WILLIAMS COMPANIES INC
Form 424B2
June 18, 2014
Table of Contents

CALCULATION OF REGISTRATION FEE

Title of each class of securities offered	Amount to be registered	Offering price per share	Aggregate offering price	Amount of registration fee
Shares of common stock, par value $1.00 per share(1)	60,950,000(2)	$57.00	$3,474,150,000.00	$447,470.52(3)

(1) Each share of common stock includes an associated Series A Junior Participating Preferred Stock purchase right. Until the occurrence of certain prescribed events, none of which has occurred, the Series A Junior Participating Preferred Stock purchase rights are not exercisable, are evidenced by certificates representing the common stock, and may be transferred only with the common stock. No separate consideration is payable for the Series A Junior Participating Preferred Stock purchase rights.

(2) Assumes that overallotment amount of 7,950,000 common shares is exercised.

(3) Calculated in accordance with Rule 457(r) of the Securities Act of 1933.

Table of Contents

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-181644

PROSPECTUS SUPPLEMENT

(To Prospectus dated May 24, 2012)

53,000,000 Shares

Common Stock

The Williams Companies, Inc. is selling 53,000,000 shares of its common stock.

Our common stock is listed on the New York Stock Exchange under the symbol WMB. The last reported sales price of our common stock on the New York Stock Exchange on June 17, 2014 was $57.31 per share.

Investing in our common stock involves risks. Please read Risk Factors beginning on page S-5 of this prospectus supplement.

	Per Share	Total
Public offering price	$ 57.00	$ 3,021,000,000
Underwriting discount and commissions	$ 1.5675	$ 83,077,500
Proceeds to The Williams Companies, Inc. (before expenses)	$ 55.4325	$ 2,937,922,500

We have granted the underwriters a 30-day option to purchase up to an additional 7,950,000 shares of common stock from us on the same terms and conditions as set forth above.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying base prospectus. Any representation to the contrary is a criminal offense.

Barclays, on behalf of the underwriters, expects to deliver the shares of common stock on or about June 23, 2014 through the book-entry facilities of The Depository Trust Company.

Joint Book-Running Managers

Citigroup	**Barclays**	**UBS Investment Bank**

Senior Co-Managers

BofA Merrill Lynch	**Credit Agricole CIB**	**J.P. Morgan**
RBS	**Scotiabank / Howard Weil**	**Wells Fargo Securities**

Co-Managers

Credit Suisse	**Deutsche Bank Securities**		**Goldman, Sachs & Co.**
Morgan Stanley	**RBC Capital Markets**	**Jefferies**	**Raymond James**

Prospectus Supplement dated June 17, 2014

Table of Contents

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of shares of our common stock. The second part is the accompanying base prospectus, which gives more general information, some of which may not apply to this offering of shares of our common stock. Generally, when we refer only to the prospectus, we are referring to both parts combined. If the information about this offering of shares of our common stock varies between this prospectus supplement and the accompanying base prospectus, you should rely on the information in this prospectus supplement.

Any statement made in this prospectus or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that is also incorporated by reference into this prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus. Please read Where You Can Find More Information on page S-38 of this prospectus supplement.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement, the accompanying base prospectus and any free writing prospectus relating to this offering of shares of our common stock. Neither we nor the underwriters have authorized anyone to provide you with additional or different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We are offering to sell shares of our common stock, and seeking offers to buy shares of our common stock, only in jurisdictions where offers and sales are permitted. You should not assume that the information contained in this prospectus supplement, the accompanying base prospectus or any free writing prospectus is accurate as of any date other than the dates shown in these documents or that any information we have incorporated by reference herein is accurate as of any date other than the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since such dates.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

Prospectus dated May 24, 2012

Table of Contents

FORWARD-LOOKING STATEMENTS

Certain matters discussed in this prospectus supplement and the documents incorporated herein by reference, excluding historical information, include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). These forward-looking statements relate to anticipated financial performance, management s plans and objectives for future operations, business prospects, outcome of regulatory proceedings, market conditions and other matters. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995.

All statements, other than statements of historical facts, included in this prospectus supplement that address activities, events or developments that we expect, believe or anticipate will exist or may occur in the future are forward-looking statements. Forward-looking statements can be identified by various forms of words such as anticipates, believes, seeks, could, may, should, continues, estimates, expects, forecasts, intends, might, goals, obj potential, projects, scheduled, will, assumes, guidance, outlook, in service date or other similar express forward-looking statements are based on management s beliefs and assumptions and on information currently available to management and include, among others, statements regarding:

- the closing of, and the sources of funding for, the GIP Purchase (as defined below);

- expected production increases in the producing areas served by Access Midstream Partners, L.P. (ACMP), as well as its levels of cash distributions with respect to general partner interests, incentive distribution rights, and limited partner interests;

- increases in our fee-based revenues as a percentage of our gross margin following the GIP Purchase;

- planned increases in our dividends following the GIP Purchase;

- the timing of the drop-down of our remaining NGL & Petchem Services assets and projects;

- the completion of the Proposed Merger (as defined below), including the approval of the Proposed Merger by the conflicts committees of ACMP and Williams Partners L.P. (WPZ) and the exchange ratio to be utilized in the Proposed Merger;

- the benefits of the Proposed Merger to unitholders of ACMP and WPZ, respectively, and to our stockholders;

- the operations, performance, levels of distributions, and distribution coverage of the merged partnership following the Proposed Merger;

our future credit ratings and the future credit ratings of WPZ and ACMP;

the expected timing for the restart of WPZ s Geismar, Louisiana olefins plant (the Geismar Plant);

the expected timing of receipt and amounts of proceeds from insurance claims related to the Geismar Plant;

amounts and the nature of future capital expenditures;

expansion and growth of our business and operations;

financial condition and liquidity;

business strategy;

cash flow from operations or results of operations, including cash flow per share following the GIP Purchase;

the levels of dividends to stockholders;

natural gas, natural gas liquids and olefins supply, prices and demand; and

demand for our services.

Forward-looking statements are based on numerous assumptions, uncertainties and risks that could cause future events or results to be materially different from those stated or implied in this prospectus supplement or in the documents incorporated herein by reference. You should carefully consider the risk factors discussed below in addition to the other information in this prospectus supplement and in the documents incorporated herein by reference. If any of the following risks were actually to occur, our business, results of operations and financial condition could be materially adversely affected. In that case, we might not be able to pay dividends to holders of shares of our common stock, the trading price of shares of our common stock could decline, and stockholders could lose all or part of their investment. Many of the factors that will determine these results are beyond our ability to control or predict. Specific factors that could cause actual results to differ from results contemplated by the forward-looking statements include, among others, the following:

whether, during the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act), applicable regulatory authorities require that we, ACMP or WPZ divest certain assets under applicable competition laws prior to consummation of the GIP Purchase;

whether ACMP will produce sufficient cash flows following the GIP Purchase to provide the level of cash distributions we expect;

ACMP s reliance on a limited number of customers for a substantial majority of its revenues;

whether any nationally-recognized credit rating agency lowers our credit ratings or the credit ratings of ACMP or WPZ;

our ability to achieve our expected increases in the levels of quarterly dividends;

potential fluctuations in the market prices of WPZ s or ACMP s common units following our announcement of the Proposed Merger;

approval of the Proposed Merger, including by the conflicts committees of ACMP and WPZ;

our ability to successfully integrate the businesses of ACMP and WPZ in order to achieve the expected benefits of the Proposed Merger;

our ability to recover expected insurance proceeds related to the Geismar Plant;

whether we have sufficient cash to enable us to pay current and expected levels of dividends;

availability of supplies, market demand, and volatility of prices;

inflation, interest rates, fluctuation in foreign exchange rates and general economic conditions (including future disruptions and volatility in the global credit markets and the impact of these events on our customers and suppliers);

the strength and financial resources of our competitors and the effects of competition;

whether we are able to successfully identify, evaluate and execute investment opportunities;

our ability to acquire new businesses and assets and successfully integrate those operations and assets into our existing businesses, as well as successfully expand our facilities;

development of alternative energy sources;

the impact of operational and development hazards and unforeseen interruptions;

costs of, changes in, or the results of laws, government regulations (including safety and environmental regulations), environmental liabilities, litigation and rate proceedings;

Table of Contents

- our costs and funding obligations for defined benefit pension plans and other postretirement benefit plans;
- changes in maintenance and construction costs;
- changes in the current geopolitical situation;
- our exposure to the credit risk of our customers and counterparties;
- risks related to financing, including restrictions stemming from our debt agreements, future changes in our credit ratings and the availability and cost of capital;
- the amount of cash distributions from and capital requirements of our investments and joint ventures in which we participate;
- risks associated with weather and natural phenomena, including climate conditions;
- acts of terrorism, including cybersecurity threats and related disruptions; and
- additional risks described in our filings with the Securities and Exchange Commission (the SEC).

Given the uncertainties and risk factors that could cause our actual results to differ materially from those contained in any forward-looking statement, we caution investors not to unduly rely on our forward-looking statements. We disclaim any obligations to and do not intend to update the above list or to announce publicly the result of any revisions to any of the forward-looking statements to reflect future events or developments.

In addition to causing our actual results to differ, the factors listed above and referred to below may cause our intentions to change from those statements of intention set forth in or incorporated into this prospectus supplement. Such changes in our intentions may also cause our results to differ. We may change our intentions, at any time and without notice, based upon changes in such factors, our assumptions, or otherwise.

Because forward-looking statements involve risks and uncertainties, we caution that there are important factors, in addition to those listed above, that may cause actual results to differ materially from those contained in the forward-looking statements. These factors include the risks set forth under the caption Risk Factors in this prospectus supplement.

CERTAIN DEFINITIONS

As used in this prospectus supplement, unless the context otherwise requires or indicates:

Northwest Pipeline refers to Northwest Pipeline, LLC.

Partially Owned Entities refers to the entities in which we do not own a 100 percent ownership interest and which are accounted for as equity method investments, including principally Aux Sable Liquid Products L.P., Caiman Energy II, LLC, Discovery Producer Services LLC, Gulfstream Natural Gas System, L.L.C., Laurel Mountain Midstream, LLC, and Overland Pass Pipeline Company LLC, and, prior to the completion of the GIP Purchase (as defined below), Access Midstream Partners GP, L.L.C. and Access Midstream Partners, L.P.

Pipeline Entities refers to Williams wholly- and partially-owned regulated pipeline entities, including principally Northwest Pipeline, Transco, Gulfstream Natural Gas System, L.L.C., Discovery Producer Services LLC, Overland Pass Pipeline Company LLC, and Black Marlin Pipeline LLC.

