002
11	LGA/LGS STORAGE PRICING DIFFERENTIAL								2,039,396
12	ACCRUED ESTIMATED ENVIRONMENTAL COST								5,125,000
13	OTHER								678,952
14									
15									
16									
17									
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44									
45	Total								85,085,441



Transcontinental Gas Pipe Line Corporation

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 04/30/2002

 Year of Report  
 Dec. 31, 2001

## Other Deferred Credits (Account 253)

1. Report below the details called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debit Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of Year (f)
1	ERISA EXCESS BENEFITS	2,531,330	131.0	683,529	4,043,478	5,891,279
2			184.0	968,258		( 968,258)
3			232.0	822,152		( 822,152)
4			242.0	181,361		( 181,361)
5	SELF-INSURANCE-GENERAL LIABILITY	1,794,373	131.0	1,003,272	750,629	1,541,730
6	MISCELLANEOUS SUSPENSE CREDIT	1,656,427	131.0	10,930	4,231,729	5,877,226
7			186.0	2,583,431		( 2,583,431)
8						
9			232.0	205,618		( 205,618)
10			488.0	66,546		( 66,546)
11			858.0	699,209		( 699,209)
12	DEFERRED CASH OUT	7,975,655	186.0	6,016,745	21,279,745	23,238,655
13			232.0	2,312,681		( 2,312,681)
14			234.0	6,603		( 6,603)
15			253.0	5,769,324		( 5,769,324)
16			488.0	30,995,764		( 30,995,764)
17	ESTIMATED ENVIRONMENTAL COST	32,605,000	182.3	3,761,000		28,844,000
18			242.0	1,969,000		( 1,969,000)
19	ENVIRONMENTAL COST - HANGER	428,662	131.0	4,561		424,101
20	RESERVE FOR LEGAL, LAND AND					
21	REGULATORY ISSUES	8,853,297	131.0	388,723	3,600,000	12,064,574
22			232.0	143,357		( 143,357)
23			923.0	10,226		( 10,226)
24	RESERVE FOR TRANSCO TOWER LEASE	15,409,327	931.0	6,848,590		8,560,737
25	LIABILITY FOR POSTRETIREMENT					
26	BENEFITS OTHER THAN PENSIONS	12,938,355	131.0	256,676	7,488,913	20,170,592
27			234.0	10,151,291		( 10,151,291)
28			926.0	4,005,341		( 4,005,341)
29	LIABILITY FOR FUTURE MEDICAL COSTS	1,063,884				1,063,884
30	LIABILITY FOR PENSION BENEFITS	6,267,449	234.0	13,063,626	1,758,773	( 5,037,404)
31			926.0	708,603		( 708,603)
32	LIQUEFIABLE TRANSPORTATION					
33	REVENUE INTEREST	391,295	142.0	588,617	1,748,831	1,551,509
34			487.0	1,217,410		( 1,217,410)
35	OTHER	484,184		11,653,395	11,639,900	470,689
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	Total	92,399,238		107,095,839	58,541,998	41,845,397

2004-03-04 FERC PDF (Unofficial) 04/30/2002	Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
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**Accumulated Deferred Income Taxes-Other Property (Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.  
2. For Other, include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas	422,060,866	66,731,000	4,151,000
4	Other (Define)			
4.01				
4.02				
4.03				
4.04				
4.05				
5	Total (Enter Total of lines 2 thru 4)	422,060,866	66,731,000	4,151,000
6	Other (Specify)			
6.01				
6.02				
6.03				
6.04				
6.05				
7	TOTAL Account 282 (Enter Total of lines 5 thr	422,060,866	66,731,000	4,151,000
8	Classification of TOTAL			
9	Federal Income Tax	373,623,656	59,075,000	3,675,000
10	State Income Tax	48,437,210	7,656,000	476,000
11	Local Income Tax			

**Accumulated Deferred Income Taxes-Other Property (Account 282) (continued)**

3. Add rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, 4.01, 4.02 and 6.01, 6.02, etc. Use separate pages as required.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2							
3					123	343,159	484,297,707
4							
4.01							
4.02							
4.03							
4.04							
4.05							
5					123	343,159	484,297,707
6							
6.01							
6.02							
6.03							
6.04							
6.05							
7					123	343,159	484,297,707
8							
9					123	303,781	428,719,875
10					123	39,378	55,577,832
11							

**Accumulated Deferred Income Taxes-Other (Account 283)**

- Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
- For Other, include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Gas	29,888,977	4,714,000	1,547,000
4	Other (Define)			
4.01				
4.02				
4.03				
4.04				
4.05				
4.06				
4.07				
4.08				
4.09				
4.10				
4.11				
4.12				
4.13				
4.14				
4.15				
4.16				
4.17				
4.18				
4.19				
4.20				
4.21				
4.22				
4.23				
4.24				
4.25				
4.26				
4.27				
4.28				
4.29				
4.30				
4.31				
4.32				
4.33				
4.34				
4.35				
4.36				
4.37				
4.38				
4.39				
4.40				

Name of Respondent

Transcontinental Gas Pipe Line Corporation

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(1) ☒ An Original(2) ☐ A Resubmission

Date of Report

(Mo, Da, Yr)

04/30/2002

Year of Report

Dec. 31, 2001

**Accumulated Deferred Income Taxes-Other (Account 283) (continued)**

3. Provide in a footnote explanations for pages 276 and 277. Include amounts relating to insignificant items listed under Other.

4. Add additional rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, 4.01, 4.02, and 6.01, 6.02, etc. Use separate pages as required.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2							
3							33,055,977
4							
4.01							
4.02							
4.03							
4.04							
4.05							
4.06							
4.07							
4.08							
4.09							
4.10							
4.11							
4.12							
4.13							
4.14							
4.15							
4.16							
4.17							
4.18							
4.19							
4.20							
4.21							
4.22							
4.23							
4.24							
4.25							
4.26							
4.27							
4.28							
4.29							
4.30							
4.31							
4.32							
4.33							
4.34							
4.35							
4.36							
4.37							
4.38							
4.39							

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
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## Accumulated Deferred Income Taxes-Other (Account 283) (continued)

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
4.41				
4.42				
4.43				
4.44				
4.45				
5	Total (Total of lines 2 thru 4)	29,888,977	4,714,000	1,547,000
6	Other (Specify)			
6.01				
6.02				
6.03				
6.04				
6.05				
6.06				
6.07				
6.08				
6.09				
6.10				
6.11				
6.12				
6.13				
6.14				
6.15				
7	TOTAL Account 283 (Total of lines 5 thru 6)	29,888,977	4,714,000	1,547,000
8	Classification of TOTAL			
9	Federal Income Tax	26,459,796	4,249,000	1,447,000
10	State Income Tax	3,429,181	465,000	100,000
11	Local Income Tax			

Transcontinental Gas Pipe Line Corporation

## Accumulated Deferred Income Taxes-Other (Account 283) (continued)

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
4.40							
4.41							
4.42							
4.43							
4.44							
4.45							
5							33,055,977
6							
6.01							
6.02							
6.03							
6.04							
6.05							
6.06							
6.07							
6.08							
6.09							
6.10							
6.11							
6.12							
6.13							
6.14							
6.15							
7							33,055,977
8							
9							29,261,796
10							3,794,181
11							

Transcontinental Gas Pipe Line Corporation

This Report is:

(1) ☒ An Original(2) ☐ A ResubmissionDate of Report  
(Mo, Da, Yr)  
04/30/2002Year of Report  
Dec. 31, 2001**Other Regulatory Liabilities (Account 254)**

1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).

2. For regulatory liabilities being amortized, show period of amortization in column (a).

3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Year (b)	DEBITS Account Credited (c)	DEBITS Amount (d)	Credits (e)	Balance at End of Year (f)
1	RECLASSIFICATION OF DEFERRED TAX					
2	BALANCES RELATED TO INCREASE IN					
3	FEDERAL TAX RATE	726,414				726,414
4						
5	UNEARNED REVENUE POST					
6	RETIREMENT BENEFITS					
7	OTHER THAN PENSIONS	2,985,509	182.3	4,933,021		( 1,947,512)
8			495.01	1,571,294	6,747,194	5,175,900
9						
10	ENVIRONMENTAL INSURANCE					
11	SETTLEMENT-ASSOCIATED					
12	ELECTRIC GAS INSURANCE, LTD	4,095,000	495.05	273,000		3,822,000
13						
14	ENVIRONMENTAL INSURANCE					
15	SETTLEMENT-EQUITAS				3,391,496	3,391,496
16						
17	ENVIRONMENTAL INSURANCE					
18	SETTLEMENT-CNA				6,403,351	6,403,351
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	<b>Total</b>	<b>7,806,923</b>		<b>6,777,315</b>	<b>16,542,041</b>	<b>17,571,649</b>



Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
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**Gas Operating Revenues**

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay	Revenues for Transition Costs and Take-or-Pay	Revenues for GRI and ACA	Revenues for GRI and ACA
		Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	480-484 Sales				
2	485 Intracompany Transfers				
3	487 Forfeited Discounts				
4	488 Miscellaneous Service Revenues				
5	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
6	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities			16,126,038	22,485,727
7	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
8	489.4 Revenues from Storing Gas of Others			983	3,461
9	490 Sales of Prod. Ext. from Natural Gas				
10	491 Revenues from Natural Gas Proc. by Others				
11	492 Incidental Gasoline and Oil Sales				
12	493 Rent from Gas Property				
13	494 Interdepartmental Rents				
14	495 Other Gas Revenues				
15	Subtotal:			16,127,021	22,489,188
16	496 (Less) Provision for Rate Refunds				
17	TOTAL:			16,127,021	22,489,188

**Transcontinental Gas Pipe Line Corporation**

(1) ☒ An Original

(2) ☐ A Resubmission

04/30/2002

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## Gas Operating Revenues

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekatherm of Natural Gas	Dekatherm of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1	553,019,283	946,411,176	553,019,283	946,411,176	105,417,705	229,794,325
2						
3	897,570	100,535	897,570	100,535		
4	113,258,030	195,899,235	113,258,030	195,899,235		
5	1,233,251	1,788,411	1,233,251	1,788,411	12,968,610	18,759,864
6	702,859,960	663,566,137	718,985,998	686,051,864	2,636,983,093	2,828,261,768
7						
8	145,266,254	148,802,589	145,267,237	148,806,050	292,800,549	1,391,822,864
9		( 165,000)		( 165,000)		
10						
11						
12	22,100	22,490	22,100	22,490		
3						
14	( 342,620)	393,231	( 342,620)	393,231		
15	1,516,213,828	1,956,818,804	1,532,340,849	1,979,307,992		
16	53,004,005	( 34,355,399)	53,004,005	( 34,355,399)		
17	1,463,209,823	1,991,174,203	1,479,336,844	2,013,663,391		

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**Revenues from Transportation of Gas of Others Through Gathering Facilities (Account 489.1)**

1. Report revenues and Dth of gas delivered through gathering facilities by zone of receipt (i.e. state in which gas enters respondent's system).
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.

Line No.	Rate Schedule and Zone of Receipt (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Current Year (d)
1	FT/FTR-4				
2	IT-L				
3	IT-1				
4	IT-2				
5	IT-3				
6	IT-4				
7					
8	TOTAL				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

**Revenues from Transportation of Gas of Others Through Gathering Facilities (Account 489.1)**

3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e).  
 4. Delivered Dth of gas must not be adjusted for discounting.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekatherm of Natural Gas	Dekatherm of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1	16,306	21,087	16,306	21,087	214,638	313,935
2						
3	750	728,707	750	728,707	9,301	3,446,096
4	641,426	579,092	641,426	579,092	8,386,487	9,226,469
5	501,632	417,174	501,632	417,174	3,704,620	5,113,491
6	73,137	42,351	73,137	42,351	653,564	659,873
7						
8	1,233,251	1,788,411	1,233,251	1,788,411	12,968,610	18,759,864
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						

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(2) ☐ A Resubmission(Mo, Da, Yr)  
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Transcontinental Gas Pipe Line Corporation

**Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)**

1. Report revenues and Dth of gas delivered by Zone of Delivery by Rate Schedule. Total by Zone of Delivery and for all zones. If respondent does not have separate zones, provide totals by rate schedule.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges for transportation and hub services, less revenues reflected in columns (b) through (e).

Line No.	Zone of Delivery, Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transition Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)
1	6 FT-NT			128,936	172,704
2	FT/FTR-A			370	
3	FT/FTR-W				
4	1 FT/FTR			229	2,041
5	2 FT/FTR			12,212	4,137
6	3 FT/FTR			2,596	8,812
7	4 FT/FTR			1,295,540	1,954,037
8	5 FT/FTR			4,169,530	6,204,855
9	6 FT/FTR			9,514,236	12,971,352
10	4 FTG			880	988
11	5 FTG			10	123
12	ICTS-B				
13	2 ICTS				
14	3 ICTS				
15	4 ICTS				
16	6 ICTS				
17	IT-A			147	
18	IT-W				
19	1 IT			209,986	327,140
20	2 IT			25,158	23,239
21	3 IT			183,334	169,033
22	4 IT			37,664	24,104
23	5 IT			37,593	54,210
24	6 IT			99,954	31,141
25	6 X-269				

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**Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)**

4. Delivered Dth of gas must not be adjusted for discounting.  
 5. Each incremental rate schedule and each individually certificated rate schedule must be separately reported.  
 6. Where transportation services are bundled with storage services, report total revenues but only transportation Dth.

Line No.	Other Revenues  Amount for Current Year (f)	Other Revenues  Amount for Previous Year (g)	Total Operating Revenues  Amount for Current Year (h)	Total Operating Revenues  Amount for Previous Year (i)	Dekatherm of Natural Gas  Amount for Current Year (j)	Dekatherm of Natural Gas  Amount for Previous Year (k)
1	10,806,915	10,098,903	10,935,851	10,271,607	10,422,271	10,498,719
2	3,431		3,801		173,712	
3	225,461	178,690	225,461	178,690	48,806,400	42,805,507
4	2,274,526	1,531,602	2,274,755	1,533,643	760,062	7,146,813
5	33,497	29,717	45,709	33,854	4,454,047	8,014,110
6	3,318,980	3,049,463	3,321,576	3,058,275	98,843,515	120,103,881
7	81,052,009	66,830,397	82,347,549	68,784,434	346,443,499	390,799,545
8	167,630,824	164,475,933	171,800,354	170,680,788	354,425,501	416,802,049
9	365,740,726	347,589,346	375,254,962	360,560,698	822,975,862	875,654,657
10	25,057	18,927	25,937	19,915	67,459	54,256
11	466	3,451	476	3,574	790	6,745
12	17,047		17,047		17,046,806	
13	550		550		55,000	
14	238	8,679	238	8,679	23,768	867,922
15	25,761	20,473	25,761	20,473	21,740,922	20,472,429
16	14,554	15,524	14,554	15,524	1,337,831	1,049,906
17	10,796		10,943		68,352	
18	789,397	743,367	789,397	743,367	10,136,395	10,007,930
19	7,877,849	8,683,551	8,087,835	9,010,691	123,950,420	158,453,290
20	9,062,570	10,100,942	9,087,728	10,124,181	162,338,585	187,801,208
21	43,915,326	36,638,940	44,098,660	36,807,973	522,564,005	503,949,089
22	3,148,111	1,196,764	3,185,775	1,220,868	29,480,021	13,748,063
23	1,010,874	905,061	1,048,467	959,271	4,816,161	7,144,703
24	1,565,888	546,019	1,665,842	577,160	12,173,319	6,809,624
25	27,228	28,638	27,228	28,638		

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Name of Respondent

ERC PDF (Unofficial) 04/30/2002

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04/30/2002

Year of Report

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Transcontinental Gas Pipe Line Corporation

Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2) (continued)

Line No.	Zone of Delivery, Rate Schedule	Revenues for Transition Costs and Take-or-Pay	Revenues for Transition Costs and Take-or-Pay	Revenues for GRI and ACA	Revenues for GRI and ACA
	(a)	Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	6 X-270			272	286
2	6 X-274			3,727	6,948
3	6 X-275			3,906	7,363
4	6 X-276			2,074	2,324
5	6 X-319			93,510	123,108
6	6 X-320			20,634	21,686
7	6 X-321			283,540	376,096
8	OTHER				
9					
10	TOTAL			16,126,038	22,485,727
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

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## Page 305.1



**Revenues from Storing Gas of Others (Account 489.4)**

1. Report revenues and Dth of gas withdrawn from storage by Rate Schedule and in total.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other revenues in columns (f) and (g) include reservation charges, deliverability charges, injection and withdrawal charges, less revenues reflected in columns (b) through (e).

Line No.	Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)
1	ESR				
2	ESS				
3	GSS				
4	ISS				
5	LG-A				
6	LNG				
7	LSS				
8	S-2				
9	SS-1				172
10	SS-2			983	3,289
11	WS-WSR				
12	WSS				
13	OTHER				
14					
15	TOTAL			983	3,461
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

200
Name of Respondent
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Date of Report (Mo, Da, Yr)
04/30/2002
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Transcontinental Gas Pipe Line Corporation

Revenues from Storing Gas of Others (Account 489.4)

4. Dth of gas withdrawn from storage must not be adjusted for discounting.  
5. Where transportation services are bundled with storage services, report only Dth withdrawn from storage.

Line No.	Other Revenues  Amount for Current Year (f)	Other Revenues  Amount for Previous Year (g)	Total Operating Revenues  Amount for Current Year (h)	Total Operating Revenues  Amount for Previous Year (i)	Dekatherm of Natural Gas  Amount for Current Year (j)	Dekatherm of Natural Gas  Amount for Previous Year (k)
1	19,960	3,805	19,960	3,805	1,839,376	396,359
2	6,854,018	7,115,728	6,854,018	7,115,728	11,431,543	6,717,397
3	49,430,825	48,874,362	49,430,825	48,874,362	103,238,939	119,134,965
4	42,272	752,769	42,272	752,769	6,126,427	1,079,851,799
5	7,298,143	7,707,387	7,298,143	7,707,387	629,072	1,645,700
6	1,267,070	1,203,428	1,267,070	1,203,428	745	50,706
7	17,113,229	17,402,660	17,113,229	17,402,660	23,122,576	26,320,315
8	10,037,023	10,738,483	10,037,023	10,738,483	14,747,068	21,564,144
9	15,197,480	15,675,545	15,197,480	15,675,717	13,816,262	17,003,784
10	23,513,268	24,154,570	23,514,251	24,157,859	18,157,941	20,063,326
11	3,155,940	1,582,450	3,155,940	1,582,450	32,272,221	12,920,361
12	11,347,055	13,624,238	11,347,055	13,624,238	67,418,379	86,154,008
13	( 10,029)	( 32,836)	( 10,029)	( 32,836)		
14						
15	145,266,254	148,802,589	145,267,237	148,806,050	292,800,549	1,391,822,864
16						
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2002 Name of Respondent: Transcontinental Gas Pipe Line Corporation		ERC PDF (Unofficial) 04/30/2002 This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Other Gas Revenues (Account 495)					
1. For transactions with annual revenues of \$250,000 or more, describe, for each transaction, commissions on sales of distributions of gas of others, compensation for minor or incidental services provided for others, penalties, profit or loss on sales of material and supplies, sales of steam, water, or electricity, miscellaneous royalties, revenues from dehydration, other processing of gas of others, and gains on settlements of imbalance receivables. Separately report revenues from cash-out penalties.					
Line No.	Description of Transaction (a)	Revenues (in dollars) (b)			
1	LIQUIDS TRANSPORTATION	4,472,021			
2	INTERCOMPANY LIQUIDS TRANSPORTATION	645,941			
3	AMORTIZATION OF REGULATORY LIABILITY	273,000			
4	OPEB LIABILITY	( 5,754,869)			
5	OTHER	21,287			
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
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24					
25	Total	( 342,620)			

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Transcontinental Gas Pipe Line Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/30/2002	Dec. 31, 2001
<b>Gas Operation and Maintenance Expenses</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Production (Submit Supplemental Statement)	0	0	
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering	45,118	43,698	
8	751 Production Maps and Records	0	0	
9	752 Gas Well Expenses	0	0	
10	753 Field Lines Expenses	3,359	1,353	
11	754 Field Compressor Station Expenses	0	2,112,921	
12	755 Field Compressor Station Fuel and Power	0	0	
13	756 Field Measuring and Regulating Station Expenses	101,847	84,497	
14	757 Purification Expenses	0	673,281	
15	758 Gas Well Royalties	0	0	
16	759 Other Expenses	0	0	
17	760 Rents	0	0	
18	TOTAL Operation (Total of lines 7 thru 17)	150,324	2,915,750	
19	Maintenance			
20	761 Maintenance Supervision and Engineering	3,668	4,212	
21	762 Maintenance of Structures and Improvements	438	3,253	
22	763 Maintenance of Producing Gas Wells	0	0	
23	764 Maintenance of Field Lines	0	0	
24	765 Maintenance of Field Compressor Station Equipment	0	0	
25	766 Maintenance of Field Measuring and Regulating Station Equipment	61,197	43,734	
26	767 Maintenance of Purification Equipment	0	0	
27	768 Maintenance of Drilling and Cleaning Equipment	0	0	
28	769 Maintenance of Other Equipment	0	0	
29	TOTAL Maintenance (Total of lines 20 thru 28)	65,303	51,199	
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	215,627	2,966,949	

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Gas Operation and Maintenance Expenses(continued)					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
31	B2. Products Extraction				
32	Operation				
33	770 Operation Supervision and Engineering	0	0		
34	771 Operation Labor	0	0		
35	772 Gas Shrinkage	0	0		
36	773 Fuel	0	0		
37	774 Power	0	0		
38	775 Materials	0	0		
39	776 Operation Supplies and Expenses	0	0		
40	777 Gas Processed by Others	0	0		
41	778 Royalties on Products Extracted	0	0		
42	779 Marketing Expenses	0	0		
43	780 Products Purchased for Resale	0	0		
44	781 Variation in Products Inventory	0	0		
45	(Less) 782 Extracted Products Used by the Utility-Credit	0	0		
46	783 Rents	0	0		
47	TOTAL Operation (Total of lines 33 thru 46)	0	0		
48	Maintenance				
49	784 Maintenance Supervision and Engineering	0	0		
50	785 Maintenance of Structures and Improvements	0	0		
51	786 Maintenance of Extraction and Refining Equipment	0	0		
52	787 Maintenance of Pipe Lines	0	0		
53	788 Maintenance of Extracted Products Storage Equipment	0	0		
54	789 Maintenance of Compressor Equipment	0	0		
55	790 Maintenance of Gas Measuring and Regulating Equipment	0	0		
56	791 Maintenance of Other Equipment	0	0		
57	TOTAL Maintenance (Total of lines 49 thru 56)	0	0		
58	TOTAL Products Extraction (Total of lines 47 and 57)	0	0		

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Transcontinental Gas Pipe Line Corporation									
Gas Operation and Maintenance Expenses(continued)									
Line No.	Account (a)					Amount for Current Year (b)		Amount for Previous Year (c)	
59	C. Exploration and Development								
60	Operation								
61	795 Delay Rentals					0		0	
62	796 Nonproductive Well Drilling					0		0	
63	797 Abandoned Leases					0		0	
64	798 Other Exploration					0		0	
65	TOTAL Exploration and Development (Total of lines 61 thru 64)					0		0	
66	D. Other Gas Supply Expenses								
67	Operation								
68	800 Natural Gas Well Head Purchases					52,014,160		66,589,357	
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers					0		0	
70	801 Natural Gas Field Line Purchases					( 122,133,417)		103,128,202	
71	802 Natural Gas Gasoline Plant Outlet Purchases					0		0	
72	803 Natural Gas Transmission Line Purchases					693,511,714		940,353,088	
73	804 Natural Gas City Gate Purchases					0		0	
74	804.1 Liquefied Natural Gas Purchases					0		0	
75	805 Other Gas Purchases					41,900,746		32,451,120	
76	(Less) 805.1 Purchases Gas Cost Adjustments					0		0	
77	TOTAL Purchased Gas (Total of lines 68 thru 76)					665,293,203		1,142,521,767	
78	806 Exchange Gas					( 46,490,428)		( 41,203,882)	
79	Purchased Gas Expenses								
80	807.1 Well Expense-Purchased Gas					0		0	
81	807.2 Operation of Purchased Gas Measuring Stations					0		0	
82	807.3 Maintenance of Purchased Gas Measuring Stations					0		0	
83	807.4 Purchased Gas Calculations Expenses					0		0	
84	807.5 Other Purchased Gas Expenses					27,217,999		18,951,255	
85	TOTAL Purchased Gas Expenses (Total of lines 80 thru 84)					27,217,999		18,951,255	

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Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
86	808.1 Gas Withdrawn from Storage-Debit	71,795,014	48,069,843
87	(Less) 808.2 Gas Delivered to Storage-Credit	90,851,276	35,355,044
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	0	0
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	0	0
90	Gas used in Utility Operation-Credit		
91	810 Gas Used for Compressor Station Fuel-Credit	( 47,196,499)	( 18,183,399)
92	811 Gas Used for Products Extraction-Credit	0	0
93	812 Gas Used for Other Utility Operations-Credit	1,803,805	3,175,058
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	( 45,392,694)	( 15,008,341)
95	813 Other Gas Supply Expenses	21,089,832	5,999,831
96	TOTAL Other Gas Supply Exp. (Total of lines 77,78,85,86 thru 89,94,95)	693,447,038	1,153,992,111
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)	693,662,665	1,156,959,060
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
99	A. Underground Storage Expenses		
100	Operation		
101	814 Operation Supervision and Engineering	238,791	294,964
102	815 Maps and Records	0	0
103	816 Wells Expenses	191,477	205,787
104	817 Lines Expense	187,855	179,872
105	818 Compressor Station Expenses	2,001,811	1,779,780
106	819 Compressor Station Fuel and Power	19,260,410	8,689,012
107	820 Measuring and Regulating Station Expenses	64,707	75,745
108	821 Purification Expenses	31,398	24,982
109	822 Exploration and Development	0	0
110	823 Gas Losses	14,105,729	2,159,230
111	824 Other Expenses	64,709,426	64,000,350
112	825 Storage Well Royalties	492,170	398,205
113	826 Rents	947,300	72,937
114	TOTAL Operation (Total of lines of 101 thru 113)	102,231,074	77,880,864

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Gas Operation and Maintenance Expenses(continued)					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
115	Maintenance				
116	830 Maintenance Supervision and Engineering	93,273	98,910		
117	831 Maintenance of Structures and Improvements	298,041	210,829		
118	832 Maintenance of Reservoirs and Wells	115,638	88,486		
119	833 Maintenance of Lines	120,164	130,835		
120	834 Maintenance of Compressor Station Equipment	1,315,950	1,120,140		
121	835 Maintenance of Measuring and Regulating Station Equipment	29,466	30,203		
122	836 Maintenance of Purification Equipment	70,232	215,015		
123	837 Maintenance of Other Equipment	279,030	321,827		
124	TOTAL Maintenance (Total of lines 116 thru 123)	2,321,794	2,216,245		
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	104,552,868	80,097,109		
126	B. Other Storage Expenses				
127	Operation				
128	840 Operation Supervision and Engineering	90,284	130,841		
129	841 Operation Labor and Expenses	1,084,475	1,221,863		
130	842 Rents	0	0		
131	842.1 Fuel	708,320	790,590		
132	842.2 Power	181,577	304,475		
133	842.3 Gas Losses	2,925	23,082		
134	TOTAL Operation (Total of lines 128 thru 133)	2,067,581	2,470,851		
135	Maintenance				
136	843.1 Maintenance Supervision and Engineering	0	7,770		
137	843.2 Maintenance of Structures	152,482	362,671		
138	843.3 Maintenance of Gas Holders	1,297	10,228		
139	843.4 Maintenance of Purification Equipment	0	0		
140	843.5 Maintenance of Liquefaction Equipment	25,413	44,286		
141	843.6 Maintenance of Vaporizing Equipment	18,694	1,531		
142	843.7 Maintenance of Compressor Equipment	138,190	61,482		
143	843.8 Maintenance of Measuring and Regulating Equipment	1,035	1,555		
144	843.9 Maintenance of Other Equipment	86,679	129,971		
145	TOTAL Maintenance (Total of lines 136 thru 144)	423,790	619,494		
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)	2,491,371	3,090,345		



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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
147	C. Liquefied Natural Gas Terminating and Processing Expenses		
148	Operation		
149	844.1 Operation Supervision and Engineering	0	0
150	844.2 LNG Processing Terminal Labor and Expenses	0	0
151	844.3 Liquefaction Processing Labor and Expenses	0	0
152	844.4 Liquefaction Transportation Labor and Expenses	0	0
153	844.5 Measuring and Regulating Labor and Expenses	0	0
154	844.6 Compressor Station Labor and Expenses	0	0
155	844.7 Communication System Expenses	0	0
156	844.8 System Control and Load Dispatching	0	0
157	845.1 Fuel	0	0
158	845.2 Power	0	0
159	845.3 Rents	0	0
160	845.4 Demurrage Charges	0	0
161	(less) 845.5 Wharfage Receipts-Credit	0	0
162	845.6 Processing Liquefied or Vaporized Gas by Others	0	0
163	846.1 Gas Losses	0	0
164	846.2 Other Expenses	0	0
165	TOTAL Operation (Total of lines 149 thru 164)	0	0
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering	0	0
168	847.2 Maintenance of Structures and Improvements	0	0
169	847.3 Maintenance of LNG Processing Terminal Equipment	0	0
170	847.4 Maintenance of LNG Transportation Equipment	0	0
171	847.5 Maintenance of Measuring and Regulating Equipment	0	0
172	847.6 Maintenance of Compressor Station Equipment	0	0
173	847.7 Maintenance of Communication Equipment	0	0
174	847.8 Maintenance of Other Equipment	0	0
175	TOTAL Maintenance (Total of lines 167 thru 174)	0	0
176	TOTAL Liquefied Nat Gas Terminating and Proc Exp (Total of lines 165 and 175)	0	0
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	107,044,239	83,187,454