Transco refers to Transcontinental Gas Pipe Line Company, LLC.

Williams Partners and *WPZ* refer to Williams Partners L.P.

Williams, we, our, us and like terms refer to The Williams Companies, Inc. and its subsidiaries.

In addition, our industry uses many terms and acronyms that may not be familiar to you. To assist you in reading this prospectus supplement, we have provided below definitions of some of these terms.

British Thermal Units (Btu): When used in terms of volumes, Btu is used to refer to the amount of natural gas required to raise the temperature of one pound of water by one degree Fahrenheit at one atmospheric pressure.

FERC: Federal Energy Regulatory Commission.

Fractionation: The process by which a mixed stream of natural gas liquids is separated into its constituent products, such as ethane, propane and butane.

LNG: Liquefied natural gas. Natural gas which has been liquefied at cryogenic temperatures.

NGLs: Natural gas liquids. Natural gas liquids result from natural gas processing and crude oil refining and are used as petrochemical feedstocks, heating fuels and gasoline additives, among other applications.

NGL Margins: NGL revenues less Btu replacement cost, plant fuel, transportation and fractionation.

Throughput: The volume of product transported or passing through a pipeline, plant, terminal or other facility.

Table of Contents

SUMMARY

This summary highlights information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying base prospectus. It does not contain all of the information that you should consider before making an investment decision. You should read the entire prospectus supplement, the accompanying base prospectus and the documents incorporated by reference for a more complete understanding of this offering of shares of our common stock. Please read Risk Factors beginning on page S-5 of this prospectus supplement for information regarding risks you should consider before investing in shares of our common stock. Unless the context otherwise indicates, the information included in this prospectus supplement assumes that the underwriters do not exercise their option to purchase additional shares of our common stock.

The Williams Companies, Inc.

We are primarily an energy infrastructure company focused on connecting North America s significant hydrocarbon resource plays to growing markets for natural gas, NGLs, and olefins. Our operations are located principally in the United States, but span from the deepwater Gulf of Mexico to the Canadian oil sands.

Our interstate gas pipelines, domestic midstream, and domestic olefins production interests, as well as our Canadian midstream business, which processes oil sands and offgas and produces olefins for petrochemical feedstocks, are largely held through our significant investment in Williams Partners L.P. (WPZ), one of the largest energy master limited partnerships. We own the general partner interest and, as of June 13, 2014, a 64 percent limited-partner interest in WPZ. We also own a significant equity investment in Access Midstream Partners, L.P. (ACMP), which owns midstream assets in major unconventional producing areas.

Recent Developments

Purchase of Equity Interests of Access Midstream Partners, L.P.

On June 15, 2014, we announced that we had entered into a purchase agreement dated June 14, 2014, with certain entities managed by Global Infrastructure Management, L.L.C. (GIP) to acquire from such entities 48,742,361 common units of ACMP and 6,340,022 Convertible Class B Units of ACMP, and 500 limited liability company units, which constitutes 50 percent of the outstanding equity interests, of Access Midstream Ventures, L.L.C., the sole member of Access Midstream Partners GP, L.L.C. (Access GP, which serves as the general partner of ACMP and holds all of ACMP s incentive distribution rights and a 2.0 percent general partner interest in ACMP) (together, the GIP Purchase). The consideration for the GIP Purchase is $5.995 billion, subject to decrease in an amount equal to any distributions received by the sellers on or after June 14, 2014 through the closing date, and further subject to an increase of $16.325 million per month from September 7, 2014 until the closing date.

Upon consummation of the GIP Purchase, we will indirectly own 100 percent of the outstanding equity of Access GP, and approximately 50 percent of the limited partner interests in ACMP (assuming no additional equity issuances by ACMP). ACMP is a publicly traded master limited partnership listed on the New York Stock Exchange (NYSE) that owns, operates, develops and acquires natural gas gathering systems and other midstream energy assets. ACMP is principally focused on natural gas gathering, the first segment of midstream energy infrastructure that connects natural gas produced at the wellhead to third-party takeaway pipelines.

We expect the GIP Purchase to close in the third quarter of 2014. Following the closing of the GIP Purchase, we plan to increase our third-quarter 2014 dividend by 32 percent to $0.56 per share.

The GIP Purchase will be funded through a combination of the net proceeds of this offering and the incurrence of new indebtedness, which may include an offering of capital markets debt or borrowings under our revolving credit facility or the Bridge Facility described below, and cash on hand. This offering is not conditioned upon the completion of the GIP Purchase or the incurrence of any new indebtedness.

We have obtained a backup financing commitment for an up to $5.995 billion bridge facility (the Bridge Facility) from affiliates of certain of the underwriters of this offering to fund the payment of the consideration for the GIP Purchase, if necessary. Pursuant to such commitment, the amount available for borrowing under the Bridge Facility will be reduced by the amount of any net proceeds received by us from this offering and any net proceeds of an offering of capital markets debt incurred by us. Subject to entry into definitive documentation in respect of the Bridge Facility (Bridge Facility Documentation), interest on borrowings under the Bridge Facility will be payable at rates per annum equal to, at our option: (1) a fluctuating base rate equal to UBS AG s adjusted base rate plus the applicable margin, or (2) a periodic fixed rate equal to LIBOR plus the applicable margin. Subject to entry into the Bridge Facility Documentation, we will be required to pay a commitment fee based on the unused portion of the commitments or funded amounts under the Bridge Facility. The applicable margin will be determined by reference to a pricing schedule based on our senior unsecured debt ratings. The Bridge Facility Documentation is expected to contain covenants that will limit, among other things, the ability of our subsidiaries to incur indebtedness, our and our material subsidiaries ability to grant liens supporting indebtedness, our ability to merge or consolidated with any person or sell all or substantially all of our assets to any person and our ability to enter into certain affiliate transactions and enter into certain restrictive agreements.

Following our announcement of the GIP Purchase, we expect to retain our investment-grade credit ratings at two of the three ratings agencies. We expect the third agency to reduce our credit rating one notch to sub-investment-grade as a result of the agency s recently announced proposed change in ratings methodology for general partners, along with our announcements of the GIP Purchase and our plans to accelerate our transition to a GP holding company. We expect WPZ to retain its current investment-grade credit ratings.

The agreement governing the GIP Purchase includes customary representations, warranties, covenants and indemnities. The agreement is also subject to customary closing conditions, including the expiration or early termination of the applicable waiting period under the HSR Act, and contains certain termination rights for the parties, including if the closing of the transactions contemplated by the agreement does not occur by December 31, 2014. The closing of the GIP Purchase is not conditioned upon the consummation of the Proposed Merger (defined below).

Proposed Merger of WPZ and ACMP

On June 15, 2014, we announced that we are proposing the merger of WPZ with and into ACMP (the Proposed Merger) following the completion of the GIP Purchase in a unit-for-unit exchange at a ratio of 0.85 ACMP units per WPZ unit. The terms of the Proposed Merger also include an option for WPZ unitholders to elect to receive either a one-time special payment of $0.81 per unit or an equivalent value of additional ACMP common units to compensate current WPZ unitholders for lower expected per-unit cash distributions in 2015.

The terms of the Proposed Merger will be subject to negotiation, review and approval by the conflicts committee of the board of directors of the general partner of each of WPZ (the WPZ Conflicts Committee) and ACMP (the ACMP Conflicts Committee). Each conflicts committee, comprised solely of independent board members, is expected to retain legal and financial advisors. The Proposed Merger is subject to approval by WPZ unitholders and we have the ability to determine the outcome of such approval by virtue of our ownership interest in WPZ.

Acceleration of NGL & Petchem Dropdown

On June 15, 2014, we announced that, to complete our transition to a pure-play GP holding company, we have accelerated our previously announced plan to contribute the remainder of our assets currently reported within our NGL & Petchem Services segment to the partnership level in exchange for a combination of cash and partnership equity (the Dropdown). The terms of the Dropdown will be subject to approval by the partnership s conflicts committee. We expect to complete the Dropdown in late 2014 or early 2015.

Table of Contents

Financial Guidance and Geismar Update

On June 15, 2014, we announced that WPZ is lowering its financial guidance for 2014; financial guidance for 2015 and 2016 remains unchanged. The change in 2014 guidance is primarily the result of additional delays in the expected in-service date and increased construction spending at the Geismar Plant. The updated guidance also reflects various other changes since guidance issued in October 2013. The Geismar Plant rebuild and expansion projects are targeted for initiation of startup in late July 2014. WPZ s updated financial guidance assumes ethylene sales commencing in mid-August. The delay from the previous expectation of startup initiation in late June resulted from lower than planned construction labor productivity and other factors on both the rebuild and expansion projects. The Geismar Plant expansion project capital spending is expected to be $715 million, a $65 million increase from previous guidance, primarily as a result of such delays.

Additionally, risks associated with the expected full recovery of $500 million in insurance proceeds related to the Geismar incident could result in full-year 2014 distributable cash flow that is below the new guidance range for WPZ. In May, the insurers approved $50 million of the most recent claim-payment request of $200 million. Upon receipt of such $50 million, expected in June, the total insurance receipts to date will be $225 million. The insurers continue to evaluate WPZ s claims and have recently raised questions around key assumptions involving our business-interruption claim. As a result, the insurers have elected to make a partial payment pending further assessment of these issues. WPZ continues to work with insurers in support of all claims, as submitted, and is vigorously pursuing full payment.

We are maintaining our consolidated financial guidance for 2014 to 2016 within the existing ranges we have previously published excluding the effects of the GIP Purchase, the Proposed Merger, and other plans announced on June 15, 2014.

Principal Executive Offices and Internet Address

Our principal executive offices are located at One Williams Center, Tulsa, Oklahoma 74172-0172, and our telephone number is (918) 573-2000. Our website is located at http://www.williams.com. We make our periodic reports and other information filed with or furnished to the SEC available, free of charge, through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on our website or any other website is not incorporated by reference into this prospectus supplement or the accompanying base prospectus and does not constitute a part of this prospectus supplement or the accompanying base prospectus.

Underwriting and Conflicts

Some of the underwriters and their affiliates have engaged, and may in the future engage, in commercial banking, investment banking or financial advisory transactions with us and our affiliates, in the ordinary course of their business. For example, each of Citigroup Global Markets Inc., Barclays Capital Inc. and UBS Securities LLC is acting as a financial advisor to us in connection with the GIP Purchase and certain underwriters and their affiliates, including each of Citigroup Global Markets Inc., Barclays Capital Inc. and UBS Securities LLC, are expected to act as arrangers and lenders for the Bridge Facility. Such underwriters and their affiliates have received customary compensation and expense reimbursement for these commercial banking, investment banking or financial advisory transactions.

S-3

Table of Contents

THE OFFERING

Common stock offered	53,000,000 shares of our common stock, or 60,950,000 shares of our common stock if the underwriters exercise their option to purchase additional shares of common stock in full.
Common stock outstanding after this offering	739,038,623 shares, or 746,988,623 shares if the underwriters exercise their option to purchase additional shares of common stock in full.
Use of proceeds	We intend to use the net proceeds of this offering of shares of our common stock, together with the incurrence of new indebtedness as described under Summary Recent Developments Purchase of Equity Interests of Access Midstream Partners, L.P. and cash on hand, or some combination of the foregoing, to fund the consideration for the GIP Purchase and to pay related transition and transaction expenses. See Use of Proceeds.
Dividends	On May 22, 2014, we declared a regular dividend of $0.4250 per share of common stock, payable June 30, 2014, to holders of record at the close of business on June 13, 2014. On June 15, 2014, we announced that, contingent upon the closing of the GIP Purchase, we expect to increase our third quarter 2014 cash dividend amount by 32 percent to $0.56 per share and further provided new dividend growth guidance of approximately 15 percent annually (from the higher third quarter 2014 baseline) through 2017. However, the payment of dividends and the expected quarterly increases in our dividends are subject to quarterly approval by our Board of Directors and may be materially different. See Forward-Looking Statements.
NYSE symbol	WMB
Risk Factors	See Risk Factors beginning on page S-5 and the other information included in, or incorporated by reference into, this prospectus supplement and the accompanying base prospectus for a discussion of certain factors you should carefully consider before deciding to invest in shares of our common stock.

Table of Contents

RISK FACTORS

An investment in shares of our common stock involves risks. Before you invest in shares of our common stock, you should carefully consider the following risk factors, together with all of the other information included in this prospectus supplement, the accompanying base prospectus and the documents incorporated herein by reference in evaluating an investment in shares of our common stock. If any of the risks discussed below or in the foregoing documents were actually to occur, our business, prospects, financial condition, results of operations, cash flows and, in some cases, our reputation, could be materially adversely affected. In that case, our ability to pay dividends to our shareholders may be reduced, and the trading price of shares of our common stock could decline. In any such case, you may lose all or part of your original investment and not realize any return that you may have expected thereon. See Certain Definitions for definitions of certain terms used in this section.

Risks Related to Our Business

Prices for NGLs, olefins, natural gas, oil, and other commodities are volatile and this volatility could adversely affect our financial results, cash flows, access to capital and ability to maintain our existing businesses.

Our revenues, operating results, future rate of growth and the value of certain components of our businesses depend primarily upon the prices of NGLs, olefins, natural gas, oil or other commodities, and the differences between prices of these commodities. Price volatility can impact both the amount we receive for our products and services and the volume of products and services we sell. Prices affect the amount of cash flow available for capital expenditures and our ability to borrow money or raise additional capital. Price volatility can also have an adverse effect on our business, results of operations, financial condition and cash flows.

The markets for NGLs, olefins, natural gas, oil and other commodities are likely to continue to be volatile. Wide fluctuations in prices might result from one or more factors beyond our control, including:

- worldwide and domestic supplies of and demand for natural gas, NGLs, olefins, oil, and related commodities;
- turmoil in the Middle East and other producing regions;
- the activities of the Organization of Petroleum Exporting Countries;
- the level of consumer demand;
- the price and availability of other types of fuels or feedstocks;
- the availability of pipeline capacity;

- supply disruptions, including plant outages and transportation disruptions;

- the price and quantity of foreign imports of natural gas and oil;

- domestic and foreign governmental regulations and taxes; and

- the credit of participants in the markets where products are bought and sold.

The long-term financial condition of our natural gas transportation and midstream businesses is dependent on the continued availability of natural gas supplies in the supply basins that we access, and demand for those supplies in our traditional markets.

Our ability to maintain and expand our natural gas transportation and midstream businesses depends on the level of drilling and production by third parties in our supply basins. Production from existing wells and natural gas supply basins with access to our pipeline and gathering systems will naturally decline over time. The amount

Table of Contents

of natural gas reserves underlying these existing wells may also be less than anticipated, and the rate at which production from these reserves declines may be greater than anticipated. In addition, low prices for natural gas, regulatory limitations, or the lack of available capital could adversely affect the development and production of additional natural gas reserves, the installation of gathering, storage, and pipeline transportation facilities and the import and export of natural gas supplies. The competition for natural gas supplies to serve other markets could also reduce the amount of natural gas supply for our customers. A failure to obtain access to sufficient natural gas supplies will adversely impact our ability to maximize the capacities of our gathering, transportation and processing facilities.

Demand for our services is dependent on the demand for gas in the markets we serve. Alternative fuel sources such as electricity, coal, fuel oils or nuclear energy could reduce demand for natural gas in our markets and have an adverse effect on our business.

A failure to obtain access to sufficient natural gas supplies or a reduction in demand for our services in the markets we serve could result in impairments of our assets and have a material adverse effect on our business, financial condition and results of operations.

We may not be able to grow or effectively manage our growth.

As part of our growth strategy, we consider acquisition opportunities and engage in significant capital projects. We recently implemented our project lifecycle process and refocused our investment evaluation process. These are processes we use to identify, evaluate and execute on acquisition opportunities and capital projects. We may not always have sufficient and accurate information to identify and value potential opportunities and risks or our investment evaluation process may be incomplete or flawed. Regarding potential acquisitions, suitable acquisition candidates may not be available on terms and conditions we find acceptable or, where multiple parties are trying to acquire an acquisition candidate, we may not be chosen as the acquirer. If we are able to acquire a targeted business, we may not be able to successfully integrate the acquired businesses and realize anticipated benefits in a timely manner. Our growth may also be dependent upon the construction of new natural gas gathering, transportation, compression, processing or treating pipelines and facilities, NGL transportation, fractionation or storage facilities or olefins processing facilities, as well as the expansion of existing facilities. We also face all the risks associated with construction. These risks include the inability to obtain skilled labor, equipment, materials, permits, rights-of-way and other required inputs in a timely manner such that projects are completed on time and the risk that construction cost overruns could cause total project costs to exceed budgeted costs. Additional risks associated with growing our business include, among others, that:

- changing circumstances and deviations in variables could negatively impact our investment analysis, including our projections of revenues, earnings and cash flow relating to potential investment targets, resulting in outcomes which are materially different than anticipated;
- we could be required to contribute additional capital to support acquired businesses or assets;
- we may assume liabilities that were not disclosed to us, that exceed our estimates and for which contractual protections are either unavailable or prove inadequate;

- acquisitions could disrupt our ongoing business, distract management, divert financial and operational resources from existing operations and make it difficult to maintain our current business standards, controls and procedures; and

- acquisitions and capital projects may require substantial new capital, either by the issuance of debt or equity, and we may not be able to access capital markets or obtain acceptable terms.

If realized, any of these risks could have an adverse impact on our results of operations, including the possible impairment of our assets, and could also have an adverse impact on our financial position or cash flows.

Table of Contents

We do not own all of the interests in the Partially Owned Entities, which could adversely affect our ability to operate and control these assets in a manner beneficial to us.

Because we do not control the Partially Owned Entities, we may have limited flexibility to control the operation of or cash distributions received from these entities. The Partially Owned Entities organizational documents require distribution of their available cash to their members on a quarterly basis; however, in each case, available cash is reduced, in part, by reserves appropriate for operating the businesses. At March 31, 2014, our investments in the Partially Owned Entities accounted for approximately 16 percent of our total consolidated assets. Conflicts of interest may arise in the future between us, on the one hand, and our Partially Owned Entities, on the other hand, with regard to our Partially Owned Entities governance, business and operations. If a conflict of interest arises between us and a Partially Owned Entity, other owners may control the Partially Owned Entity s actions with respect to such matter (subject to certain limitations), which could be detrimental to our business. Any future disagreements with the other co-owners of these assets could adversely affect our ability to respond to changing economic or industry conditions, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Holders of our common stock may not receive dividends in the amount identified in guidance or any dividends.

We may not have sufficient cash flow each quarter to pay dividends or maintain current or expected levels of dividends. The actual amount of cash we dividend will depend on various factors, some of which are beyond our control, including:

- the amount of cash that WPZ, our other subsidiaries and the Partially Owned Entities distribute to us;
- the amount of cash we generate from our operations, our working capital needs, our level of capital expenditures, and our ability to borrow;
- the restrictions contained in our indentures and credit facility and our debt service requirements; and
- the cost of acquisitions, if any.

A failure either to pay dividends or to pay dividends at expected levels could result in a loss of investor confidence, reputational damage and a decrease in the value of our stock price.

Our cash flow depends heavily on the earnings and distributions of WPZ.

Our partnership interest, including the general partner s holding of incentive distribution rights, in WPZ is our largest cash-generating asset. Therefore, our cash flow is heavily dependent upon the ability of WPZ to make distributions to its partners. Following the consummation of the GIP Purchase, our partnership interest in ACMP will increase, as will the portion of our cash flows generated by ACMP distributions. A significant decline in WPZ s or ACMP s earnings and/or distributions would have a corresponding negative impact on us.

Our industry is highly competitive and increased competitive pressure could adversely affect our business and operating results.

We have numerous competitors in all aspects of our businesses, and additional competitors may enter our markets. Some of our competitors are large oil, natural gas and petrochemical companies that have greater access to supplies of natural gas and NGLs than we do. In addition, current or potential competitors may make strategic acquisitions or have greater financial resources than we do, which could affect our ability to make strategic investments or acquisitions. Our competitors may be able to respond more quickly to new laws or regulations or emerging technologies or to devote greater resources to the construction, expansion or refurbishment of their facilities than we can. Similarly, a highly-liquid competitive commodity market in natural gas and increasingly competitive markets for natural gas services, including competitive secondary markets in pipeline capacity, have developed. As a result, pipeline capacity is being used more efficiently, and peaking and storage services are increasingly effective substitutes for annual pipeline capacity. Failure to successfully compete against current and future competitors could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We may not be able to replace, extend, or add additional customer contracts or contracted volumes on favorable terms, or at all, which could affect our financial condition, the amount of cash available to pay dividends, and our ability to grow.