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Gas Operation and Maintenance Expenses(continued)					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
178	3. TRANSMISSION EXPENSES				
179	Operation				
180	850 Operation Supervision and Engineering	4,832,792	5,162,405		
181	851 System Control and Load Dispatching	4,182,329	4,526,789		
182	852 Communication System Expenses	4,491,191	4,453,656		
183	853 Compressor Station Labor and Expenses	30,064,078	27,288,914		
184	854 Gas for Compressor Station Fuel	( 50,303,521)	( 11,847,758)		
185	855 Other Fuel and Power for Compressor Stations	16,164,152	18,496,310		
186	856 Mains Expenses	20,088,103	17,148,910		
187	857 Measuring and Regulating Station Expenses	2,669,955	2,479,404		
188	858 Transmission and Compression of Gas by Others	17,119,806	15,897,500		
189	859 Other Expenses	820,259	1,095,608		
190	860 Rents	424,094	1,644,781		
191	TOTAL Operation (Total of lines 180 thru 190)	50,553,238	86,346,519		
192	Maintenance				
193	861 Maintenance Supervision and Engineering	619,879	657,338		
194	862 Maintenance of Structures and Improvements	3,077,445	4,195,031		
195	863 Maintenance of Mains	15,527,405	10,688,151		
196	864 Maintenance of Compressor Station Equipment	21,620,358	19,369,522		
197	865 Maintenance of Measuring and Regulating Station Equipment	614,905	456,852		
198	866 Maintenance of Communication Equipment	458,650	473,167		
199	867 Maintenance of Other Equipment	130,820	98,299		
200	TOTAL Maintenance (Total of lines 193 thru 199)	42,049,462	35,918,360		
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	92,602,700	122,264,879		
202	4. DISTRIBUTION EXPENSES				
203	Operation				
204	870 Operation Supervision and Engineering	0	0		
205	871 Distribution Load Dispatching	0	0		
206	872 Compressor Station Labor and Expenses	0	0		
207	873 Compressor Station Fuel and Power	0	0		

**Transcontinental Gas Pipe Line Corporation**

### Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
208	874 Mains and Services Expenses	0	0
209	875 Measuring and Regulating Station Expenses-General	0	0
210	876 Measuring and Regulating Station Expenses-Industrial	0	0
211	877 Measuring and Regulating Station Expenses-City Gas Check Station	0	0
212	878 Meter and House Regulator Expenses	0	0
213	879 Customer Installations Expenses	0	0
214	880 Other Expenses	0	0
215	881 Rents	0	0
216	TOTAL Operation (Total of lines 204 thru 215)	0	0
217	Maintenance		
218	885 Maintenance Supervision and Engineering	0	0
219	886 Maintenance of Structures and Improvements	0	0
220	887 Maintenance of Mains	0	0
221	888 Maintenance of Compressor Station Equipment	0	0
222	889 Maintenance of Measuring and Regulating Station Equipment-General	0	0
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial	0	0
224	891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station	0	0
225	892 Maintenance of Services	0	0
226	893 Maintenance of Meters and House Regulators	0	0
227	894 Maintenance of Other Equipment	0	0
228	TOTAL Maintenance (Total of lines 218 thru 227)	0	0
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	0	0
230	5. CUSTOMER ACCOUNTS EXPENSES		
231	Operation		
232	901 Supervision	0	0
233	902 Meter Reading Expenses	0	0
234	903 Customer Records and Collection Expenses	0	0

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Gas Operation and Maintenance Expenses(continued)									
Line No.	Account (a)				Amount for Current Year (b)		Amount for Previous Year (c)		
235	904 Uncollectible Accounts				0		0		
236	905 Miscellaneous Customer Accounts Expenses				0		0		
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)				0		0		
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES								
239	Operation								
240	907 Supervision				0		0		
241	908 Customer Assistance Expenses				0		0		
242	909 Informational and Instructional Expenses				0		0		
243	910 Miscellaneous Customer Service and Informational Expenses				0		0		
244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)				0		0		
245	7. SALES EXPENSES								
246	Operation								
247	911 Supervision				0		0		
248	912 Demonstrating and Selling Expenses				0		0		
249	913 Advertising Expenses				0		0		
250	916 Miscellaneous Sales Expenses				0		0		
251	TOTAL Sales Expenses (Total of lines 247 thru 250)				0		0		
252	8. ADMINISTRATIVE AND GENERAL EXPENSES								
253	Operation								
254	920 Administrative and General Salaries				30,687,340		28,891,272		
255	921 Office Supplies and Expenses				20,545,354		20,827,549		
256	(Less) 922 Administrative Expenses Transferred-Credit				9,329,421		5,843,169		
257	923 Outside Services Employed				6,499,291		3,359,890		
258	924 Property Insurance				2,607,034		2,625,647		
259	925 Injuries and Damages				3,326,568		1,367,703		
260	926 Employee Pensions and Benefits				9,651,771		16,554,177		
261	927 Franchise Requirements				0		0		
262	928 Regulatory Commission Expenses				3,937,742		4,183,488		
263	(Less) 929 Duplicate Charges-Credit				0		0		
264	930.1 General Advertising Expenses				860		0		
265	930.2 Miscellaneous General Expenses				50,811,786		44,773,864		
266	931 Rents				6,516,473		8,722,188		
267	TOTAL Operation (Total of lines 254 thru 266)				125,254,798		125,462,609		
268	Maintenance								
269	932 Maintenance of General Plant				364,060		292,790		
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)				125,618,858		125,755,399		
271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)				1,018,928,462		1,488,166,792		



This Report is:  
 (1) ☒ An Original  
 (2) ☐ A Resubmission

**Gas Used in Utility Operations**

1. Report below details of credits during the year to Accounts 810, 811, and 812.  
 2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas Gas Used Dth (c)	Natural Gas Amount of Credit (in dollars) (d)	Natural Gas Amount of Credit (in dollars) (d)	Natural Gas Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit	854.0	47,012,249	234,228,367		
2	811 Gas Used for Products Extraction - Credit					
3	Gas Shrinkage and Other Usage in Respondent's Own Processing					
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others					
5	812 Gas Used for Other Utility Operations - Credit (Report separately for each principal use. Group minor uses.)					
6	Purging		497,776	1,590,226		
7	Line Pack	151.0	( 478,807)	( 585,957)		
8	LNG Facility	842.1	181,341	708,320		
9	LNG Facility - Shrinkage	842.3	583	2,925		
10	Purification - Fuel	757.0				
11	Purification - Shrinkage	757.0				
12	Other Uses		11,553	27,583		
13	810 Booster Station Fuel	755.0				
14	810 Storage Compressor Fuel	819.0	4,289,274	20,686,691		
15	810 Misc - Fuel Use - Other	854.0	( 709,537)	( 2,956,197)		
i	810 Misc - Fuel Use - Resp	854.0	( 59,605,215)	( 299,155,361)		
17	Dehydration Fuel	757.0	13,552	60,709		
18						
19						
20						
21						
22						
23						
24						
25	<b>Total</b>		( 8,787,231)	( 45,392,694)		

2002

Name of Respondent

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04/30/2002

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Transcontinental Gas Pipe Line Corporation

Transmission and Compression of Gas by Others (Account 858)

1. Report below details concerning gas transported or compressed for respondent by others equalling more than 1,000,000 Dth and amounts of payments for such services during the year. Minor items (less than 1,000,000) Dth may be grouped. Also, include in column (c) amounts paid as transition costs to an upstream pipeline.

2. In column (a) give name of companies, points of delivery and receipt of gas. Designate points of delivery and receipt so that they can be identified readily on a map of respondent's pipeline system.

3. Designate associated companies with an asterisk in column (b).

Line No.	Name of Company and Description of Service Performed (a)	 (b)	Amount of Payment (in dollars) (c)	Dth of Gas Delivered (d)
1	CNG TRANSMISSION CORPORATION		3,339,746	10,466,266
2	Received CLINTON, PENNSYLVANIA			
3	Delivered WARREN, OHIO			
4				
5	TEXAS GAS TRANSMISSION CORP	*	4,544,994	7,957,689
6	Received WARREN, OHIO			
7	Delivered VARIOUS, TEXAS AND LOUISIANA			
8				
9	VARIOUS		9,367,079	2,900,227
10	Received VARIOUS			
11	Delivered VARIOUS			
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	Total		17,251,819	21,324,182

2002 Name of Respondent: Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Other Gas Supply Expenses (Account 813)</b>					
1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encroachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of \$250,000 or more.					
Line No.	Description (a)	Amount (in dollars) (b)			
1	IMBALANCE ADJUSTMENT	3,379,875			
2	DAMAGES AND ATTORNEYS' FEES - TEXACO ROYALTY LITIGATION	18,250,000			
3	OTHER	( 540,043)			
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	Total	21,089,832			



2002 Name of Respondent: ERC PDF (Unofficial) 04/30/2002		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Transcontinental Gas Pipe Line Corporation					
Miscellaneous General Expenses (Account 930.2)					
1. Provide the information requested below on miscellaneous general expenses. 2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items of so grouped is shown.					
Line No.	Description (a)	Amount (in dollars) (b)			
1	Industry association dues.	400,816			
2	Experimental and general research expenses.				
	a. Gas Research Institute (GRI)	12,972,280			
	b. Other				
3	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent	27,904			
4	Other expenses - SERVICE AND FEES				
5	THE WILLIAMS COMPANIES, INC. OVERHEADS	15,188,598			
6	THE WILLIAMS COMPANIES, INC. DIRECT CHARGES	5,376,608			
7	WGP ALLOCATION	8,274,987			
8	ADMINISTRATIVE AND GENERAL EXPENSES	8,570,593			
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	Total	50,811,786			

2002 Name of Respondent: ERC PDF (Unofficial) 04/30/2002		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Transcontinental Gas Pipe Line Corporation					
Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 406) (Except Amortization of Acquisition Adjustments)					
<p>1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.</p> <p>2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are</p>					
Section A. Summary of Depreciation, Depletion, and Amortization Charges					
Line No.	Functional Classification  (a)	Depreciation Expense (Account 403)  (b)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1)  (c)	Amortization of Underground Storage Land and Land Rights (Account 404.2)  (d)	
1	Intangible plant				
2	Production plant, manufactured gas				
3	Production and gathering plant, natural gas	814,536			
4	Products extraction plant				
5	Underground gas storage plant	6,619,895			
6	Other storage plant	1,356,871			
7	Base load LNG terminaling and processing plant				
8	Transmission plant	103,600,282			
9	Distribution plant				
10	General plant	23,844,111			
11	Common plant-gas				
12	TOTAL	136,235,695			

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Transcontinental Gas Pipe Line Corporation

**Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)**

obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.

3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.

**Section A. Summary of Depreciation, Depletion, and Amortization Charges**

Line No.	Amortization of Other Limited-term Gas Plant (Account 404.3)  (e)	Amortization of Other Gas Plant (Account 405)  (f)	Total (b to f)  (g)	Functional Classification  (a)
1		814,108	814,108	Intangible plant
2				Production plant, manufactured gas
3			814,536	Production and gathering plant, natural gas
4				Products extraction plant
5			6,619,895	Underground gas storage plant
6			1,356,871	Other storage plant
7				Base load LNG terminaling and processing plant
8			103,600,282	Transmission plant
9				Distribution plant
10			23,844,111	General plant
11				Common plant-gas
12		814,108	137,049,803	TOTAL

2000 Name of Respondent		FERC PDF (Unofficial) 04/30/2002		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002		Year of Report Dec. 31, 2001	
Transcontinental Gas Pipe Line Corporation									
Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)									
4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.									
Section B. Factors Used in Estimating Depreciation Charges									
Line No.	Functional Classification					Plant Bases (in thousands)		Applied Depreciation or Amortization Rates (percent)	
	(a)					(b)		(c)	
1	Production and Gathering Plant								
2	Offshore								
2.01									
2.02									
2.03									
3	Onshore								
3.01									
3.02									
3.03									
3.04									
4	Underground Gas Storage Plant								
4.01									
4.02									
4.03									
5	Transmission Plant								
6	Offshore								
6.01									
6.02									
6.03									
7	Onshore								
7.01									
7.02									
7.03									
7.04									
8	General Plant								
8.01									
8.02									
8.03									
8.04									
8.05									
8.06									
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2002 Name of Respondent: Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Particulars Concerning Certain Income Deductions and Interest Charges Accounts</b>					
Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.					
(a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.					
(b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$250,000 may be grouped by classes within the above accounts.					
(c) Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.					
Line No.	Item (a)	Amount (b)			
1	426.1 UNITED WAY	8,021,312			
2	426.1 OTHER (487 AGENCIES)	2,825,698			
3					
4					
5	426.3 PROVISION FOR CIVIL PENALTIES	1,419,680			
6					
7	426.4 EXPENDITURES FOR CIVIC, POLITICAL AND RELATED ACTIVITIES	62,766			
8					
9	426.5 LOSS ON SALE OF RECEIVABLES	5,252,357			
10	426.5 OTHER	180,242			
11					
12	431 PAST DUE TAX ASSESSMENT AT VARIOUS RATES	321,930			
13	431 POTENTIAL REFUNDS PENDING COMMISSION APPROVAL OF RATES COLLECTED SUBJECT TO				
14	REFUND, AT VARIOUS RATES	1,085,767			
15	431 PAST DUE GAS TRANSPORTATION PAYMENTS AT VARIOUS RATES	123			
16	431 REFUND OF PREPAYMENTS AT VARIOUS RATES	57,873			
17	431 FUEL TRACKER TRANSMISSION PAYMENTS AT VARIOUS RATES	( 2,273,537)			
18	431 FUEL TRACKER STORAGE PAYMENTS AT VARIOUS RATES	1,095,460			
19	431 GREAT PLAINS FUEL TRACKER AT VARIOUS RATES	787,275			
20	431 ELECTRIC POWER FUEL TRACKER AT VARIOUS RATES	( 167,610)			
21	431 ADMINISTRATIVE FEE-ADJUSTABLE EURODOLLAR RATE NOTE DUE 2002 AT VARIOUS RATES	15,000			
22	431 INTEREST FOR TEXACO ROYALTY LITIGATION	15,500,000			
23	431 INTEREST FOR FMP ROYALTY LITIGATION	3,600,000			
24					
25	TOTAL	37,784,336			
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35					

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**Regulatory Commission Expenses (Account 928)**

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.

2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description (Furnish name of regulatory commission or body, the docket number, and a description of the case.)	Assessed by Regulatory Commission	Expenses of Utility	Total Expenses to Date	Deferred in Account 182.3 at Beginning of Year
	(a)	(b)	(c)	(d)	(e)
1	FEDERAL ENERGY REGULATORY COMMISSION RP87-117	3,592,083			
2	FEDERAL ENERGY REGULATORY COMMISSION VARIOUS (13 ITEMS), MINOR ITEMS (LESS THAN				
3	\$250,000)		345,659		
4					
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18					
19					
20					
21					
22					
23					
24					
25	<b>Total</b>	3,592,083	345,659		

Name of Respondent

Transcontinental Gas Pipe Line Corporation

This Report Is:

(1) ☒ An Original(2) ☐ A Resubmission

Date of Report

(Mo, Da, Yr)

04/30/2002

Year of Report

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**Regulatory Commission Expenses (Account 928)**

3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. Identify separately all annual charge adjustments (ACA).
5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
6. Minor items (less than \$250,000) may be grouped.