We rely on a limited number of customers and producers for a significant portion of our revenues and supply of natural gas and NGLs. Although many of our customers and suppliers are subject to long-term contracts, if we are unable to replace or extend such contracts or add additional customers, each on favorable terms, if at all, our financial condition, growth plans, and the amount of cash available to pay distributions could be adversely affected. Our ability to replace, extend, or add additional customer or supplier contracts on favorable terms, or at all, is subject to a number of factors, some of which are beyond our control, including:

- the level of existing and new competition in our businesses or from alternative fuel sources, such as electricity, coal, fuel oils, or nuclear energy;

- natural gas, NGL, and olefins prices, demand, availability and margins in our markets. Higher prices for energy commodities related to our businesses could result in a decline in the demand for those commodities and, therefore, in customer contracts or throughput on our pipeline systems. Also, lower energy commodity prices could result in a decline in the production of energy commodities resulting in reduced customer contracts, supply contracts, and throughput on our pipeline systems;

- general economic, financial markets and industry conditions;

- the effects of regulation on us, our customers and our contracting practices; and

- our ability to understand our customers expectations, efficiently and reliably deliver high quality services and effectively manage customer relationships. The results of these efforts will impact our reputation and positioning in the market.

Our operations are subject to operational hazards and unforeseen interruptions.

There are operational risks associated with the gathering, transporting, storage, processing and treating of natural gas, the fractionation, transportation and storage of NGLs, processing of olefins, and crude oil transportation and production handling, including:

- aging infrastructure and mechanical problems;

damages to pipelines and pipeline blockages or other pipeline interruptions;

uncontrolled releases of natural gas (including sour gas), NGLs, brine or industrial chemicals;

collapse or failure of storage caverns;

operator error;

damage caused by third-party activity, such as operation of construction equipment;

pollution and other environmental risks;

fires, explosions, craterings and blowouts;

truck and rail loading and unloading; and

operating in a marine environment.

Any of these risks could result in loss of human life, personal injuries, significant damage to property, environmental pollution, impairment of our operations, loss of services to our customers, reputational damage and substantial losses to us. The location of certain segments of our facilities in or near populated areas, including residential areas, commercial business centers and industrial sites, could increase the level of damages resulting from these risks. An event such as those described above could have a material adverse effect on our financial condition and results of operations, particularly if the event is not fully covered by insurance.

We do not insure against all potential risks and losses and could be seriously harmed by unexpected liabilities or by the inability of our insurers to satisfy our claims.

In accordance with customary industry practice, we maintain insurance against some, but not all, risks and losses, and only at levels we believe to be appropriate. We currently maintain excess liability insurance with limits of $610 million per occurrence and in the annual aggregate with a $2 million per occurrence deductible. This insurance covers us, our subsidiaries, and certain of our affiliates for legal and contractual liabilities arising out of bodily injury or property damage, including resulting loss of use to third parties. This excess liability insurance includes coverage for sudden and accidental pollution liability for full limits, with the first $135 million of insurance also providing gradual pollution liability coverage for natural gas and NGL operations.

Although we maintain property insurance on certain physical assets that we own, lease or are responsible to insure, the policy may not cover the full replacement cost of all damaged assets or the entire amount of business interruption loss we may experience. In addition, certain perils may be excluded from coverage or be sub-limited. We may not be able to maintain or obtain insurance of the type and amount we desire at reasonable rates. We may elect to self insure a portion of our risks. We do not insure our onshore underground pipelines for physical damage, except at certain locations such as river crossings and compressor stations. Offshore assets are covered for property damage when loss is due to a named windstorm event, but coverage for loss caused by a named windstorm is significantly sub-limited and subject to a large deductible. All of our insurance is subject to deductibles.

In addition to the insurance coverage described above, we are a member of Oil Insurance Limited (OIL), an energy industry mutual insurance company, which provides coverage for damage to our property. As an insured member of OIL, we share in the losses among other OIL members even if our property is not damaged.

The occurrence of any risks not fully covered by insurance could have a material adverse effect on our business, results of operations, financial condition, cash flows and our ability to repay our debt.

The time required to return WPZ s Geismar Plant to operation following the explosion and fire at the facility on June 13, 2013, and the extent and timing of costs and insurance recoveries related to the incident could be materially different than we anticipate and could cause our financial results and levels of dividends to be materially different than we project.

Our projections of financial results and expected levels of dividends are based on numerous assumptions and estimates, including but not limited to the time required to return WPZ s Geismar Plant to operation and complete the expansion project at the facility following the explosion and fire at the plant on June 13, 2013, and the extent and timing of costs and insurance recoveries related to the incident. The current target for initiation of startup of the Geismar Plant rebuild and expansion projects is late July 2014, delayed from the previous expectation of startup initiation in late June due to lower than planned construction labor productivity and other factors on both the rebuild and expansion projects at the Gesimar Plant. Additionally, insurers continue to evaluate WPZ s claims and have recently raised questions around key assumptions involving our business-interruption claim; as a result, the insurers have elected to make a partial payment pending further assessment of these issues. Although we currently expect to make full recovery of $500 million in insurance proceeds related to the Geismar incident, there can be no assurance that we will recover the full amount of our claims. Upon receipt of the most recently approved payment from our insurers, expected in June, our total receipts to date will be $225 million. Our financial results and levels of dividends could be materially different than we project if our assumptions and estimates related to the incident are materially different than actual outcomes.

Table of Contents

Our assets and operations, as well as our customers assets and operations, can be adversely affected by weather and other natural phenomena.

Our assets and operations, especially those located offshore, and our customers assets and operations can be adversely affected by hurricanes, floods, earthquakes, landslides, tornadoes, fires and other natural phenomena and weather conditions, including extreme or unseasonable temperatures, making it more difficult for us to realize the historic rates of return associated with our assets and operations. A significant disruption in our or our customers operations or a significant liability for which we are not fully insured could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Acts of terrorism could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Given the volatile nature of the commodities we transport, process, store and sell, our assets and the assets of our customers and others in our industry may be targets of terrorist activities. A terrorist attack could create significant price volatility, disrupt our business, limit our access to capital markets or cause significant harm to our operations, such as full or partial disruption to our ability to produce, process, transport or distribute natural gas, NGLs or other commodities. Acts of terrorism, as well as events occurring in response to or in connection with acts of terrorism, could cause environmental repercussions that could result in a significant decrease in revenues or significant reconstruction or remediation costs, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our business could be negatively impacted by security threats, including cybersecurity threats, and related disruptions.

We rely on our information technology infrastructure to process, transmit and store electronic information, including information we use to safely operate our assets. While we believe that we maintain appropriate information security policies, practices and protocols, we face cybersecurity and other security threats to our information technology infrastructure, which could include threats to our operational industrial control systems and safety systems that operate our pipelines, plants and assets. We could face unlawful attempts to gain access to our information technology infrastructure, including coordinated attacks from hackers, whether state-sponsored groups, hacktivists, or private individuals. The age, operating systems or condition of our current information technology infrastructure and software assets and our ability to maintain and upgrade such assets could affect our ability to resist cybersecurity threats. We could also face attempts to gain access to information related to our assets through attempts to obtain unauthorized access by targeting acts of deception against individuals with legitimate access to physical locations or information.

Breaches in our information technology infrastructure or physical facilities, or other disruptions including those arising from theft, vandalism, fraud or unethical conduct, could result in damage to our assets, unnecessary waste, safety incidents, damage to the environment, reputational damage, potential liability or the loss of contracts, and have a material adverse effect on our operations, financial position and results of operations.

The natural gas sales, transportation and storage operations of our gas pipelines are subject to regulation by the FERC, which could have an adverse impact on their ability to establish transportation and storage rates that would allow them to recover the full cost of operating their respective pipelines, including a reasonable rate of return.

In addition to regulation by other federal, state and local regulatory authorities, under the Natural Gas Act of 1938, interstate pipeline transportation and storage service is subject to regulation by the FERC. Federal regulation extends to such matters as:

transportation and sale for resale of natural gas in interstate commerce;

rates, operating terms, types of services and conditions of service;

Table of Contents

- certification and construction of new interstate pipelines and storage facilities;
- acquisition, extension, disposition or abandonment of existing interstate pipelines and storage facilities;
- accounts and records;
- depreciation and amortization policies;
- relationships with affiliated companies who are involved in marketing functions of the natural gas business; and
- market manipulation in connection with interstate sales, purchases or transportation of natural gas.

Regulatory or administrative actions in these areas, including successful complaints or protests against rates of the gas pipelines, can affect our business in many ways, including decreasing tariff rates and revenues, decreasing volumes in our pipelines, increasing our costs and otherwise altering the profitability of our pipeline business.

Our operations are subject to environmental laws and regulations, including laws and regulations relating to climate change and greenhouse gas emissions, which may expose us to significant costs, liabilities and expenditures that could exceed expectations.

Our operations are subject to extensive federal, state, tribal and local laws and regulations governing environmental protection, endangered and threatened species, the discharge of materials into the environment and the security of chemical and industrial facilities. Substantial costs, liabilities, delays and other significant issues related to environmental laws and regulations are inherent in the gathering, transportation, storage, processing and treating of natural gas, fractionation, transportation and storage of NGLs, processing of olefins, and crude oil transportation and production handling as well as waste disposal practices. Failure to comply with these laws, regulations and permits may result in the assessment of administrative, civil and/or criminal penalties, the imposition of remedial obligations, the imposition of stricter conditions on or revocation of permits, the issuance of injunctions limiting or preventing some or all of our operations and delays in granting permits.

Joint and several, strict liability may be incurred without regard to fault under certain environmental laws and regulations, for the remediation of contaminated areas and in connection with spills or releases of materials associated with natural gas, oil and wastes on, under or from our properties and facilities. Private parties, including the owners of properties through which our pipeline and gathering systems pass and facilities where our wastes are taken for reclamation or disposal, may have the right to pursue legal actions to enforce compliance as well as to seek damages for noncompliance with environmental laws and regulations or for personal injury or property damage arising from our operations. Some sites at which we operate are located near current or former third-party hydrocarbon storage and processing or oil and natural gas operations or facilities, and there is a risk that contamination has migrated from those sites to ours.

We are generally responsible for all liabilities associated with the environmental condition of our facilities and assets, whether acquired or developed, regardless of when the liabilities arose and whether they are known or unknown. In connection with certain acquisitions and divestitures, we could acquire, or be required to provide indemnification against, environmental liabilities that could expose us to material losses, which may not be covered by insurance. In addition, the steps we could be required to take to bring certain facilities into compliance could be prohibitively expensive, and we might be required to shut down, divest or alter the operation of those facilities, which might cause us to incur losses.

In addition, climate change regulations and the costs associated with the regulation of emissions of greenhouse gases (GHGs) have the potential to affect our business. Regulatory actions by the EPA or the passage of new climate change laws or regulations could result in increased costs to (i) operate and maintain our facilities, (ii) install new emission controls on our facilities and (iii) administer and manage our GHG compliance program. If we are unable to recover or pass through a significant level of our costs related to complying with climate change regulatory requirements imposed on us, it could have a material adverse effect on our results of operations and financial condition. To the extent financial markets view climate change and GHG emissions as a financial risk, this could negatively impact our cost of and access to capital. Climate change and GHG regulation could also reduce demand for our services.

If third-party pipelines and other facilities interconnected to our pipelines and facilities become unavailable to transport natural gas and NGLs or to treat natural gas, our revenues could be adversely affected.

We depend upon third-party pipelines and other facilities that provide delivery options to and from our pipelines and facilities for the benefit of our customers. Because we do not own these third-party pipelines or other facilities, their continuing operation is not within our control. If these pipelines or facilities were to become temporarily or permanently unavailable for any reason, or if throughput were reduced because of testing, line repair, damage to pipelines or facilities, reduced operating pressures, lack of capacity, increased credit requirements or rates charged by such pipelines or facilities or other causes, we and our customers would have reduced capacity to transport, store or deliver natural gas or NGL products to end use markets or to receive deliveries of mixed NGLs, thereby reducing our revenues. Any temporary or permanent interruption at any key pipeline interconnect or in operations on third-party pipelines or facilities that would cause a material reduction in volumes transported on our pipelines or our gathering systems or processed, fractionated, treated or stored at our facilities could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Legal and regulatory proceedings and investigations relating to the energy industry have adversely affected our business and may continue to do so. The operation of our businesses might also be adversely affected by changes in government regulations or in their interpretation or implementation, or the introduction of new laws or regulations applicable to our businesses or our customers.

Public and regulatory scrutiny of the energy industry has resulted in the proposal and/or implementation of increased regulations. Such scrutiny has also resulted in various inquiries, investigations and court proceedings, including litigation of energy industry matters. Both the shippers on our pipelines and regulators have rights to challenge the rates we charge under certain circumstances. Any successful challenge could materially affect our results of operations.

Certain inquiries, investigations and court proceedings are ongoing. Adverse effects may continue as a result of the uncertainty of ongoing inquiries, investigations and court proceedings, or additional inquiries and proceedings by federal or state regulatory agencies or private plaintiffs. In addition, we cannot predict the outcome of any of these inquiries or whether these inquiries will lead to additional legal proceedings against us, civil or criminal fines and/or penalties, or other regulatory action, including legislation, which might be materially adverse to the operation of our business and our results of operations or increase our operating costs in other ways. Current legal proceedings or other matters, including environmental matters, suits, regulatory appeals and similar matters might result in adverse decisions against us which, among other outcomes, could result in the imposition of substantial penalties and fines and could damage our reputation. The result of such adverse decisions, either individually or in the aggregate, could be material and may not be covered fully or at all by insurance.

In addition, existing regulations might be revised or reinterpreted, and new laws and regulations might be adopted or become applicable to us, our facilities or our customers. If new laws or regulations are imposed relating to oil and gas extraction, or if additional levels of reporting, regulation or permitting moratoria are required or imposed, including those related to hydraulic fracturing, the volumes of natural gas and other products that we transport, gather, process and treat could decline and our results of operations could be adversely affected.

S-12

Certain of our gas pipeline services are subject to long-term, fixed-price contracts that are not subject to adjustment, even if our cost to perform such services exceeds the revenues received from such contracts.

Our gas pipelines provide some services pursuant to long-term, fixed price contracts. It is possible that costs to perform services under such contracts will exceed the revenues our pipelines collect for their services. Although most of the services are priced at cost-based rates that are subject to adjustment in rate cases, under FERC policy, a regulated service provider and a customer may mutually agree to sign a contract for service at a negotiated rate that may be above or below the FERC regulated cost-based rate for that service. These negotiated rate contracts are not generally subject to adjustment for increased costs that could be produced by inflation or other factors relating to the specific facilities being used to perform the services.

Our operating results for certain components of our business might fluctuate on a seasonal basis.

Revenues from certain components of our business can have seasonal characteristics. In many parts of the country, demand for natural gas and other fuels peaks during the winter. As a result, our overall operating results in the future might fluctuate substantially on a seasonal basis. Demand for natural gas and other fuels could vary significantly from our expectations depending on the nature and location of our facilities and pipeline systems and the terms of our natural gas transportation arrangements relative to demand created by unusual weather patterns.

We do not own all of the land on which our pipelines and facilities are located, which could disrupt our operations.

We do not own all of the land on which our pipelines and facilities have been constructed. As such, we are subject to the possibility of increased costs to retain necessary land use. In those instances in which we do not own the land on which our facilities are located, we obtain the rights to construct and operate our pipelines and gathering systems on land owned by third parties and governmental agencies for a specific period of time. In addition, some of our facilities cross Native American lands pursuant to rights-of-way of limited term. We may not have the right of eminent domain over land owned by Native American tribes. Our loss of these rights, through our inability to renew right-of-way contracts or otherwise, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Difficult conditions in the global financial markets and the economy in general could negatively affect our business and results of operations.

Our businesses may be negatively impacted by adverse economic conditions or future disruptions in global financial markets. Included among these potential negative impacts are industrial or economic contraction leading to reduced energy demand and lower prices for our products and services and increased difficulty in collecting amounts owed to us by our customers. If financing is not available when needed, or is available only on unfavorable terms, we may be unable to implement our business plans or otherwise take advantage of business opportunities or respond to competitive pressures. In addition, financial markets have recently been affected by concerns over U.S. fiscal policy, including uncertainty regarding federal spending and tax policy, as well as the U.S. federal government s debt ceiling and the federal deficit. These concerns, as well as actions taken by the U.S. federal government in response to these concerns, could significantly and adversely impact the global and U.S. economies and financial markets, which could negatively impact us in the manners described above.

A downgrade of our credit ratings, which are determined outside of our control by independent third parties, could impact our liquidity, access to capital and our costs of doing business.

A downgrade of our credit ratings might increase our cost of borrowing and could require us to provide collateral to our counterparties, negatively impacting our available liquidity. In addition, our ability to access capital markets could be limited by a downgrade of our credit ratings as well as by economic, market or other disruptions. Credit rating agencies perform independent analysis when assigning credit ratings. This analysis includes a number of criteria, such as business composition, market and operational risks, as well as various financial tests. Credit rating agencies continue to review the criteria for industry sectors and various debt ratings and may make changes to those criteria from time to time. Credit ratings are subject to revision or withdrawal at any time by the ratings agencies. Following our announcement of the GIP Purchase, we expect to retain our investment-grade credit ratings at two of the three ratings agencies. We expect the third agency to reduce our credit rating one notch to sub-investment-grade as a result of the agency s recently announced proposed change in ratings methodology for general partners, along with our announcements of the GIP Purchase and our plans to accelerate our transition to a GP holding company. We expect WPZ to retain its current investment-grade credit ratings.

We are exposed to the credit risk of our customers and counterparties, and our credit risk management may not be adequate to protect against such risk.

We are subject to the risk of loss resulting from nonpayment and/or nonperformance by our customers and counterparties in the ordinary course of our business. Generally, our customers are rated investment grade, are otherwise considered creditworthy or are required to make prepayments or provide security to satisfy credit concerns. However, our credit procedures and policies may not be adequate to fully eliminate customer and counterparty credit risk. Our customers and counterparties include industrial customers, local distribution companies, natural gas producers and marketers whose creditworthiness may be suddenly and disparately impacted by, among other factors, commodity price volatility, deteriorating energy market conditions, and public and regulatory opposition to energy producing activities. If we fail to adequately assess the creditworthiness of existing or future customers and counterparties, unanticipated deterioration in their creditworthiness and any resulting increase in nonpayment and/or nonperformance by them could cause us to write down or write off doubtful accounts. Such write-downs or write-offs could negatively affect our operating results in the periods in which they occur, and, if significant, could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Restrictions in our debt agreements and the amount of our indebtedness may affect our future financial and operating flexibility.

Our total outstanding long-term debt (including current portion) as of March 31, 2014, was $12.9 billion.

The agreements governing our indebtedness contain covenants that restrict our and our material subsidiaries ability to incur certain liens to support indebtedness and our ability to merge or consolidate or sell all or substantially all of our assets. In addition, certain of our debt agreements contain various covenants that restrict or limit, among other things, our ability to make certain distributions during the continuation of an event of default, the ability of our subsidiaries to incur additional debt, and our and our material subsidiaries ability to enter into certain affiliate transactions and certain restrictive agreements. Certain of our debt agreements also contain, and those we enter into in the future may contain, financial covenants and other limitations with which we will need to comply.

Our debt service obligations and the covenants described above could have important consequences. For example, they could:

- make it more difficult for us to satisfy our obligations with respect to our indebtedness, which could in turn result in an event of default on such indebtedness;

impair our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, general corporate purposes or other purposes;

diminish our ability to withstand a continued or future downturn in our business or the economy generally;

- require us to dedicate a substantial portion of our cash flow from operations to debt service payments, thereby reducing the availability of cash for working capital, capital expenditures, acquisitions, the payments of dividends, general corporate purposes or other purposes; and

- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate, including limiting our ability to expand or pursue our business activities and preventing us from engaging in certain transactions that might otherwise be considered beneficial to us.

Our ability to comply with our debt covenants, to repay, extend or refinance our existing debt obligations and to obtain future credit will depend primarily on our operating performance. Our ability to refinance existing debt obligations or obtain future credit will also depend upon the current conditions in the credit markets and the availability of credit generally. If we are unable to comply with these covenants, meet our debt service obligations or obtain future credit on favorable terms, or at all, we could be forced to restructure or refinance our indebtedness, seek additional equity capital or sell assets. We may be unable to obtain financing or sell assets on satisfactory terms, or at all.

Our failure to comply with the covenants in the documents governing our indebtedness could result in events of default, which could render such indebtedness due and payable. We may not have sufficient liquidity to repay our indebtedness in such circumstances. In addition, cross-default or cross-acceleration provisions in our debt agreements could cause a default or acceleration to have a wider impact on our liquidity than might otherwise arise from a default or acceleration of a single debt instrument. For more information regarding our debt agreements, please read Management s Discussion and Analysis of Financial Condition and Results of Operations Management s Discussion and Analysis of Financial Condition and Liquidity in Exhibit 99.1 to our Current Report on Form 8-K, filed with the SEC on May 22, 2014 and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014, incorporated herein by reference.

Institutional knowledge residing with current employees nearing retirement eligibility or with our former employees might not be adequately preserved.