Line No.	Expenses Incurred During Year Charged Currently To Department (f)	Expenses Incurred During Year Charged Currently To Account No. (g)	Expenses Incurred During Year Charged Currently To Amount (h)	Expenses Incurred During Year Deferred to Account 182.3 (i)	Amortized During Year Contra Account (j)	Amortized During Year Amount (k)	Deferred in Account 182.3 End of Year (l)
1		928.0	3,592,083				
2							
3		928.0	345,659				
4							
5							
6							
7							
8							
9							
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23							
24							
25			3,937,742				

2004-01-01		ERC PDF (Unofficial) 04/30/2002		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002		Year of Report Dec. 31, 2001	
Name of Respondent Transcontinental Gas Pipe Line Corporation									
<b>Distribution of Salaries and Wages</b>									
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided.									
In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.									
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)					
1	Electric								
2	Operation								
3	Production								
4	Transmission								
5	Distribution								
6	Customer Accounts								
7	Customer Service and Informational								
8	Sales								
9	Administrative and General								
10	TOTAL Operation (Total of lines 3 thru 9)								
11	Maintenance								
12	Production								
13	Transmission								
14	Distribution								
15	Administrative and General								
16	TOTAL Maintenance (Total of lines 12 thru 15)								
17	Total Operation and Maintenance								
18	Production (Total of lines 3 and 12)								
19	Transmission (Total of lines 4 and 13)								
20	Distribution (Total of lines 5 and 14)								
21	Customer Accounts (line 6)								
22	Customer Service and Informational (line 7)								
23	Sales (line 8)								
24	Administrative and General (Total of lines 9 and 15)								
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)								
26	Gas								
27	Operation								
28	Production - Manufactured Gas								
29	Production - Natural Gas(Including Exploration and Development)	93,674		93,674					
30	Other Gas Supply								
31	Storage, LNG Terminating and Processing	1,936,835	42,933	1,979,768					
32	Transmission	27,057,322	1,036,692	28,094,014					
33	Distribution								
34	Customer Accounts								
35	Customer Service and Informational								
36	Sales								
37	Administrative and General	33,497,680	439,453	33,937,133					
38	TOTAL Operation (Total of lines 28 thru 37)	62,585,511	1,519,078	64,104,589					
39	Maintenance								
40	Production - Manufactured Gas								
41	Production - Natural Gas(Including Exploration and Development)	29,252		29,252					
42	Other Gas Supply								
43	Storage, LNG Terminating and Processing	943,173	5,713	948,886					
44	Transmission	8,091,867	148,454	8,240,321					
45	Distribution								



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Transcontinental Gas Pipe Line Corporation

## Distribution of Salaries and Wages (continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
46	Administrative and General		48,828	48,828
47	TOTAL Maintenance (Total of lines 40 thru 46)	9,064,292	202,995	9,267,287
48	Gas (Continued)			
49	Total Operation and Maintenance			
50	Production - Manufactured Gas (Total of lines 28 and 40)			
51	Production - Natural Gas (Including Expl. and Dev.) (ll. 29 and 41)	122,926		122,926
52	Other Gas Supply (Total of lines 30 and 42)			
53	Storage, LNG Terminating and Processing (Total of ll. 31 and 43)	2,880,008	48,646	2,928,654
54	Transmission (Total of lines 32 and 44)	35,149,189	1,185,146	36,334,335
55	Distribution (Total of lines 33 and 45)			
56	Customer Accounts (Total of line 34)			
57	Customer Service and Informational (Total of line 35)			
58	Sales (Total of line 36)			
59	Administrative and General (Total of lines 37 and 46)	33,497,680	488,281	33,985,961
60	Total Operation and Maintenance (Total of lines 50 thru 59)	71,649,803	1,722,073	73,371,876
61	Other Utility Departments			
62	Operation and Maintenance			
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	71,649,803	1,722,073	73,371,876
64	Utility Plant			
65	Construction (By Utility Departments)			
66	Electric Plant			
67	Gas Plant	28,760,652	12,005	28,772,657
68	Other			
69	TOTAL Construction (Total of lines 66 thru 68)	28,760,652	12,005	28,772,657
70	Plant Removal (By Utility Departments)			
71	Electric Plant			
72	Gas Plant	377,581		377,581
73	Other			
74	TOTAL Plant Removal (Total of lines 71 thru 73)	377,581		377,581
75	Other Accounts (Specify)			
75.01	Accounts Receivable from Others (Account 143)	3,827,061		3,827,061
75.02	Accounts Receivable from Associated Companies (Account 146)	7,222,681	60,660	7,283,341
75.03	Regulatory Asset (Account 182.3)	7,822		7,822
75.04	Preliminary Survey and Investigation Charges (Account 183.2)	( 425,226)		( 425,226)
75.05	Miscellaneous Deferred Debits (Account 186)	131,282	89,098	220,380
75.06	Shared Services Allocation (Account 184)		74,151	74,151
75.07				
75.08				
75.09				
75.10				
75.11				
75.12				
75.13				
75.14				
75.15				
75.16				
75.17				
75.18				
75.19				
76	TOTAL Other Accounts	10,763,620	223,909	10,987,529
77	TOTAL SALARIES AND WAGES	111,551,656	1,957,987	113,509,643

Name of Respondent Transcontinental Gas Pipe Line Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Charges for Outside Professional and Other Consultative Services</b>					
<p>1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.</p> <p>(a) Name of person or organization rendering services. (b) Total charges for the year.</p> <p>2. Designate associated companies with an asterisk in column (b).</p>					
Line No.	Description (a)	*	Amount (in dollars) (c)		
1	ACKERMAN MCQUEEN		2,955,000		
2	AERO-METRIC, INC. (ASC)		373,874		
3	ALLIANCE ENGINEERING, INC.		4,101,681		
4	BHE ENVIRONMENTAL		270,660		
5	C & C TECHNOLOGIES, INC.		414,052		
6	CAP GEMINI ERNST & YOUNG U.S., LLC.		18,505,317		
7	CDI CORPORATION		3,211,801		
8	CLEARPOINT TECHNOLOGY, INC.		619,770		
9	COATES FIELD SERVICE, INC.		822,943		
10	CONTRACT LAND STAFF, INC.		305,924		
11	CSO AKER ENGINEERING, INC.		1,254,029		
12	DARWIN PARTNERS, INC.		4,870,045		
13	DIVERSIFIED ENERGY SERVICES, INC.		755,464		
14	ELITE COMPUTER CONSULTANTS		308,405		
15	ENERGY SOLUTIONS INTERNATIONAL, INC.		446,877		
16	ENGINUIITY, LLC.		1,309,001		
17	ENGINUIITY TECHNOLOGIES, INC.		2,510,565		
18	ENTRIX, INC.		621,369		
19	ERNST & YOUNG, LLP.		485,456		
20	GEOFIELDS, INC.		365,216		
21	GROUND WATER INVESTIGATIONS, INC.		463,407		
22	GULF INTERSTATE ENGINEERING COMPANY		10,352,830		
23	GULLETT & ASSOCIATES, INC.		2,075,114		
24	HOLT & ROSS, INC.		294,955		
25	ICOLLECTIVE, INC.		886,713		
26	INVENSYS SYSTEMS, INC.		537,386		
27	J. P. COURTNEY III TRUST ACCOUNT		545,000		
28	KEANE, INC.		4,527,652		
29	KNOWLEDGE TECH, INC.		866,480		
30	NEW CENTURY ENGINEERING SUPPORT SERVICES, INC.		1,044,186		
31	NORTHERN ECOLOGICAL ASSOCIATES, INC.		696,955		
32	OLIVE, INC.		915,290		
33	PANAMERICAN CONSULTANTS, INC.		464,137		
34	PARAGON ENGINEERING SERVICES, INC.		2,334,109		
35	PIEDMONT NATURAL GAS COMPANY, INC.		300,000		

2002
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Transcontinental Gas Pipe Line Corporation

Charges for Outside Professional and Other Consultative Services (continued)

Line No.	Description (a)	Amount (in dollars) (c)
1	PORTNOY ENVIRONMENTAL, INC.	413,992
2	PRECISION TASK GROUP, INC.	404,952
3	PROJECT TECHNICAL LIAISON ASSOCIATES, INC.	292,784
4	PROSOFT TECHNOLOGY GROUP, INC.	437,646
5	QUALITY INSPECTION SERVICES, INC.	5,387,867
6	QUALITY RESOURCES MANAGEMENT, INC.	423,668
7	RADIAN INTERNATIONAL, LLC.	368,610
8	S.S. PAPADOPULOS & ASSOCIATES, INC.	301,149
9	SHARP SOFTWARE SERVICES, INC.	408,045
10	STAFFMARK	310,050
11	SUN MICROSYSTEMS, INC.	265,135
12	SUNLAND CONSTRUCTION, INC.	2,089,622
13	TALENT TREE PERSONNEL SERVICES	400,363
14	TAYLOR, WISEMAN & TAYLOR	857,180
15	THE E TIER GROUP, INC.	517,155
16	THE WILLIAMS COMPANIES, INC.	2,894,918
17	TI ENERGY SERVICES, INC.	356,970
18	TRIAD RESOURCES	704,744
19	UNIVERSAL ENSCO, INC.	842,694
20	UNIVERSAL FIELD SERVICES, INC.	285,041
21	URS CORPORATION	815,574
22	VINCENT UHL ASSOCIATES, INC.	577,457
23	WALTER D. BREIDENSTEIN	296,315
4	WATSON, STEVENS, FIORILLA & RUTTER	418,474
25	WELLS COMPRESSION, INC.	284,620
26	WILBANKS CORPORATION	533,677
27	TOTAL	91,700,365
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34		
35		

Name of Respondent Transcontinental Gas Pipe Line Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Compressor Stations</b>					
<p>1. Report below details concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.</p> <p>2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Show the number of stations grouped. Identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership if jointly owned.</p>					
Line No.	Name of Station and Location  (a)	Number of Units at Station  (b)	Certificated Horsepower for Each Station  (c)	Plant Cost  (d)	
1	Field: FIELD COMPRESSOR STATIONS:				
2	TEXAS AND LOUISIANA - 15 FIELD LOCATIONS			36,636,020	
3	Field: TOTAL FIELD COMPRESSOR STATIONS			36,636,020	
4					
5	Underground storage: UNDERGROUND STORAGE COMPRESSOR STATIONS:				
6	Underground storage: NO. 54 WASHINGTON STORAGE FIELD, LOUISIANA	3	33,000	29,693,930	
7	Underground storage: NO. 64 HESTER STORAGE FIELD, LOUISIANA	2	2,200	3,524,949	
8	Underground storage: NO. 77 EMINENCE STORAGE FIELD, MISSISSIPPI	3	10,900	24,046,519	
9	Underground storage: NO. 530 LEIDY-TAMARACK STORAGE FIELD,			9,539,313	
10	Underground storage: PENNSYLVANIA				
11	Underground storage: NO. 535 WHARTON STORAGE FIELD, PENNSYLVANIA	5	8,500	25,265,964	
12					
13	Underground storage: TOTAL UNDERGROUND STORAGE	13	54,600	92,070,675	
14					
15	Transmission: TRANSMISSION COMPRESSOR STATIONS:				
16	Transmission: NO. 14 PADRE ISLAND, FALFURRIAS, TEXAS	2	416		
17	Transmission: NO. 20 REFUGIO, TEXAS	5	8,320	4,388,478	
18	Transmission: NO. 24 MARKHAM, MARKHAM, TEXAS	3	624		
19	Transmission: NO. 30 EL CAMPO, TEXAS	7	17,000	8,746,450	
20	Transmission: NO. 35 HOUSTON, TEXAS	4	14,910	8,387,048	
21	Transmission: NO. 40 SOUR LAKE, TEXAS	6	14,400	6,670,812	
22	Transmission: NO. 44 JOHNSON'S BAYOU, LOUISIANA	3	11,490	9,472,199	
23	Transmission: NO. 45 LAKE CHARLES, LOUISIANA	8	19,750	13,576,420	
24	Transmission: NO. 50 EUNICE, LOUISIANA	2	14,474	19,050,546	
25	Transmission: NO. 51 EUNICE, LOUISIANA	5	10,000	6,134,051	

## Compressor Stations (continued)

Line No.	Expenses (except depreciation and taxes) Fuel or Power (e)	Expenses (except depreciation and taxes) Other (f)	Gas for Compressor Fuel in Dth (g)	Operation Data Total Compressor Hours of Operation During Year (h)	Operation Data Number of Compressors Operated at Time of Station Peak (i)	Date of Station Peak (j)
1	58	1,353				
2	6,449,629	1,454,857	1,199,820	57,349	11	01/23/2001
3		20,656				
4	4,271,202	( 41,062)	949,982	43,261	4	08/26/2001
5	1,775,060	329	518,410	32,230	6	02/10/2001
6	3,149,503	1,416,163	551,808	18,577	6	01/27/2001
7	7,809,515	1,777,706	1,127,168	15,100	6	01/02/2001
8	12,074,127	2,111,943	2,328,748	83,064	15	03/08/2001
9	7,026,625	640,536	1,494,269	23,844	3	04/05/2001
10	2,321,040	96,457	402,346	4,604	1	04/15/2001
11	14,227,541	1,593,814	2,839,329	92,748	16	01/08/2001
12	21,320,376	2,665,312	4,131,409	55,354	9	01/04/2001
13	3,654,305	73,332	459,382	3,829	2	01/04/2001
14	16,452,614	2,034,980	3,320,836	100,448	15	12/31/2001
15	2,814,393	223,980		3,134	2	03/08/2001
16	14,879,403	1,934,393	2,535,232	122,764	15	03/15/2001
17	2,685,674	228,454	249,891	3,875	3	01/01/2001
18	14,983,806	2,183,919	2,934,765	105,594	16	10/28/2001
19	14,116,682	2,346,882	2,819,721	87,314	15	01/27/2001
20	4,162,062	2,518,062	4,541	13,633	3	02/02/2001
21	14,391,909	2,081,353	3,065,897	103,384	12	10/23/2001
22	5,290,696	1,141,347	986,188	35,505	6	04/05/2001
23	11,906,465	1,834,686	2,578,884	114,633	14	01/11/2001
24	5,746,868	1,212,699	1,151,112	65,088	11	04/17/2001
25	24,682	321,960	2,447	606	2	11/13/2001

2002

Name of Respondent

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04/30/2002

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Dec. 31, 2001

Transcontinental Gas Pipe Line Corporation

Compressor Stations (continued)