We expect that a significant percentage of employees will become eligible for retirement over the next three years. In certain areas of our business, institutional knowledge resides with employees who have many years of service. As these employees reach retirement age or their services are no longer available to us, we may not be able to replace them with employees of comparable knowledge and experience. In addition, we may not be able to retain or recruit other qualified individuals, and our efforts at knowledge transfer could be inadequate. If knowledge transfer, recruiting and retention efforts are inadequate, access to significant amounts of internal historical knowledge and expertise could become unavailable to us.

Our hedging activities might not be effective and could increase the volatility of our results.

In an effort to manage our financial exposure related to commodity price and market fluctuations, we have entered, and may in the future enter into contracts to hedge certain risks associated with our assets and operations. In these hedging activities, we have used and may in the future use fixed-price, forward, physical purchase and sales contracts, futures, financial swaps and option contracts traded in the over-the-counter markets or on exchanges. Nevertheless, no single hedging arrangement can adequately address all risks present in a given contract. For example, a forward contract that would be effective in hedging commodity price volatility risks would not hedge the contract s counterparty credit or performance risk. Therefore, unhedged risks will always continue to exist. While we attempt to manage counterparty credit risk within guidelines established by our credit policy, we may not be able to successfully manage all credit risk and as such, future cash flows and results of operations could be impacted by counterparty default.

Table of Contents

The adoption and implementation of new statutory and regulatory requirements for derivative transactions could have an adverse impact on our ability to hedge risks associated with our business and increase the working capital requirements to conduct these activities.

In July 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) was enacted. The Dodd-Frank Act provides for statutory and regulatory requirements for derivative transactions, including oil and gas hedging transactions. Among other things, the Dodd-Frank Act provides for the creation of position limits for certain derivatives transactions, as well as requiring certain transactions to be transacted on exchanges for which cash collateral will be required. These new rules and regulations could increase the cost of derivative contracts or reduce the availability of derivatives. Although we believe the derivative contracts that we enter into should not be impacted by position limits and should to a large extent be exempt from the requirement to trade these transactions on exchanges and to clear these transactions through a central clearing house or to post collateral, the impact upon our businesses will depend on the outcome of the implementing regulations that are continuing to be adopted by the Commodities Futures Trading Commission.

A number of our financial derivative transactions used for hedging purposes are currently executed on exchanges and cleared through clearing houses that already require the posting of margins based on initial and variation requirements. Final rules promulgated under the Dodd-Frank Act may require us to post additional cash or new margin to the clearing house or to our counterparties in connection with our hedging transactions. Posting such additional cash collateral could impact liquidity and reduce our cash available for capital expenditures or other corporate purposes. A requirement to post cash collateral could therefore reduce our ability to execute hedges to reduce commodity price uncertainty and thus protect cash flows. If we reduce our use of derivatives as a result of the Dodd-Frank Act and regulations, our results of operations may become more volatile and our cash flows may be less predictable.

Our costs and funding obligations for our defined benefit pension plans and costs for our other postretirement benefit plans are affected by factors beyond our control.

We have defined benefit pension plans covering substantially all of our U.S. employees and other post-retirement benefit plans covering certain eligible participants. The timing and amount of our funding requirements under the defined benefit pension plans depend upon a number of factors that we control, including changes to pension plan benefits, as well as factors outside of our control, such as asset returns, interest rates and changes in pension laws. Changes to these and other factors that can significantly increase our funding requirements could have a significant adverse effect on our financial condition and results of operations.

One of our subsidiaries acts as the general partner of a publicly traded limited partnership, Williams Partners L.P., and following the consummation of the GIP Purchase, another of our subsidiaries will act as the general partner of ACMP, a publicly traded limited partnership. As such, these subsidiaries operations may involve a greater risk of liability than ordinary business operations.

One of our subsidiaries acts as the general partner of WPZ, a publicly traded limited partnership. Following the consummation of the GIP Purchase, another of our subsidiaries will act as the general partner of ACMP, a publicly traded limited partnership. These subsidiaries may be deemed to have undertaken fiduciary obligations with respect to WPZ and ACMP as the general partner and to the limited partners of WPZ and ACMP, respectively. Activities determined to involve fiduciary obligations to other persons or entities typically involve a higher standard of conduct than ordinary business operations and therefore may involve a greater risk of liability, particularly when a conflict of interest is found to exist. Our control of the general partner of WPZ, and following the consummation of the GIP Purchase, our control of the general partner of ACMP, may increase the possibility of claims of breach of fiduciary duties, including claims brought due to conflicts of interest (including conflicts of interest that may arise between

WPZ or ACMP, on the one hand, and its general partner and that general partner s affiliates, including us, on the other hand). Any liability resulting from such claims could be material.

Table of Contents

Our investments and projects located outside of the United States expose us to risks related to the laws of other countries, and the taxes, economic conditions, fluctuations in currency rates, political conditions and policies of foreign governments. These risks might delay or reduce our realization of value from our international projects.

We currently own and might acquire and/or dispose of material energy-related investments and projects outside the United States. The economic, political and legal conditions and regulatory environment in the countries in which we have interests or in which we might pursue acquisition or investment opportunities present risks that are different from or greater than those in the United States. These risks include, among others, delays in construction and interruption of business, as well as risks of renegotiation, trade sanctions or nullification of existing contracts and changes in law or tax policy, including with respect to the prices we realize for the commodities we produce and sell. The uncertainty of the legal environment in certain foreign countries in which we develop or acquire projects or make investments could make it more difficult to obtain nonrecourse project financing or other financing on suitable terms, could adversely affect the ability of certain customers to honor their obligations with respect to such projects or investments and could impair our ability to enforce our rights under agreements relating to such projects or investments.

Operations and investments in foreign countries also can present currency exchange rate and convertibility, inflation and repatriation risk. In certain situations under which we develop or acquire projects or make investments, economic and monetary conditions and other factors could affect our ability to convert to U.S. dollars our earnings denominated in foreign currencies. In addition, risk from fluctuations in currency exchange rates can arise when our foreign subsidiaries expend or borrow funds in one type of currency, but receive revenue in another. In such cases, an adverse change in exchange rates can reduce our ability to meet expenses, including debt service obligations. We may or may not put contracts in place designed to mitigate our foreign currency exchange risks. We have some exposures that are not hedged and which could result in losses or volatility in our results of operations.

Failure of our service providers or disruptions to our outsourcing relationships might negatively impact our ability to conduct our business.

Certain of our accounting and information technology services are currently provided by third party vendors, and sometimes from service centers outside of the United States. Service provided pursuant to these agreements could be disrupted. Similarly, the expiration of such agreements or the transition of services between providers could lead to loss of institutional knowledge or service disruptions.

If there is a determination that the spin-off of WPX Energy, Inc. (WPX) stock to our stockholders is taxable for U.S. federal income tax purposes because the facts, representations or undertakings underlying an U.S. Internal Revenue Service (the IRS) private letter ruling or a tax opinion are incorrect or for any other reason, then we and our stockholders could incur significant income tax liabilities.

In connection with our original separation plan that called for an initial public offering (IPO) of stock of WPX and a subsequent spin-off of our remaining shares of WPX to our stockholders, we obtained a private letter ruling from the IRS and an opinion of our outside tax advisor, to the effect that the distribution by us of WPX shares to our stockholders, and any related restructuring transaction undertaken by us, would not result in recognition for U.S. federal income tax purposes, of income, gain or loss to us or our stockholders under section 355 and section 368(a)(1)(D) of the U.S. Internal Revenue Code of 1986, as amended (the Code), except for cash payments made to our stockholders in lieu of fractional shares of WPX common stock. In addition, we received an opinion from our outside tax advisor to the effect that the spin-off pursuant to our revised separation plan which was ultimately consummated on December 31, 2011, which did not involve an IPO of WPX shares, would not result in the recognition, for federal income tax purposes, of income, gain or loss to us or our stockholders under section 355 and section 368(a)(1)(D) of the Code, except for cash payments made to our stockholders in lieu of fractional shares of

WPX. The private letter ruling and opinion have relied on or will rely on certain facts, representations, and undertakings from us and WPX regarding the past and future conduct of the companies respective businesses and other matters. If any of these facts, representations, or undertakings are, or become, incorrect or are not otherwise satisfied, including as a result of certain significant changes in the stock ownership of us or WPX after the spin-off, or if the IRS disagrees with any such facts and representations upon audit, we and our stockholders may not be able to rely on the private letter ruling or the opinion of our tax advisor and could be subject to significant income tax liabilities.

The spin-off may expose us to potential liabilities arising out of state and federal fraudulent conveyance laws and legal dividend requirements that we did not assume in our agreements with WPX.

The spin-off is subject to review under various state and federal fraudulent conveyance laws. A court could deem the spin-off or certain internal restructuring transactions undertaken by us in connection with the separation to be a fraudulent conveyance or transfer. Fraudulent conveyances or transfers are defined to include transfers made or obligations incurred with the actual intent to hinder, delay or defraud current or future creditors or transfers made or obligations incurred for less than reasonably equivalent value when the debtor was insolvent, or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts as they become due. A court could void the transactions or impose substantial liabilities upon us, which could adversely affect our financial condition and our results of operations. Whether a transaction is a fraudulent conveyance or transfer will vary depending upon the jurisdiction whose law is being applied. Under the separation and distribution agreement between us and WPX, from and after the spin-off, each of WPX and we are responsible for the debts, liabilities and other obligations related to the business or businesses which each owns and operates. Although we do not expect to be liable for any such obligations not expressly assumed by us pursuant to the separation and distribution agreement, it is possible that a court would disregard the allocation agreed to between the parties, and require that we assume responsibility for obligations allocated to WPX, particularly if WPX were to refuse or were unable to pay or perform the subject allocated obligations.

Risks Related to the GIP Purchase

We may be unable to realize the expected benefits from the GIP Purchase, and the value of our investment in ACMP may decrease.

The value of our investment in ACMP equity interests and the cash distributions we will receive with respect to these equity interests may not match our expectations or justify our investment in ACMP. For example, ACMP may not have sufficient cash flow from operations each quarter to pay the cash distributions we expect to receive on a quarterly basis. The amount of cash ACMP can distribute principally depends upon the amount of cash it generates from its operations, which will fluctuate from quarter to quarter based on, among other things: the volume of natural gas it gathers, treats and compresses; the level of production of and demand for natural gas; its operating and general and administrative costs; regulatory actions; prevailing economic conditions; the level of capital expenditures it makes; fluctuations in working capital needs; and the amount of cash reserves established by its general partner. If the levels of cash distributions from ACMP do not meet our expectations, the resulting decrease in cash flow and reduction in liquidity could have an adverse effect on our business, financial condition, results of operations and cash flows. Further, subject to certain limitations, the agreement governing the GIP Purchase requires WPZ or ACMP to divest assets if necessary to cause the closing conditions under the GIP Purchase Agreement to become satisfied, including if the Federal Trade Commission or the Antitrust Division of the Department of Justice requires the divestiture of certain assets by WPZ or ACMP in order to cause the applicable waiting period under the HSR Act to terminate or expire. We cannot predict if any divestitures will be required, what the terms of divestiture could be and any impact on our operations and future financial results.

In addition, we may never realize the expected benefits from the GIP Purchase, and we may lose all or a part of the value of our investment in ACMP. The accuracy of our assessments concerning the value of ACMP s business is inherently uncertain. In connection with our assessments, we have performed a review of ACMP s business that we believe to be generally consistent with industry practices. Such review may not have revealed all existing or potential problems and may not have permitted us to become sufficiently familiar with ACMP s business to fully assess any and all risks related to ACMP s business. The value of our investment in ACMP may decrease due to the risks associated with ACMP s business, including the fact that ACMP is dependent on Chesapeake Energy Corporation (Chesapeake) for a substantial majority of its revenues and is therefore indirectly subject to the business risks of Chesapeake and to the credit risks associated with Chesapeake. ACMP has no control over Chesapeake s business decisions and operations, and Chesapeake is under no obligation to adopt a business strategy that favors ACMP. Furthermore, in addition to Chesapeake, ACMP is dependent on Total Gas & Power North America, Inc. and other third-party producers for a significant amount of the natural gas that it gathers, treats and compresses. A material reduction in one or more other third-party producers production gathered, treated or compressed by ACMP may result in a material decline in its revenues and ability to make cash distributions to its unitholders, including us.

As a result of the foregoing risks, ACMP may not pay the level of distributions we expect, we may need to contribute additional capital to support ACMP s operations, the GIP Purchase may not produce the benefits that we expect and the value of our investment in ACMP may decrease.

The GIP Purchase could trigger a mandatory repurchase offer under certain of ACMP s existing indentures and an event of default under ACMP s existing revolving credit facility.

The GIP Purchase, if followed by a decrease in the rating of ACMP s outstanding 5.875% Senior Notes due 2021 and 6.125% Senior Notes due 2022 (collectively, the Applicable ACMP Notes) by either Moody s Investors Service, Inc. or Standard & Poor s Ratings Services within ninety days of the consummation of the GIP Purchase, will result in a change of control as defined in the indentures governing the Applicable ACMP Notes (the Applicable ACMP Notes Indentures). While no ACMP ratings downgrade is anticipated, we can provide no assurance that a downgrade will not occur. The occurrence of a change of control under the Applicable ACMP Notes Indentures triggers an obligation for ACMP to offer to purchase all or any part of each series of Applicable ACMP Notes at a purchase price equal to 101% of the principal amount of each series of Applicable ACMP Notes, plus accrued and unpaid interest thereon to the date of repurchase. The occurrence of a change of control under the Applicable ACMP Notes Indentures would also result in an event of default under ACMP s existing revolving credit facility. Under those circumstances, there can be no assurance that ACMP would have sufficient financial resources available to satisfy its obligations to repurchase the Applicable ACMP Notes or to satisfy any obligations under the existing ACMP revolving credit facility. ACMP s failure to purchase the Applicable ACMP Notes as required under the Applicable ACMP Notes Indentures would result in a default under the Applicable ACMP Notes Indentures, which could have material adverse consequences for ACMP, and consequently our business, financial condition, results of operations and cash flows.

In the event that the GIP Purchase does not close, the net proceeds of this offering will be used for general corporate purposes that may result in returns that are less than those anticipated from the GIP Purchase.

The closing of this offering is not conditioned on the closing of the GIP Purchase. The GIP Purchase Agreement is subject to customary closing conditions, including that the applicable waiting period under the HSR Act terminates or expires. In the event that the GIP Purchase does not close, we intend to use the net proceeds from this offering for general corporate purposes, which may result in returns that are less than those anticipated from the GIP Purchase.

Risks Related to the Proposed Merger

There can be no assurance that the Proposed Merger will be approved by the WPZ Conflicts Committee and the ACMP Conflicts Committee or the terms on which such approval would be granted.

In connection with the announcement of the GIP Purchase, we proposed that, subsequent to the GIP Purchase, ACMP acquire WPZ pursuant to the terms of the Proposed Merger. Prior to entering into a definitive agreement with respect to the Proposed Merger, each of the WPZ Conflicts Committee and the ACMP Conflicts

Committee will be required to approve the Proposed Merger. In connection with obtaining such approval, the terms of the Proposed Merger, including the exchange ratio by which WPZ common units would be converted into ACMP common units in connection with the Proposed Merger, will be subject to negotiation with each of the WPZ Conflicts Committee and the ACMP Conflicts Committee. There can be no assurance that the WPZ Conflicts Committee and the ACMP Conflicts Committee will approve the Proposed Merger, or if such approval is granted, the terms on which the Proposed Merger will be approved. Further, there can be no assurance as to how the market prices of WPZ s and ACMP s common units will be affected following our announcement of the Proposed Merger or how any potential changes in the market prices of WPZ s or ACMP s common units could affect whether the WPZ Conflicts Committee and the ACMP Conflicts Committee will approve the Proposed Merger, or if such approval is granted, the terms on which the Proposed Merger will be approved.

The successful execution of the integration strategy following the consummation of the Proposed Merger will involve considerable risks and may not be successful.

If the Proposed Merger is consummated, the success of the Proposed Merger will depend, in part, on the ability of the combined company to realize the anticipated benefits from combining ACMP s and WPZ s businesses. Realizing the benefits of the Proposed Merger will depend in part on the integration of assets, operations, functions and personnel while maintaining adequate focus on the core businesses of the combined company. There can be no assurance that any cost savings, economies of scale, enhanced liquidity or other operational efficiencies, as well as revenue enhancement opportunities anticipated from the combination of WPZ and ACMP, or other synergies, will occur. The full benefit of the Proposed Merger is also based on an expected upgrade of ACMP s credit rating by independent credit rating agencies following the consummation of the Proposed Merger. There can be no assurance that this upgrade will occur.

The combined company s management team will face challenges inherent in efficiently managing an increased number of employees over larger geographic distances, including the need to implement appropriate systems, policies, benefits and compliance programs. If management of the combined company is unable to minimize the potential disruption of the combined company s ongoing business and the distraction of management during the integration process, the anticipated benefits of the Proposed Merger may not be realized or may only be realized to a lesser extent than expected. In addition, the inability to successfully manage the implementation of appropriate systems, policies, benefits and compliance programs for the combined company or the geographically more diverse and substantially larger combined organization could have an adverse effect on the combined company after the Proposed Merger. These integration-related activities also could have an adverse effect on each of ACMP and WPZ pending the completion of the Proposed Merger.

ACMP and WPZ have operated and, until the completion of the Proposed Merger, will continue to operate independently. It is possible that the integration process could result in the loss of key employees, as well as the disruption of each of WPZ s and ACMP s ongoing businesses or the creation of inconsistencies between their standards, controls, procedures and policies. Any or all of those occurrences could adversely affect the combined company s ability to maintain relationships with service providers, customers and employees after the Proposed Merger or to achieve the anticipated benefits of the Proposed Merger.

The combined company s operating expenses may increase significantly over the near term due to the increased headcount, expanded operations and expenses or other changes related to the Proposed Merger. In addition, the actual integration may result in additional and unforeseen expenses, which could reduce the anticipated benefits of the Proposed Merger and materially and adversely affect the combined company s business, operating results and financial condition.

Table of Contents

USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of the 53,000,000 shares of our common stock offered hereby will be approximately $2.937 billion, after deducting estimated underwriting discounts and commissions and offering expenses payable by us. If the underwriters exercise their option to purchase additional shares of our common stock in full, we estimate that the net proceeds to us, calculated on the same basis, will be approximately $3.378 billion. We intend to use the net proceeds of this offering, together with the incurrence of new indebtedness as described under Summary Recent Developments Purchase of Equity Interests of Access Midstream Partners, L.P. and cash on hand, or some combination of the foregoing, to fund the consideration for the GIP Purchase and to pay related transition and transaction expenses. In the event that the underwriters exercise their option to purchase additional shares of our common stock, we intend to use the net proceeds of such exercise for the same purposes or for other general corporate purposes.

If the GIP Purchase were to fail to close, we intend to use the net proceeds of this offering for general corporate purposes.

Table of Contents

CAPITALIZATION

The following table sets forth our historical cash and cash equivalents and capitalization as of March 31, 2014 and our pro forma cash and cash equivalents and capitalization as of March 31, 2014, as adjusted to reflect the following assumptions:

- the sale of 53,000,000 shares of our common stock offered hereby, after deducting estimated underwriting discounts and commissions and offering expenses payable by us, and the expected application of the net proceeds of this offering as described under Use of Proceeds in this prospectus supplement; and

- the expected incurrence of new indebtedness by us in order to fund the balance of the consideration for the GIP Purchase and our related transition and transaction expenses.

Depending on the final size of the GIP Purchase and the ultimate mix of funding available to us at the closing of the GIP Purchase, we may elect to utilize the net proceeds of an offering of capital markets debt, our revolving credit facility, the Bridge Facility, cash on hand, or some combination of the foregoing to fund our payment of the balance of the consideration for the GIP Purchase.

This table is derived from and should be read together with our historical consolidated financial statements and the accompanying notes included in our Quarterly Report on Form 10-Q for the period ending March 31, 2014, which is incorporated by reference in this prospectus supplement. You should also read this table in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations in our Quarterly Report on Form 10-Q for the period ending March 31, 2014, which is incorporated by reference into this prospectus supplement.