Line No.	Name of Station and Location	Number of Units at Station	Certificated Horsepower for Each Station	Plant Cost
	(a)	(b)	(c)	(d)
1	Transmission: NO. 52 EUNICE, LOUISIANA	3	6,000	2,849,851
2	Transmission: NO. 60 ST. FRANCISVILLE, LOUISIANA	13	36,405	17,192,739
3	Transmission: NO. 61 ETHEL, LOUISIANA	2	3,050	3,823,495
4	Transmission: NO. 62 HUMPHRIES, LOUISIANA	9	24,820	22,030,081
5	Transmission: NO. 63 CONVENT, LOUISIANA	8	17,960	12,029,305
6	Transmission: NO. 65 KENTWOOD, LOUISIANA	6	26,400	12,737,044
7	Transmission: NO. 70 TYLERTOWN, MISSISSIPPI	8	47,630	23,997,576
8	Transmission: NO. 80 SANDERVILLE, MISSISSIPPI	18	70,300	38,553,591
9	Transmission: NO. 82 CODEN, ALABAMA	3	28,874	25,149,238
10	Transmission: NO. 83 CITRONELLE, ALABAMA	1	15,000	19,899,837
11	Transmission: NO. 90 MYRTLEWOOD, ALABAMA	17	62,780	35,929,993
12	Transmission: NO. 100 BILLINGSLEY, ALABAMA	10	78,582	56,818,312
13	Transmission: NO. 105 ROCKFORD, ALABAMA	2	30,000	30,820,552
14	Transmission: NO. 110 WADLEY, ALABAMA	16	61,400	38,145,373
15	Transmission: NO. 115 NEWNAN, GEORGIA	2	31,500	45,040,116
16	Transmission: NO. 120 STOCKBRIDGE, GEORGIA	18	70,580	46,638,980
17	Transmission: NO. 125 MONROE, GEORGIA	3	23,000	29,977,131
18	Transmission: NO. 130 COMER, GEORGIA	18	58,685	36,576,744
19	Transmission: NO. 140 SPARTANBURG, SOUTH CAROLINA	15	56,000	29,256,668
20	Transmission: NO. 145 GROVER, NORTH CAROLINA	3	37,500	8,894,451
21	Transmission: NO. 150 DAVIDSON, NORTH CAROLINA	16	54,300	38,858,434
22	Transmission: NO. 155 LEXINGTON, NORTH CAROLINA	6	22,300	12,671,636
23	Transmission: NO. 160 REIDSVILLE, NORTH CAROLINA	15	38,400	21,185,844
24	Transmission: NO. 165 CHATHAM, VIRGINIA	11	23,400	16,777,846
25	Transmission: NO. 167 SOUTH HILL, VIRGINIA	2	8,126	12,628,193

Name of Respondent: Transcontinental Gas Pipe Line Corporation			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Compressor Stations</b>						
Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote each unit's size and the date the unit was placed in operation.						
3. For column (e), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.						
Line No.	Expenses (except depreciation and taxes)  Fuel or Power (e)	Expenses (except depreciation and taxes)  Other (f)	Gas for Compressor Fuel in Dth  (g)	Operation Data  Total Compressor Hours of Operation During Year (h)	Operation Data  Number of Compressors Operated at Time of Station Peak (i)	Date of Station Peak (j)
1						
2				34,464		
3				34,464		
4						
5						
6	3,999,321	3,212,003	1,029,555	13,769		01/04/2001
7			26,777	6,425	2	01/31/2001
8	1,090,742	1,006,620	247,541	6,794		04/18/2001
9	4,808,683	2,186,540	2,787,233			
10						
11	938,255	1,177,831	198,168	13,447	4	04/22/2001
12						
13	10,837,001	7,582,994	4,289,274	40,435	6	
14						
15						
16	17,756		273	190	1	10/05/2001
17						
18	135,468	( 5)	23,564	1,988	3	04/26/2001
19	1,098,274	868,604	238,053	14,674	3	02/05/2001
20	26,249	895,156	2,126	50	3	01/31/2001
21	941,836	1,112,748	175,485	9,521	4	12/31/2001
22	159,595		38,000	2,973	2	07/26/2001
23	2,025,004	1,079,316	415,625	24,010	6	01/10/2001
24		247,325				
25	49	1,361				

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Transcontinental Gas Pipe Line Corporation					
Compressor Stations (continued)					
Line No.	Name of Station and Location (a)	Number of Units at Station (b)	Certificated Horsepower for Each Station (c)	Plant Cost (d)	
1	Transmission: NO. 170 APPOMATTOX, VIRGINIA	11	32,700	15,497,451	
2	Transmission: NO. 175 SCOTTSVILLE, VIRGINIA	4	17,600	7,520,433	
3	Transmission: NO. 180 ORANGE, VIRGINIA	14	32,900	25,547,784	
4	Transmission: NO. 185 MANASSAS, VIRGINIA	10	20,000	22,455,525	
5	Transmission: NO. 190 ELLICOTT CITY, MARYLAND	12	29,250	27,583,967	
6	Transmission: NO. 195 DELTA, PENNSYLVANIA	5	18,350	20,674,870	
7	Transmission: NO. 200 MALVERN, PENNSYLVANIA	13	29,900	46,546,115	
8	Transmission: NO. 205 LAWRENCEVILLE, NEW JERSEY	3	14,000	26,006,966	
9	Transmission: NO. 505 CENTERVILLE, NEW JERSEY	8	16,000	28,027,031	
10	Transmission: NO. 515 BEAR CREEK, PENNSYLVANIA	6	29,600	28,382,921	
11	Transmission: NO. 517 BENTON, PENNSYLVANIA	4	23,600	28,003,289	
12	Transmission: NO. 520 SALLADASBURG, PENNSYLVANIA	7	35,200	35,340,547	
13					
14	Transmission: TOTAL TRANSMISSION COMPRESSOR STATIONS	367	1,343,476	1,026,495,933	
15					
16	Other: OTHER COMPRESSOR STATIONS:				
17	Other: NO. 240 HACKENSACK MEADOWS, NEW JERSEY	5	4,320	37,842,210	
18					
19	Other: TOTAL OTHER COMPRESSOR STATIONS	5	4,320	37,842,210	
20					
21	Other: TOTAL COMPRESSOR STATIONS:	385	1,402,396	1,193,044,838	
22					
23					
24					
25					



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## Compressor Stations (continued)

Line No.	Expenses (except depreciation and taxes) Fuel or Power (e)	Expenses (except depreciation and taxes) Other (f)	Gas for Compressor Fuel in Dth (g)	Operation Data Total Compressor Hours of Operation During Year (h)	Operation Data Number of Compressors Operated at Time of Station Peak (i)	Date of Station Peak (j)
1	9,427,981	1,596,701	2,080,107	85,141	11	04/08/2001
2	364,015	881,852	30,454	874	2	01/18/2001
3	9,736,285	1,585,103	2,178,633	105,457	14	01/11/2001
4	4,252,406	1,641,858	950,502	55,806	8	01/31/2001
5	8,417,589	1,923,751	1,860,763	92,009	12	04/08/2001
6	3,066,981	1,316,347	669,235	24,358	13	04/07/2001
7	8,559,990	3,193,931	1,866,579	93,114	12	07/01/2001
8	57,693	525,286		137	2	07/01/2001
9	879,441	1,072,338	199,995	11,716	5	04/24/2001
10	1,879,851	1,080,242	299,191	9,672	6	12/30/2001
11	747,007	198,058	74,769	935	3	12/31/2001
12	2,083,539	930,407	268,263	7,873	7	12/30/2001
13						
14	245,411,420	50,024,490	47,023,802	1,726,436	310	
15						
16						
17	711,245	2,217,109	181,341	17,059		02/22/2001
18						
19	711,245	2,217,109	181,341	17,059		
20						
21	256,959,666	59,824,593	51,494,417	1,818,394	316	
22						
23						
24						
25						

## Gas Storage Projects

1. Report injections and withdrawals of gas for all storage projects used by respondent.

Line No.	Item	Gas Belonging to Respondent (Dth) (b)	Gas Belonging to Others (Dth) (c)	Total Amount (Dth) (d)
	(a)			
	STORAGE OPERATIONS (in Dth)			
1	Gas Delivered to Storage			
2	January	1,048,191		1,048,191
3	February	1,723,237		1,723,237
4	March	3,087,192		3,087,192
5	April	1,635,572		1,635,572
6	May	1,946,949		1,946,949
7	June	2,346,273		2,346,273
8	July	2,190,626		2,190,626
9	August	2,821,177		2,821,177
10	September	2,271,462		2,271,462
11	October	1,413,270		1,413,270
12	November	450,867		450,867
13	December	191,721		191,721
14	TOTAL (Total of lines 2 thru 13)	21,126,537		21,126,537
15	Gas Withdrawn from Storage			
16	January	964,259		964,259
17	February	668,707		668,707
18	March	5,548,059		5,548,059
19	April	2,020,476		2,020,476
20	May	486,474		486,474
21	June	413,419		413,419
22	July	1,142,940		1,142,940
23	August	( 160,928)		( 160,928)
24	September	663,513		663,513
25	October	1,100,131		1,100,131
26	November	529,303		529,303
27	December	1,491,284		1,491,284
28	TOTAL (Total of lines 16 thru 27)	14,867,637		14,867,637

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### Gas Storage Projects

1. On line 4, enter the total storage capacity certificated by FERC.
2. Report total amount in Dth or other unit, as applicable on lines 2, 3, 4, 7. If quantity is converted from Mcf to Dth, provide conversion factor in a footnote.

Line No.	Item (a)	Total Amount (b)
	STORAGE OPERATIONS	
1	Top or Working Gas End of Year	14,403,668
2	Cushion Gas (Including Native Gas)	110,771,741
3	Total Gas in Reservoir (Total of line 1 and 2)	125,175,409
4	Certificated Storage Capacity	242,890,645
5	Number of Injection - Withdrawal Wells	130
6	Number of Observation Wells	25
7	Maximum Days' Withdrawal from Storage	2,631,441
8	Date of Maximum Days' Withdrawal	01/02/2002
9	LNG Terminal Companies (in Dth)	
10	Number of Tanks	
11	Capacity of Tanks	
12	LNG Volume	
13	Received at "Ship Rail"	
14	Transferred to Tanks	
15	Withdrawn from Tanks	
16	"Boil Off" Vaporization Loss	

Name of Respondent		Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Transcontinental Gas Pipe Line Corporation		Original Resubmission	04/30/2002	Dec. 31, 2001
<b>Transmission Lines</b>				
1. Report below, by state, the total miles of transmission lines of each transmission system owned or controlled by respondent at end of year. 2. Report separately any lines held under a title other than full ownership. Designate such title in column (b) and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned. 3. Report separately any line that was not operated during the past year. Enter in a footnote and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book costs are contained in. 4. Report the number of miles of pipe to one decimal point				
Line No.	Designation (Identification of Line or Group of Lines) (a)	(b)	Total Miles of Pipe (c)	
1	Op by resp: TEXAS		1,211.40	
2	Op by resp: TEXAS (LEASE TO OTHERS)		0.30	
3	Op by resp: LOUISIANA		2,554.50	
4	Op by resp: MISSISSIPPI		652.80	
5	Op by resp: ALABAMA		996.20	
6	Op by resp: GEORGIA		699.70	
7	Op by resp: SOUTH CAROLINA		404.20	
8	Op by resp: NORTH CAROLINA		551.70	
9	Op by resp: VIRGINIA		834.70	
10	Op by resp: MARYLAND		245.00	
11	Op by resp: PENNSYLVANIA		968.50	
12	Op by resp: NEW JERSEY		483.70	
13	Op by resp: DELAWARE		1.00	
14	Op by resp: NEW YORK		27.00	
15	Not Op by resp: OKLAHOMA - NOT OPERATED BY TRANSCO		0.30	
16	Not Op by resp: TEXAS - LESS THAN FULL OWNERSHIP, NOT OPERATED BY TRANSCO	*	119.60	
17	Op by resp: TEXAS - LESS THAN FULL OWNERSHIP	*	243.50	
18	Not Op by resp: LOUISIANA - LESS THAN FULL OWNERSHIP, NOT OPERATED BY TRANSCO	*	118.30	
19	Op by resp: LOUISIANA - LESS THAN FULL OWNERSHIP	*	81.50	
20	Op by resp: MISSISSIPPI - LESS THAN FULL OWNERSHIP	*	19.50	
21	Not Op by resp: NEW MEXICO - LESS THAN FULL OWNERSHIP, NOT OPERATED BY TRANSCO	*	0.80	
22	Op by resp: ALABAMA - LESS THAN FULL OWNERSHIP	*	123.40	
23	Op by resp: TOTAL		10,337.60	
24				
25				

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Name of Respondent Transcontinental Gas Pipe Line Corporation					
Transmission System Peak Deliveries					
1. Report below the total transmission system deliveries of gas (in Dth), excluding deliveries to storage, for the period of system peak deliveries indicated below, during the 12 months embracing the heating season overlapping the year's end for which this report is submitted. The season's peak normally will be reached before the due date of this report, April 30, which permits inclusion of the peak information required on this page. Add rows as necessary to report all data. Number additional rows 6.01, 6.02, etc.					
Line No.	Description	Dth of Gas Delivered to Interstate Pipelines (b)	Dth of Gas Delivered to Others (c)	Total (b) + (c) (d)	
SECTION A: SINGLE DAY PEAK DELIVERIES					
1	Date: March 4, 2002				
2	Volumes of Gas Transported				
3	No-Notice Transportation	379,876	5,450,297		5,830,173
4	Other Firm Transportation				
5	Interruptible Transportation	119,478	433,851		553,329
6	Other (Describe)				
6.01	Exchange, Operation & Maintenance,				
6.02	Overrun (Firm & Interruptible),				
6.03	Retrograde BTU Replacement	630,879	7,131		638,010
6.04					
6.05					
7	TOTAL	1,130,233	5,891,279		7,021,512
8	Volumes of gas Withdrawn form Storage under Storage Contract				
9	No-Notice Storage		1,618,367		1,618,367
10	Other Firm Storage				
11	Interruptible Storage				
12	Other (Describe)				
12.01					
12.02					
12.03					
12.04					
12.05					
13	TOTAL		1,618,367		1,618,367
14	Other Operational Activities				
15	Gas Withdrawn from Storage for System Operations		3,191,269		3,191,269
16	Reduction in Line Pack		193,350		193,350
17	Other (Describe)				
17.01	Fuel		159,592		159,592
17.02					
17.03					
17.04					
17.05					
18	TOTAL		3,544,211		3,544,211
SECTION B: CONSECUTIVE THREE-DAY PEAK DELIVERIES					
20	Dates: 02/04/02, 02/05/02, 02/06/02				
21	Volumes of Gas Transported				
22	No-Notice Transportation	1,468,272	15,759,930		17,228,202
23	Other Firm Transportation				
24	Interruptible Transportation	208,488	981,313		1,189,801
25	Other (Describe)				
25.01	Exchange, Operation & Maintenance,				
25.02	Overrun (Firm & Interruptible),				
25.03	Retrograde BTU Replacement	2,123,830	18,252		2,142,082
25.04					
25.05					
26	TOTAL	3,800,590	16,759,495		20,560,085
27	Volumes of Gas Withdrawn from Storage under Storage Contract				

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Name of Respondent  
Transcontinental Gas Pipe Line Corporation

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Transmission System Peak Deliveries (continued)

Line No.	Description	Dth of Gas Delivered to Interstate Pipelines (b)	Dth of Gas Delivered to Others (c)	Total (b) + (c) (d)
28	No-Notice Storage		3,161,751	3,161,751
29	Other Firm Storage			
30	Interruptible Storage			
31	Other (Describe)			
31.01				
31.02				
31.03				
31.04				
31.05				
32	TOTAL		3,161,751	3,161,751
33	Other Operational Activities			
34	Gas Withdrawn from Storage for System Operations		7,103,240	7,103,240
35	Reduction in Line Pack		335,608	335,608
36	Other (Describe)			
36.01	Fuel		523,645	523,645
36.02				
36.03				
36.04				
36.05				
37	TOTAL		7,962,493	7,962,493

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Name of Respondent

Transcontinental Gas Pipe Line Corporation

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(2) ☐ A Resubmission

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04/30/2002

Year of Report

Dec. 31, 2001

Auxiliary Peaking Facilities

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.

2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. or other facilities, report the rated maximum daily delivery capacities.

3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility Dth (c)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?
1	HACKENSACK MEADOWS	LNG STORAGE	398,819	56,228,806	No
2	NEW JERSEY				
3	LNG FACILITY				
4					
5	ST. LANDRY PARISH	UNDERGROUND STORAGE	828,000	77,582,842	Yes
6	LOUISIANA				
7	WASHINGTON STORAGE FIELD				
8					
9	ST. JAMES PARISH	UNDERGROUND STORAGE	105,570	16,925,643	Yes
10	LOUISIANA				
11	HESTER STORAGE FIELD				
12					
13	COVINGTON COUNTY	UNDERGROUND STORAGE	1,552,500	102,749,862	Yes
14	MISSISSIPPI				
15	EMINENCE STORAGE FIELD				
16					
17	POTTER, CLINTON & CAMERON COUNTIES	UNDERGROUND STORAGE	1,231,650	23,959,828	Yes
18	PENNSYLVANIA				
19	LEIDY-TAMARACK STORAGE FIELD				
20					
21	POTTER AND CAMERON COUNTIES	UNDERGROUND STORAGE	310,500	44,870,713	Yes
22	PENNSYLVANIA				
23	WHARTON STORAGE FIELD				
24					
25					
26					
27					
28					
29					
30					

Page 519

Name of Respondent: Transcontinental Gas Pipe Line Corporation		FERC PDF (Unofficial) 04/30/2002 This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
<b>Gas Account - Natural Gas</b>					
1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent. 2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas. 3. Enter in column (c) the Dth as reported in the schedules indicated for the items of receipts and deliveries. 4. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed. 5. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose. Use copies of pages 520. 6. Also indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline. 7. Also indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities. 8. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional rows as necessary to report all data, numbered 14.01, 14.02, etc.					
Line No.	Item (a)	Ref. Page No. (b)	Amount of Dth (c)		
<b>01 Name of System:</b>					
2	GAS RECEIVED				
3	Gas Purchases (Accounts 800-805)		137,107,087		
4	Gas of Others Received for Gathering (Account 489.1)	303	12,968,610		
5	Gas of Others Received for Transmission (Account 489.2)	305	2,636,983,093		
6	Gas of Others Received for Distribution (Account 489.3)	301			
7	Gas of Others Received for Contract Storage (Account 489.4)	307	292,800,549		
8	Exchanged Gas Received from Others (Account 806)	328	19,949,480		
9	Gas Received as Imbalances (Account 806)	328	342,123,484		
0	Receipts of Respondent's Gas Transported by Others (Account 858)	332	21,324,182		
11	Other Gas Withdrawn from Storage (Explain)		20,189,374		
12	Gas Received from Shippers as Compressor Station Fuel				
13	Gas Received from Shippers as Lost and Unaccounted for				
14	Other Receipts (Specify)				
14.01					
14.02					
14.03					
14.04					
14.05					
14.06					
14.07					
14.08					
14.09					
14.10					
15	Total Receipts (Total of lines 3 thru 14.?)		3,483,455,859		
16	GAS DELIVERED				
17	Gas Sales (Accounts 480-484)		105,417,705		
18	Deliveries of Gas Gathered for Others (Account 489.1)	303	12,968,610		
19	Deliveries of Gas Transported for Others (Account 489.2)	305	2,636,983,093		
20	Deliveries of Gas Distributed for Others (Account 489.3)	301			
21	Deliveries of Contract Storage Gas (Account 489.4)	307	292,800,549		
22	Exchange Gas Delivered to Others (Account 806)	328	19,949,480		
23	Gas Delivered as Imbalances (Account 806)	328	350,352,852		
24	Deliveries of Gas to Others for Transportation (Account 858)	332	21,324,182		
25	Other Gas Delivered to Storage (Explain)		26,283,083		



2002 Name of Respondent: ERC PDF (Unofficial) 04/30/2002		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec. 31, 2001
Transcontinental Gas Pipe Line Corporation					
Gas Account - Natural Gas (continued)					
Line No.	Item (a)	Ref. Page No. (b)	Amount of Dth (c)		
26	Gas Used for Compressor Station Fuel	509	( 8,787,231)		
27	Other Deliveries (Specify)		26,196,061		
27.01					
27.02					
27.03					
27.04					
27.05					
27.06					
27.07					
27.08					
27.09					
27.10					
28	Total Deliveries (Total of lines 17 thru 27.?)		3,483,488,384		
29	GAS UNACCOUNTED FOR				
30	Production System Losses				
31	Gathering System Losses				
32	Transmission System Losses		( 32,525)		
33	Distribution System Losses				
34	Storage System Losses				
35	Other Losses (Specify)				
36	Total Unaccounted For (Total of lines 30 thru 35)		( 32,525)		
37	Total Deliveries & Unaccounted For (Total of lines 28 and 36)		3,483,455,859		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
Transcontinental Gas Pipe Line Corporation			
<b>System Maps</b>			

1. Furnish five copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.

2. Indicate the following information on the maps:

- (a) Transmission lines.
- (b) Incremental facilities.
- (c) Location of gathering areas.
- (d) Location of zones and rate areas.
- (e) Location of storage fields.
- (f) Location of natural gas fields.
- (g) Location of compressor stations.
- (h) Normal direction of gas flow (indicated by arrows).
- (i) Size of pipe.
- (j) Location of products extraction plants, stabilization plants, purification plants, recycling areas, etc.
- (k) Principal communities receiving service through the respondent's pipeline.

3. In addition, show on each map: graphic scale of the map; date of the facts the map purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.

4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger than this report. Bind the maps to the report.

TRANSCONTINENTAL GAS PIPE LINE

## LARGE-FORMAT IMAGES

One or more large-format images (over 8 1/2" X 11") go here.  
These images are available in FERRIS at:

For Large-Format(s):

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File Date: 4.30.02 Docket No.: \_\_\_\_\_

Parent Accession No.: 20020501.0394

Set No.: 1 of 1

Number of page(s) in set: 3

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
Transcontinental Gas Pipe Line Corporation			
FOOTNOTE DATA			

**Schedule Page: 102 Line No.: 1 Column: a**

TRANSCONTINENTAL GAS PIPE LINE CORPORATION (TRANSCO) IS A WHOLLY-OWNED SUBSIDIARY OF WILLIAMS GAS PIPELINE COMPANY, LLC (WGP). WGP IS A WHOLLY-OWNED SUBSIDIARY OF THE WILLIAMS COMPANIES, INC.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Transcontinental Gas Pipe Line Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/30/2002	Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 103 Line No.: 14 Column: a**

TRANSCARDINAL COMPANY OWNS 45% OF CARDINAL PIPELINE COMPANY, LLC.

**Schedule Page: 103 Line No.: 15 Column: a**

TRANSCAROLINA LNG COMPANY OWNS 35% OF PINE NEEDLE LNG COMPANY, LLC.

**Schedule Page: 103 Line No.: 16 Column: a**

TRANSCO CROSS BAY COMPANY OWNED 37.5% OF CROSS BAY PIPELINE COMPANY, LLC. UNTIL 11/30/01 WHEN CROSS BAY PIPELINE COMPANY, LLC WAS DISSOLVED.

**Schedule Page: 103 Line No.: 17 Column: a**

TRANSCUMBERLAND PIPELINE COMPANY OWNS 50% OF CUMBERLAND GAS PIPELINE COMPANY.

**Schedule Page: 103 Line No.: 18 Column: a**

TRANSCO INDEPENDENCE PIPELINE COMPANY OWNS 33% OF INDEPENDENCE PIPELINE COMPANY.

**Schedule Page: 103 Line No.: 19 Column: a**

TRANSCO DECLARED A DIVIDEND OF WGP ENTERPRISES STOCK, WHICH WAS TRANSFERRED TO THE WILLIAMS COMPANIES, INC. IN DECEMBER 2001.

**Schedule Page: 103 Line No.: 20 Column: a**

TGPL ENTERPRISES, LLC. OWNS 100% OF TGPL ENTERPRISES, INC. TRANSCO CONTRIBUTED TGPL ENTERPRISES, INC. TO TGPL ENTERPRISES, LLC. EFFECTIVE APRIL 1, 2001.

**Schedule Page: 103 Line No.: 12 Column: a**

EFFECTIVE APRIL 1, 2001, TRANSCO NO LONGER CONTROLLED TGPL ENTERPRISES, INC.

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 120 Line No.: 5 Column: b**

**Schedule Page: 120 Line No.: 5 Column: b**

INCLUDES \$1,436,547 CHARGED TO ACCOUNT 427, RELATED TO THE AMORTIZATION OF THE INTEREST RATE LOCK FEE.

**Schedule Page: 120 Line No.: 5 Column: c**

INCLUDES \$1,400,388 CHARGED TO ACCOUNT 427, RELATED TO THE AMORTIZATION OF THE INTEREST RATE LOCK FEE.

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 204 Line No.: 121 Column: c**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 208)

ACCOUNT DISTRIBUTIONS AND AMOUNTS OF TENTATIVE CLASSIFICATIONS ARE AS FOLLOWS:

<u>ACCOUNT</u>	<u>AMOUNT</u>
334	2,601,784
336	19,774
351	435,051
352	882,574
353	(248,448)
354	(402,539)
355	(69,613)
361	32,803
362	315,414
363.1	(88,628)
363.2	(23,927)
363.3	(61,393)
365.1	(259,505)
365.2	2,117,911
366	(9,742,635)
367	59,439,878
368	86,773,760
369	464,385
371	1,477,780
390	1,507,198
391	(3,834,496)
392	(926,745)
394	(378,697)
396	(100,033)
397	(135,975)

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 213 Line No.: 7 Column: a**

COMMISSION AUTHORIZATION: NONE

**EXPIRATION DATE OF LEASE:**

LEASE ON COMPRESSOR IS FROM MONTH-TO-MONTH AND MAY BE TERMINATED BY EITHER PARTY UPON 30 DAYS NOTICE; DEHYDRATION UNIT LEASE TO EXPIRE WHEN NO LONGER REQUIRED BY UNION OR UPON PERMANENT CESSATION OF PURCHASES BY RESPONDENT AT THIS SITE UNDER GAS PURCHASE AGREEMENT WITH PURE OIL COMPANY (NOW UNION OIL OF CALIFORNIA).



Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 214 Line No.: 1 Column: d**

DATE ORIGINALLY INCLUDED: 1992

DATE EXPECTED TO BE USED: UNKNOWN

**Schedule Page: 214 Line No.: 4 Column: d**

DATE ORIGINALLY INCLUDED: 1985

DATE EXPECTED TO BE USED: UNKNOWN

**Schedule Page: 214 Line No.: 8 Column: d**

DATE ORIGINALLY INCLUDED: VARIOUS

DATE EXPECTED TO BE USED: VARIOUS

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 220 Line No.: 5 Column: g**

All gas stored in the LNG Facility (account 164.2) is considered current.

**Schedule Page: 220 Line No.: 5 Column: b**

All base gas stored in storage (Account 117.1) is considered non-current.

**Schedule Page: 220 Line No.: 5 Column: i**

Transco uses the inventory method to report storage

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Transcontinental Gas Pipe Line Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/30/2002	Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 224.1 Line No.: 22 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

**EQUITY IN UNDISTRIBUTED  
EARNINGS SINCE ACQUISITION**

MARSH RESOURCES, INC.	\$ 1,811,317
TGPL ENTERPRISES, INC.	- 0 -
TRANSCAROLINA LNG COMPANY	6,657,698
TRANSCARDINAL	6,468,696
WGP ENTERPRISES	- 0 -
TRANSCO INDEPENDENCE PIPELINE COMPANY	58,862
TRANSCUMBERLAND PIPELINE COMPANY	(574,764)
TRANSCO CROSS BAY COMPANY	139,911
TGPL ENTERPRISES, LLC.	<u>565,337</u>
	<b>\$ 15,127,057 (NOTE 1)</b>

**NOTE 1:** DIFFERENCE BETWEEN THIS AND ACCOUNT 216.1 (UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS) IS THE EQUITY IN WGP ENTERPRISES THAT RESULTED FROM THE NONCASH DIVIDEND OF STOCK OF WGP ENTERPRISES TO WGP IN DECEMBER 2001.

**Schedule Page: 224 Line No.: 19 Column: f**

WGP ENTERPRISES, INC. ENTIRE INTEREST WAS TRANSFERRED TO WGP AS A DIVIDEND IN 2001.

**Schedule Page: 224 Line No.: 20 Column: f**

WGP ENTERPRISES, INC. ENTIRE INTEREST WAS TRANSFERRED TO WGP AS A DIVIDEND IN 2001.

**Schedule Page: 224 Line No.: 21 Column: f**

WGP ENTERPRISES, INC. ENTIRE INTEREST WAS TRANSFERRED TO WGP AS A DIVIDEND IN 2001.

**Schedule Page: 224.1 Line No.: 5 Column: f**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

TGPL ENTERPRISES, INC. ENTIRE INTEREST WAS TRANSFERRED TO TGPL ENTERPRISE LLC, A SUBSIDIARY OF TGPL IN 2001.

**Schedule Page: 224.1 Line No.: 6 Column: f**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

TGPL ENTERPRISES, INC. ENTIRE INTEREST WAS TRANSFERRED TO TGPL ENTERPRISE LLC, A SUBSIDIARY OF TGPL IN 2001.

**Schedule Page: 224.1 Line No.: 7 Column: f**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

TGPL ENTERPRISES, INC. ENTIRE INTEREST WAS TRANSFERRED TO TGPL ENTERPRISE LLC, A SUBSIDIARY OF TGPL IN 2001.

**Schedule Page: 224.1 Line No.: 8 Column: f**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

THE \$56,666,120 NOTE RECEIVABLE ON TGPL ENTERPRISES INC. BOOKS WAS TRANSFERRED TO TGPL AS AN ACCOUNTS RECEIVABLE IN 2001. THERE WAS NO INTEREST ASSOCIATED WITH THIS NOTE RECEIVABLE.

**Schedule Page: 224 Line No.: 10 Column: f**

INVESTMENT ADVANCE FROM TGPL

**Schedule Page: 224 Line No.: 11 Column: f**

DERIVATIVE

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 224 Line No.: 16 Column: f**

INVESTMENT ADVANCE FROM TGPL

**Schedule Page: 224 Line No.: 33 Column: f**

INVESTMENT ADVANCE FROM TGPL

**Schedule Page: 224.1 Line No.: 2 Column: f**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

INVESTMENT ADVANCE FROM TGPL

**Schedule Page: 224.1 Line No.: 16 Column: f**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

INVESTMENT ADVANCE FROM TGPL

**Schedule Page: 224.1 Line No.: 19 Column: f**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

ENTIRE INTEREST WAS TRANSFERRED FROM TGPL ENTERPRISES, INC., A SUBSIDIARY OF TGPL IN 2001.

**Schedule Page: 224.1 Line No.: 20 Column: f**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 225.1)

ENTIRE INTEREST WAS TRANSFERRED FROM TGPL ENTERPRISES, INC., A SUBSIDIARY OF TGPL IN 2001.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
Transcontinental Gas Pipe Line Corporation			
FOOTNOTE DATA			

**Schedule Page: 256 Line No.: 22 Column: a**

ACCOUNT 224 INCREASED BY \$300,000,000 AS A RESULT OF NEW 7% NOTES ISSUED 8/27/2001. NO OTHER NOTES WERE ISSUED OR RETIRED IN 2001.

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 258 Line No.: 5 Column: h**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 259)  
INCLUDES \$994,680 CHARGED TO ACCOUNT 427, RELATED TO THE AMORTIZATION OF THE INTEREST RATE LOCK FEE.

**Schedule Page: 258 Line No.: 6 Column: h**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 259)  
INCLUDES \$405,708 CHARGED TO ACCOUNT 427, RELATED TO THE AMORTIZATION OF THE INTEREST RATE LOCK FEE.

**Schedule Page: 258 Line No.: 7 Column: h**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 259)  
INCLUDES \$36,159 CHARGED TO ACCOUNT 427, RELATED TO THE AMORTIZATION OF THE INTEREST RATE LOCK FEE.

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 261 Line No.: 28 Column: b**

**COMPUTATION OF TAX:**

FEDERAL INCOME TAX AT 35%.....\$ 47,334,000  
 ADD: ADJUSTMENT OF PRIOR YEAR.....(1,964,000)  
 -----  
 BALANCE, FEDERAL INCOME TAX.....\$ 45,370,000  
  
 LESS: AMOUNTS CHARGED TO OTHER  
 INCOME AND DEDUCTIONS (409.2)..... 7,075,779  
 LESS: AMOUNTS CHARGED TO GAS PLANT  
 LEASED TO OTHERS (409.1).....385  
 -----  
 AMOUNT CHARGED TO UTILITY OPERATING  
 INCOME (409.1).....\$ 38,293,836  
 =====

**Schedule Page: 261 Line No.: 25 Column: b**

**DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOK INCOME:**

FUEL TRACKERS..... (1,634,000)  
 PREPAID FERC ANNUAL CHARGE.....(104,000)  
 EMPLOYEE MEDICAL.....(2,703,000)  
 LIFE INSURANCE LIABILITY.....(1,609,000)  
 EMPLOYEE DENTAL.....(257,000)  
 OTHER.....(2,493)  
 -----  
 \$ (6,309,493)  
 =====

**Schedule Page: 261 Line No.: 12 Column: b**

**DEDUCTIONS RECORDED ON BOOKS NOT DEDUCTED FOR RETURN:**

DEFERRED FEDERAL INCOME TAX.....\$ 36,205,000  
 OBEP.....5,754,000  
 CAPITALIZED INTEREST.....4,000,000  
 DEFERRED STATE INCOME TAXES.....4,693,000  
 AMORTIZATION OF RECEIVABLE FROM  
 CUSTOMERS-DEFERRED TAXES.....774,000  
 UNAMORTIZED LOSS OF REACQUIRED DEBT.....487,000  
 50% BUSINESS MEALS.....800,000  
 EPA PENALTY.....1,400,000  
 MISCELLANEOUS SUSPENSE.....4,370,000  
 INSURANCE SETTLEMENT.....9,522,000  
 EXCESS ROYALTIES.....36,808,000  
 POST RETIREMENT BENEFITS.....3,158,000  
 -----  
 \$107,971,000  
 =====

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 262.2 Line No.: 39 Column: p**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 263B.2)

THE TOTAL AMOUNT OF \$6,109,147 IS DISTRIBUTED AS FOLLOWS:

TO ACCOUNT 10701001	\$ 6,001,224.11
TO ACCOUNT 10898001	(1,359.44)
TO ACCOUNT 14300002	(157.98)
TO ACCOUNT 14300010	(818.96)
TO ACCOUNT 14350204	3,590.27
TO ACCOUNT 14650033	6,807.38
TO ACCOUNT 14650178	86,754.84
TO ACCOUNT 15400001	(1,858.37)
TO ACCOUNT 16300005	4,101.06
TO ACCOUNT 18404004	38.34
TO ACCOUNT 18409002	(59.14)
TO ACCOUNT 23201023	(16,500.67)
TO ACCOUNT 49502030	1.72
TO ACCOUNT 49502040	1,327.29
TO ACCOUNT 49502045	(1,790.58)
TO ACCOUNT 75600001	116.21
TO ACCOUNT 83401001	196.37
TO ACCOUNT 85200002	101.60
TO ACCOUNT 85301002	240.44
TO ACCOUNT 85700001	33.87
TO ACCOUNT 86301001	50.37
TO ACCOUNT 86301002	461.51
TO ACCOUNT 86401001	21,625.72
TO ACCOUNT 86401003	1,726.80
TO ACCOUNT 86401004	369.14
TO ACCOUNT 86501001	<u>2,925.10</u>

TOTAL.....\$ 6,109,147.00



Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 304.1 Line No.: 9 Column: a**

VOLUMES INCLUDE:

IT-FEEDERS 723,073,164 DEKATHERMS

FT-FEEDERS 313,441,678 DEKATHERMS

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
Transcontinental Gas Pipe Line Corporation			
FOOTNOTE DATA			

**Schedule Page: 331 Line No.: 6 Column: b**

PURGING AND TESTING - VARIOUS ACCOUNTS CHARGED.

**Schedule Page: 331 Line No.: 12 Column: b**

OTHER USES - VARIOUS ACCOUNTS CHARGED.

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 332 Line No.: 24 Column: a**

THE DIFFERENCE BETWEEN THE TOTAL TBO EXPENSE PAID IN THE AMOUNT OF \$17,251,819 AS SHOWN ON PAGE 332 AND THE TBO EXPENSE ACCRUED IN THE AMOUNT OF \$17,119,806 AS SHOWN ON PAGE 323, COLUMN A, LINE 188 IS \$133,679 WHICH REPRESENTS THE AMOUNT TRANSFERRED TO WILLIAMS ENERGY SERVICES COMPANY, AGENT FOR TRANSCO'S MERCHANT ACTIVITIES AND <\$1,666> OF MISCELLANEOUS ADJUSTMENT.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Transcontinental Gas Pipe Line Corporation		04/30/2002	Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 336 Line No.: 12 Column: b**

FOR 2001, DEPRECIATION WAS COMPUTED AT THE FOLLOWING RATES:

ONSHORE PRODUCTION AND GATHERING PLANT	2.60% PER ANNUM	RP95-197-014
OFFSHORE PRODUCTION AND GATHERING PLANT	3.80% PER ANNUM	RP95-197-014
ONSHORE TRANSMISSION PLANT	2.35% PER ANNUM	RP95-197-014
OFFSHORE TRANSMISSION PLANT	1.25% PER ANNUM	RP97-71-000
NEGATIVE SALVAGE FOR OFFSHORE TRANSMISSION PLANT	0.25% PER ANNUM	RP87-7 ARTICLE VII
STORAGE PLANT	2.50% PER ANNUM	RP87-7 ARTICLE VII
INTANGIBLE PLANT	2.50% PER ANNUM	RP87-7 ARTICLE VII

GENERAL PLANT DEPRECIATION IS CHARGED AT VARIOUS RATES BASED ON THE EXPECTED SERVICE LIFE.

ALL OF THE ABOVE DEPRECIATION WAS COMPUTED ON DEPRECIABLE PLANT IN SERVICE BASED ON BALANCE AT THE END OF THE PRECEDING MONTH.

NEGATIVE SALVAGE DEPRECIATION WAS BASED ON THE BALANCE OF THE OFFSHORE TRANSMISSION PLANT IN SERVICE AT THE END OF THE PRECEDING MONTH.

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 508 Line No.: 20 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509)

GAS \$15,839 ELECTRIC \$10,410

**Schedule Page: 508.1 Line No.: 12 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509.1)

GAS \$20,153,697 ELECTRIC \$ 1,166,679

**Schedule Page: 508.1 Line No.: 15 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509.1)

ELECTRIC \$ 2,814,393

**Schedule Page: 508.1 Line No.: 16 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509.1)

GAS \$12,222,131 ELECTRIC \$ 2,657,272

**Schedule Page: 508.1 Line No.: 17 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509.1)

GAS \$ 2,094,265 ELECTRIC \$ 591,409

**Schedule Page: 508.1 Line No.: 18 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509.1)

GAS \$14,983,887 ELECTRIC (\$ 81)

**Schedule Page: 508.1 Line No.: 19 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509.1)

GAS \$14,116,981 ELECTRIC (\$ 99)

**Schedule Page: 508.1 Line No.: 20 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509.1)

GAS \$24,123 ELECTRIC \$ 4,137,939

**Schedule Page: 508.2 Line No.: 8 Column: e**

(NOTE TO READER: THIS FOOTNOTE SHOULD REFER TO PAGE 509.2)

ELECTRIC \$57,669

**Schedule Page: 508 Line No.: 9 Column: d**

LEIDY COMPRESSOR STATION IS OWNED BY TRANSCO, TEXAS EASTERN TRANSMISSION CORPORATION AND CONSOLIDATED GAS SUPPLY CORPORATION. THE PLANT REPORTED HEREIN REPRESENTS ONLY TRANSCO'S INTEREST IN SUCH STATION.

**Schedule Page: 508 Line No.: 2 Column: c**

EXCLUDES 265 H.P. STATION LEASED TO OTHERS

**Schedule Page: 508.2 Line No.: 21 Column: d**

INCLUDES COST OF COMPRESSOR STATION DWELLINGS

Name of Respondent Transcontinental Gas Pipe Line Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/30/2002	Year of Report Dec 31, 2001
FOOTNOTE DATA			

**Schedule Page: 514 Line No.: 17 Column: a**

**2. SUMMARY OF JOINTLY OWNED TRANSMISSION LINES OPERATED BY TRANSCO - TEXAS**

1. .5 MILE OF 24" TRANSCO 16.109%, KOCH GATEWAY PIPELINE COMPANY 57.961%
2. 46.5 MILES OF 24" TRANSCO 92.086%, GASDEL PIPE LINE SYSTEM INCORPORATED 7.914%
3. 6.3 MILES OF 20" TRANSCO 66.66667%, NATURAL GAS PIPE LINE COMPANY 33.33333%
4. 8.5 MILES OF 24" TRANSCO 70.588%, KOCH GATEWAY PIPELINE COMPANY 29.412%
5. 13.5 MILES OF 12" TRANSCO 24.75%, TENNESSEE GAS PIPELINE COMPANY 75.25
6. 25.1 MILES OF 24" TRANSCO 92.086%, GASDEL PIPE LINE SYSTEM INCORPORATED 7.914%
7. 12.8 MILES OF 24" TRANSCO 66.67%, ANR PIPELINE COMPANY 33.33%
8. 30.2 MILES OF 30" TRANSCO 46.0000%, TENNESSEE GAS PIPELINE COMPANY 27.0667%, COLUMBIA GULF TRANSMISSION COMPANY 16.0000%, ANR PIPELINE COMPANY 6.6667%, NORTHERN NATURAL GAS COMPANY 2.1333%, SOUTHERN NATURAL GAS COMPANY 2.1333%
9. 1.3 MILES OF 12" TRANSCO 50.00%, TENNESSEE GAS PIPELINE COMPANY 50.00%
10. 20.5 MILES OF 20" TRANSCO 50.00%, TENNESSEE GAS PIPELINE COMPANY 50.00%
11. 5.9 MILES OF 16" TRANSCO 50.00%, TENNESSEE GAS PIPELINE COMPANY 50.00%
12. 7.8 MILES OF 24" TRANSCO 50.00%, COLUMBIA GULF TRANSMISSION COMPANY 50.00%
13. 8.1 MILES OF 12" TRANSCO 50.00%, COLUMBIA GULF TRANSMISSION COMPANY 50.00%
14. 1.1 MILES OF 30" TRANSCO 16.78%, COLUMBIA GULF TRANSMISSION COMPANY 58.74%, ANR PIPELINE COMPANY 24.48%
15. 23.1 MILES OF 36" TRANSCO 46.0000%, TENNESSEE GAS PIPELINE COMPANY 27.0667%, COLUMBIA GULF TRANSMISSION COMPANY 16.0000%, ANR PIPELINE COMPANY 6.6667%, NORTHERN NATURAL GAS COMPANY 2.1333%, SOUTHERN NATURAL GAS COMPANY 2.1333%
16. 32.3 MILES OF 36" TRANSCO 46.0000%, TENNESSEE GAS PIPELINE COMPANY 27.0667%, COLUMBIA GULF TRANSMISSION COMPANY 16.0000%, ANR PIPE LINE COMPANY 6.6667%, NORTHERN NATURAL GAS COMPANY 2.1333%, SOUTHERN NATURAL GAS COMPANY 2.1333%

**Schedule Page: 514 Line No.: 16 Column: a**

**1. SUMMARY OF JOINTLY OWNED TRANSMISSION LINES NOT OPERATED BY TRANSCO - TEXAS**

1. 7.9 MILES OF 8" TRANSCO 98.4375%, WILLCORP INCORPORATED 1.5625%
2. 1.6 MILES OF 4" TRANSCO 75.00%, EL PASO NATURAL GAS COMPANY 25.00%
3. 1.3 MILES OF 6" TRANSCO 75.00%, EL PASO NATURAL GAS COMPANY 25.00%
4. 1.3 MILES OF 20" TRANSCO 28.66%, NATURAL GAS PIPE LINE COMPANY 35.67%, ANR PIPELINE COMPANY 35.67%
5. .5 MILE OF 12" TRANSCO 11.34%, ANR PIPELINE COMPANY 36.40%, KOCH GATEWAY PIPELINE COMPANY 52.26%
6. .1 MILE OF 12" TRANSCO 35.00%, NATURAL GAS PIPE LINE COMPANY 50.00%, TEXAS GAS TRANSMISSION CORPORATION 15.00%
7. 2.3 MILES OF 12" TRANSCO 35.00%, TEXAS GAS TRANSMISSION CORPORATION 15.00%, NORTHERN NATURAL GAS COMPANY 50.00%
8. 5.4 MILES OF 20" TRANSCO 38.698%, COLUMBIA GULF TRANSMISSION COMPANY 10.244%, TEXAS GAS TRANSMISSION CORPORATION 9.878%, ANR PIPELINE COMPANY 1.424%, NORTHERN NATURAL GAS COMPANY 39.756%
9. 1.9 MILES OF 16" TRANSCO 23.00%, NATURAL GAS PIPE LINE COMPANY 40.00%, TENNESSEE GAS PIPELINE COMPANY 23.20%, ANR PIPELINE COMPANY 12.00%, KOCH GATEWAY PIPELINE COMPANY 1.80%
10. 3.1 MILES OF 12" TRANSCO 16.67%, KOCH GATEWAY PIPELINE COMPANY 44.17%, ANR PIPELINE COMPANY 39.16%
11. 3.3 MILES OF 12" TRANSCO 33.33%, ANR PIPELINE COMPANY 33.33%, KOCH GATEWAY PIPELINE

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Transcontinental Gas Pipe Line Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/30/2002	Dec 31, 2001

**FOOTNOTE DATA**

**COMPANY 33.34%**

12. .6 MILE OF 16" TRANSCO 15.07%, ANR PIPELINE COMPANY 22.23%, TEXAS GAS TRANSMISSION CORPORATION 47.64%, NATURAL GAS PIPE LINE COMPANY 15.06%
13. 7.8 MILES OF 20" TRANSCO 13.85%, NATURAL GAS PIPE LINE COMPANY 22.82%, ANR PIPELINE COMPANY 15.21%, KOCH GATEWAY PIPELINE COMPANY 48.12%
14. .3 MILE OF 16" TRANSCO 18.20%, ANR PIPELINE COMPANY 20.00%, NATURAL GAS PIPE LINE COMPANY 30.00%, KOCH GATEWAY PIPELINE COMPANY 31.80%
15. 5.6 MILES OF 8" TRANSCO 18.20%, ANR PIPELINE COMPANY 20.00%, NATURAL GAS PIPE LINE COMPANY 30.00%, KOCH GATEWAY PIPELINE COMPANY 31.80%
16. .3 MILE OF 20" TRANSCO 35.00%, NORTHERN NATURAL GAS COMPANY 50.00%, TEXAS GAS TRANSMISSION CORPORATION 15.00%
17. 3.1 MILES OF 20" TRANSCO 39.829%, TEXAS GAS TRANSMISSION CORPORATION 8.310%, NORTHERN NATURAL GAS COMPANY 36.626%, ANR PIPELINE COMPANY 1.859%, COLUMBIA GULF TRANSMISSION COMPANY 13.376%
18. 4.7 MILES OF 16" TRANSCO 45.83%, ANR PIPELINE COMPANY 4.17%, NORTHERN NATURAL GAS COMPANY 20.00%, COLUMBIA GULF TRANSMISSION COMPANY 30.00%
19. 13.7 MILES OF 16" TRANSCO 70.00%, COLUMBIA GULF TRANSMISSION COMPANY 30.00%
20. 3.5 MILES OF 16" TRANSCO 57.50%, COLUMBIA GULF TRANSMISSION COMPANY 42.50%
21. 5.7 MILES OF 16" TRANSCO 76.818%, COLUMBIA GULF TRANSMISSION COMPANY 23.182%
22. 2.3 MILES OF 16" TRANSCO 79.600%, COLUMBIA GULF TRANSMISSION COMPANY 20.400%
23. 5.3 MILES OF 10" TRANSCO 60.000% KOCH GATEWAY PIPELINE COMPANY 40.00%
24. .9 MILE OF 16" TRANSCO 92.50%, COLUMBIA GULF TRANSMISSION COMPANY 7.50%
25. 3.3 MILES OF 16" TRANSCO 50.00%, KOCH GATEWAY PIPELINE COMPANY 50.00%
26. 1.1 MILES OF 20" TRANSCO 39.165%, ANR PIPELINE COMPANY 30.330%, KOCH GATEWAY PIPELINE COMPANY 27.840%, NATIONAL FUEL GAS COMPANY 2.665%
27. 16.7 MILES OF 24" TRANSCO 37.8787%, NATURAL GAS PIPE LINE COMPANY 10.6061%, SOUTHERN NATURAL GAS COMPANY 31.8182% NORTHERN NATURAL GAS COMPANY 13.6364%, FLORIDA TRANSMISSION COMPANY 6.0606%
28. .5 MILE OF 12" TRANSCO 69.217%, ANR PIPELINE COMPANY 6.659%, KOCH GATEWAY PIPELINE COMPANY 20.988%, NATIONAL FUEL GAS SUPPLY CORPORATION 3.136%
29. 3.6 MILES OF 20" TRANSCO 50.00%, NATURAL GAS PIPE LINE COMPANY 25.00%, TEXAS EASTERN TRANSMISSION CORPORATION 25.00%
30. 6.1 MILES OF 20" TRANSCO 58.39%, TEXAS EASTERN TRANSMISSION CORPORATION 19.46%, NATURAL GAS PIPE LINE COMPANY 15.18%, ANR PIPE LINE COMPANY 4.29%, GASDEL PIPE LINE SYSTEM INCORPORATED 2.68%
31. .9 MILE OF 20" TRANSCO 52.61%, TEXAS EASTERN TRANSMISSION CORPORATION 23.70%, NATURAL GAS PIPE LINE COMPANY 18.48%, ANR PIPE LINE COMPANY 5.21%
32. .9 MILE OF 10" TRANSCO 85.00%, GASDEL PIPE LINE SYSTEM INCORPORATED 15.00%
33. 4.0 MILES OF 4" TRANSCO 86.00%, NORTHERN NATURAL GAS COMPANY 14.00%

**Schedule Page: 514 Line No.: 18 Column: a**

**3. SUMMARY OF JOINTLY OWNED TRANSMISSION LINES NOT OPERATED BY TRANSCO - LOUISIANA**

1. .9 MILE OF 4" TRANSCO 25.00%, SOUTHERN NATURAL GAS COMPANY 75.00%
2. 1.3 MILES OF 4" TRANSCO 44.55%, TEXAS GAS TRANSMISSION CORPORATION 55.45%
3. 12.7 MILES OF 18" TRANSCO 25.31378%, FLORIDA GAS TRANSMISSION COMPANY 25.29502%, NORTHERN NATURAL GAS COMPANY 24.02596%, ANR PIPELINE COMPANY 2.47926%, SOUTHERN NATURAL GAS COMPANY 22.88598%
4. 2.5 MILES OF 6" TRANSCO 50.00%, SEA ROBIN PIPELINE COMPANY 50.00%
5. 1.2 MILES OF 6" TRANSCO 35.62231%, COLUMBIA GULF TRANSMISSION COMPANY 19.31330%, CONSOLIDATED GAS SUPPLY CORPORATION 28.96995%, TEXAS EASTERN TRANSMISSION

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## FOOTNOTE DATA

CORPORATION 16.09444%

6. 13.8 MILES OF 16" TRANSCO 8.30%, TEXAS EASTERN TRANSMISSION CORPORATION 8.30%, NORTHERN NATURAL GAS COMPANY 75.10%, KOCH GATEWAY PIPELINE COMPANY 8.30%
7. 7.8 MILES OF 8" TRANSCO 18.75%, TEXAS GAS TRANSMISSION CORPORATION 81.25%
8. 5.0 MILES OF 10" TRANSCO 50.00%, COLUMBIA GULF TRANSMISSION COMPANY 50.00%
9. 1.2 MILES OF 10" TRANSCO 58.33%, COLUMBIA GULF TRANSMISSION COMPANY 41.67%
10. 2.7 MILES OF 12" TRANSCO 20.00%, SEA ROBIN PIPELINE COMPANY 66.67%, NORTHERN NATURAL GAS COMPANY 13.33%
11. 26.6 MILES OF 16" TRANSCO 25.31378%, FLORIDA GAS TRANSMISSION COMPANY 25.29502%, NORTHERN NATURAL GAS COMPANY 24.02596%, ANR PIPELINE COMPANY 2.47926%, SOUTHERN NATURAL GAS COMPANY 22.88598%
12. 5.2 MILES OF 6" TRANSCO 50.00%, TENNESSEE GAS PIPELINE COMPANY 50.00%
13. 20.5 MILES OF 12" TRANSCO 43.290%, TEXAS EASTERN TRANSMISSION CORPORATION 43.129%, NATURAL GAS PIPE LINE COMPANY 13.581%
14. 3.3 MILES OF 10" TRANSCO 85%, GASDEL PIPE LINE SYSTEM INCORPORATED 15%
15. 1.6 MILES OF 8" TRANSCO 15.5%, NATURAL GAS PIPE LINE COMPANY 84.5%.
16. 12.0 MILES OF 16" TRANSCO 60%, TEXAS EASTERN TRANSMISSION CORPORATION 20%, NORTHERN NATURAL GAS COMPANY 20%

**Schedule Page: 514 Line No.: 19 Column: a**

## 4. SUMMARY OF JOINTLY OWNED TRANSMISSION LINES OPERATED BY TRANSCO - LOUISIANA

1. .2 MILE OF 24" TRANSCO 16.67%, FLORIDA GAS TRANSMISSION COMPANY 16.67%, SEA ROBIN PIPELINE COMPANY 66.66%
2. 13.9 MILES OF 24" TRANSCO 16.109%, KOCH GATEWAY PIPELINE COMPANY 83.891%
3. 12.4 MILES OF 24" TRANSCO 16.66667%, SEA ROBIN PIPELINE COMPANY 66.66666%, FLORIDA GAS TRANSMISSION COMPANY 16.66667%
4. 15.1 MILES OF 20" TRANSCO 60.00%, NORTHERN NATURAL GAS COMPANY 25.00%, ANR PIPELINE COMPANY 15.00%
5. 7.2 MILES OF 10" TRANSCO 50.00%, NORTHERN NATURAL GAS COMPANY 50.00%
6. 1.3 MILES OF 12" TRANSCO 82.94%, ANR PIPELINE COMPANY 6.98%, NORTHERN NATURAL GAS COMPANY 10.08%
7. 2.4 MILES OF 8" TRANSCO 91.66%, GASDEL PIPE LINE SYSTEM INCORPORATED 8.34%
8. 1.2 MILES OF 8" TRANSCO 91.66%, GASDEL PIPE LINE SYSTEM INCORPORATED 8.34%
9. 20.3 MILES OF 36" TRANSCO 62.70%, FLORIDA GAS TRANSMISSION COMPANY 11.50%, TENNESSEE GAS PIPELINE COMPANY 25.80%
10. 7.5 MILES OF 12" TRANSCO 66.00%, SOUTHERN NATURAL GAS COMPANY 34.00%

**Schedule Page: 514 Line No.: 20 Column: a**

## 5. SUMMARY OF JOINTLY OWNED TRANSMISSION LINES OPERATED BY TRANSCO - MISSISSIPPI

1. 1.2 MILES OF 3" TRANSCO 50.00%, FLORIDA GAS TRANSMISSION COMPANY 50.00%
2. 6.8 MILES OF 6" TRANSCO 50.00%, FLORIDA GAS TRANSMISSION COMPANY 50.00%
3. 1.0 MILE OF 6" TRANSCO 11.00%, FLORIDA GAS TRANSMISSION COMPANY 89.00%
4. .5 MILE OF 6" TRANSCO 55.859%, FLORIDA GAS TRANSMISSION COMPANY 44.141%
5. 10.0 MILES OF 12" TRANSCO 65.00%, COLUMBIA GULF TRANSMISSION COMPANY 35.00%

**Schedule Page: 514 Line No.: 21 Column: a**

## 6. SUMMARY OF JOINTLY OWNED TRANSMISSION LINES NOT OPERATED BY TRANSCO - NEW MEXICO

1. .8 MILE OF 4" TRANSCO 57.40%, EL PASO NATURAL GAS COMPANY 42.60%



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FOOTNOTE DATA			

**Schedule Page: 514 Line No.: 22 Column: a**

**7. SUMMARY OF JOINTLY OWNED TRANSMISSION LINES OPERATED BY TRANSCO - ALABAMA.**

1. 123.4 OF 30" TRANSCO 80.21% FLORIDA GAS 19.79%.

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FOOTNOTE DATA			

**Schedule Page: 519 Line No.: 24 Column: d**

EXCLUDES GAS STORED UNDERGROUND - NONCURRENT STORED IN LEIDY, WHARTON, EMINENCE, WASHINGTON AND HESTER STORAGE FIELDS IN THE AMOUNT OF \$64,192,469.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
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FOOTNOTE DATA			

**Schedule Page: 520 Line No.: 19 Column: c**

THE FOLLOWING VOLUMES HAVE BEEN DUPLICATED IN LINE 19, PAGE 520, OR ARE NOT SUBJECT TO ACA SURCHARGES:

1. GAS SALES (ACCOUNT 480-484), LINE 17, PAGE 520, IN THE AMOUNT OF 105,417,705 DTS.
2. DELIVERIES OF CONTRACT STORAGE GAS (ACCOUNT 489.4) LINE 21, PAGE 520, IN THE AMOUNT OF 292,800,549 DTS.
3. OTHER GAS DELIVERED TO STORAGE, LINE 25 PAGE 520, IN THE AMOUNT OF 26,283,083 DTS.
4. OTHER DELIVERIES, LINE 27, PAGE 520, IN THE AMOUNT OF 26,196,061 DTS.
5. FEEDERS OF 1,036,514,842 DTS ARE INCLUDED IN LINE 17, PAGE 520.
6. DELIVERIES TO WASHINGTON STORAGE OF 63,670,832 DTS ARE INCLUDED IN LINE 17, PAGE 520.
7. EXCHANGE GAS DELIVERED TO OTHERS OF 19,949,480 DTS ARE INCLUDED IN LINE 22, PAGE 520.
8. GAS DELIVERED AS IMBALANCES OF 350,352,852 DTS ARE INCLUDED IN LINE 23, PAGE 520.
9. DELIVERIES OF GAS TO OTHERS FOR TRANSPORTATION OF 21,324,182 DTS ARE INCLUDED IN LINE 24, PAGE 520.
10. GAS USED FOR COMPRESSOR STATION FUEL OF (8,787,231 DTS) ARE INCLUDED IN LINE 26, PAGE 520.

**Schedule Page: 520 Line No.: 11 Column: c**

VOLUMES DO NOT AGREE WITH PAGE 512 ROW 28 BECAUSE PAGE 512 DOES NOT INCLUDE RECEIPTS FOR THE ACCOUNT OF TGPL - MERCHANT IN THE AMOUNT OF 5,331,737 DT'S.

**Schedule Page: 520 Line No.: 25 Column: c**

VOLUMES DO NOT AGREE WITH PAGE 512 ROW 14 BECAUSE PAGE 512 DOES NOT INCLUDE DELIVERIES FOR THE ACCOUNT OF TGPL - MERCHANT IN THE AMOUNT OF 5,156,546 DT'S.

Document Content(s)

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