	As of March 31, 2014	
	Historical	As Adjusted
	($ in millions)	
Cash and cash equivalents	$ 1,064	$ 1,064(1)
Short-term debt:		
Long-term debt due within one year	$ 751	$ 751
WPZ commercial paper notes		(2)
Bridge Facility		(1)
Total short-term debt	751	751(1)
Long-term debt (less unamortized debt discount):		
Williams revolving credit facility		(1)
WPZ revolving credit facility		
New Williams indebtedness		3,097(1)
Williams notes and debentures with various interest rates ranging from 3.7% to 10.25% and maturities from 2019 to 2033	2,296	2,296
WPZ notes with various interest rates ranging from 3.35% to 7.25% and maturities from 2015 to 2044	7,681	7,681
	1,428	1,428

Transco notes and debentures with various interest rates ranging from 4.45% to 7.25% and maturities from 2016 to 2042		
Northwest Pipeline notes and debentures with various interest rates ranging from 5.95% to 7.125% and maturities from 2016 to 2025	694	694
Total long-term debt	12,099	15,196(1)(3)

Table of Contents

	As of March 31, 2014	
	Historical	As Adjusted
	($ in millions)	
Equity:		
Stockholders equity:		
Common stock (960 million shares authorized at $1 par value; 720 million shares issued at March 31, 2014)	720	773
Capital in excess of par value	11,545	14,429
Retained deficit	(6,385)	(6,385)
Accumulated other comprehensive loss	(223)	(223)
Treasury stock, at cost (35 million shares of common stock)	(1,041)	(1,041)
Total stockholders equity	4,616	7,553
Noncontrolling interests in consolidated subsidiaries	4,101	4,101(3)
Total equity	8,717	11,654
Total capitalization (including current maturities of long-term debt)	$ 21,567	$ 27,601

(1) We may elect to utilize the net proceeds of an offering of capital markets debt, our revolving credit facility, the Bridge Facility, cash on hand, or some combination of the foregoing, to fund our payment of the balance of the consideration for the GIP Purchase and to pay related transition and transaction expenses. The amount available for borrowing under the Bridge Facility will be reduced by an amount equal to the net proceeds of this offering and any net proceeds of an offering of capital markets debt by us.

(2) As of June 13, 2014, there were approximately $460 million in principal amount of short-term notes outstanding under WPZ s commercial paper program. The outstanding commercial paper notes have a weighted-average maturity of approximately seven days.

(3) At March 31, 2014, ACMP had outstanding $3.656 billion of notes with various interest rates ranging from 4.875% to 6.125% and maturities from 2021 to 2024. Our ownership interest in ACMP is currently and, until the completion of the GIP purchase, will be accounted for as an equity method investment. Upon completion of the GIP Purchase, ACMP will become our consolidated subsidiary for accounting purposes, at which time ACMP s outstanding indebtedness will be reflected at fair value in total long-term debt. Upon consolidation, noncontrolling interests in consolidated subsidiaries will also be adjusted to reflect the public ownership interest in ACMP.

Table of Contents

PRICE RANGE OF SHARES OF OUR COMMON STOCK AND DIVIDENDS

As of the close of business on June 13, 2014, there were 686,038,623 shares of our common stock outstanding, held by approximately 8,267 record holders. Shares of our common stock are listed on the NYSE under the symbol WMB.

The following table sets forth, for the periods indicated, the high and low sales prices for shares of our common stock, as reported on the NYSE, and dividends per share declared by quarter on our common stock. The last reported sales price of our common stock on the NYSE on June 17, 2014 was $57.31 per share.

	High	Low	Dividend
2014			
Second Quarter (through June 17, 2014)	$ 59.68	$ 39.31	$ 0.4250(1)
First Quarter	42.94	37.77	0.4025
2013			
Fourth Quarter	$ 38.68	$ 33.98	$ 0.38
Third Quarter	36.94	32.36	0.36625
Second Quarter	38.57	31.25	0.3525
First Quarter	38.00	33.09	0.33875
2012			
Fourth Quarter	$ 37.56	$ 30.55	$ 0.325
Third Quarter	35.39	28.47	0.3125
Second Quarter	34.63	27.25	0.30
First Quarter	32.09	26.21	0.25875

(1) On May 22, 2014, we declared a regular dividend of $0.4250 per share of common stock, payable June 30, 2014, to holders of record at the close of business on June 13, 2014. On June 15, 2014, we announced that, contingent upon consummation of the GIP Purchase, we expect to increase our third quarter 2014 cash dividend amount by 32 percent to $0.56 per share and further provided new dividend growth guidance of approximately 15 percent annually (from the higher third quarter 2014 baseline) through 2017, although there can be no assurance that actual outcomes will not be materially different.

Table of Contents

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain U.S. federal income tax considerations relating to the purchase, ownership and disposition of the shares of our common stock, as of the date hereof. This summary deals only with shares of our common stock purchased in this offering for cash and held as capital assets. Additionally, this summary does not deal with special situations. For example, this summary does not address:

- tax consequences to holders who may be subject to special tax treatment, such as dealers in securities or currencies, financial institutions, regulated investment companies, real estate investment trusts, expatriates, tax-exempt entities, traders in securities that elect to use a mark-to-market method of accounting for their securities, controlled foreign corporations, passive foreign investment companies, or insurance companies;
- tax consequences to persons holding shares of our common stock as part of a hedging, integrated, or conversion transaction or a straddle or persons deemed to sell shares of our common stock under the constructive sale provisions of the Code;
- tax consequences to persons who at any time hold more than 5% of the total fair market value of any class of our stock;
- tax consequences to U.S. holders of shares of our common stock whose functional currency is not the U.S. dollar;
- tax consequences to partnerships or other pass-through entities for U.S. federal income tax purposes and investors in such entities; or
- alternative minimum tax consequences, if any.

Finally, this summary does not address U.S. federal tax consequences other than income taxes (such as estate and gift tax consequences) or any state, local or foreign tax consequences. In addition, it does not address tax consequences arising from the acquisition and exercise of rights under our stockholder rights plan.

The discussion below is based upon the provisions of the Code, and U.S. Treasury regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, or interpreted differently so as to result in U.S. federal income tax consequences different from those discussed below. This summary does not address all aspects of U.S. federal income taxation and does not deal with all tax consequences that may be relevant to holders in light of their personal circumstances.

If an entity classified as a partnership for U.S. federal income tax purposes holds shares of our common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding shares of our common stock, you should consult your tax advisor.

If you are considering the purchase of shares of our common stock, you should consult your own tax advisors concerning the U.S. federal income tax consequences to you in light of your particular facts and circumstances and any consequences arising under the laws of any state, local, foreign or other taxing jurisdiction.

Consequences to U.S. Holders

The following is a summary of the U.S. federal income tax consequences that will apply to a U.S. holder of shares of our common stock. U.S. holder means a beneficial owner of common stock for U.S. federal income tax purposes that is:

- an individual citizen or resident of the United States;

- a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

Table of Contents

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust if (1) it is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (2) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

Distributions

A distribution in respect of shares of our common stock generally will be treated as a dividend to the extent of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Subject to certain holding period requirements, dividends that constitute qualified dividend income received by non-corporate U.S. holders generally will be subject to taxation at the lower applicable capital gains rate. If a U.S. holder is a U.S. corporation, it may be eligible to claim the deduction allowed to U.S. corporations in respect of dividends received from other U.S. corporations equal to a portion of any dividends received, subject to generally applicable limitations on that deduction.

If the distribution exceeds current and accumulated earnings and profits, the excess will be treated as a nontaxable return of capital reducing the U.S. holder s tax basis in the common stock to the extent of the U.S. holder s tax basis in that stock. Any remaining excess will be treated as capital gain from the sale or exchange of our common stock.

U.S. holders should consult their tax advisors regarding the holding period and other requirements that must be satisfied in order to qualify for the dividends-received deduction and the reduced maximum tax rate for qualified dividend income.

Sale, Exchange, Certain Redemptions or Other Taxable Dispositions of our Common Stock

Upon a sale, exchange, redemption (provided the redemption is treated as a sale or exchange) or certain other taxable dispositions of our common stock, a U.S. holder generally will recognize capital gain or loss equal to the difference between (i) the amount of cash and the fair market value of any property received upon such taxable disposition and (ii) the U.S. holder s adjusted tax basis in the common stock. A U.S. holder s adjusted tax basis in the common stock will generally equal its cost for the stock, decreased by the amount of any distributions treated as nontaxable return of capital, as described above. Such capital gain or loss will be long-term capital gain or loss if a U.S. holder s holding period in the common stock is more than one year at the time of the taxable disposition. In the case of certain non-corporate U.S. holders (including individuals), long-term capital gain generally will be subject to tax at a reduced rate of taxation. The deductibility of capital losses is subject to limitations.

Medicare Tax

A U.S. person that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will be subject to a 3.8% tax on the lesser of (1) the U.S. person s net investment income for the relevant taxable year and (2) the excess of the U.S. person s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000 depending on the individual s circumstances). Net investment income generally includes dividends and net gains from the disposition of our common stock, unless such dividend or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). A U.S. holder that is an individual, estate or trust should consult its tax advisor regarding the applicability of the Medicare tax to its income and gains in respect of its investment in the common stock.

Information Reporting and Backup Withholding

When required, we or our paying agent will report to the U.S. holders of our common stock and to the IRS amounts paid on or with respect to the common stock during each calendar year and the amount of tax, if any, withheld from such payments. A U.S. holder will be subject to backup withholding on any dividends paid on our common stock and proceeds from the sale or other taxable disposition of our common stock at the applicable rate if the U.S. holder (a) fails to provide us or our paying agent with a correct taxpayer identification number or certification of exempt status, (b) has been notified by the IRS that it is subject to backup withholding as a result of the failure to properly report payments of interest or dividends, or (c) in certain circumstances, has failed to certify under penalty of perjury that it is not subject to backup withholding. A U.S. holder may be eligible for an exemption from backup withholding by providing a properly completed IRS Form W-9 to us or our paying agent. Any amounts withheld under the backup withholding rules will generally be allowed as a refund or a credit against a U.S. holder s U.S. federal income tax liability provided the required information is properly furnished to the IRS by the U.S. holder on a timely basis.

Consequences to Non-U.S. Holders

The term non-U.S. holder means a beneficial owner of shares of common stock that is, for U.S. federal income tax purposes, an individual, corporation, trust or estate that is not a U.S. holder.

Distributions

Any distributions treated as dividends (see Consequences to U.S. Holders Distributions above) paid to a non-U.S. holder with respect to the shares of our common stock will be subject to withholding tax at a 30% rate or such lower rate as specified by an applicable income tax treaty. To receive the benefit of a reduced treaty rate, a non-U.S. holder must furnish to us or our paying agent a valid IRS Form W-8BEN or W-8BEN-E (or suitable successor or substitute form) certifying such non-U.S. holder s qualification for the reduced rate. Non-U.S. holders that do not timely provide us or our paying agent with the required certification, but that qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

If a non-U.S. holder holds shares of our common stock in connection with the conduct of a trade or business in the United States, and dividends paid on the shares of our common stock are effectively connected with such non-U.S. holder s United States trade or business (and if required by an applicable income tax treaty, attributable to a permanent establishment maintained by the non-U.S. holder in the United States), the non-U.S. holder will be exempt from U.S. federal withholding tax. To claim the exemption, the non-U.S. holder must generally furnish to us or our paying agent a properly executed IRS Form W-8ECI (or suitable successor or substitute form). However, dividends paid on shares of our common stock that are effectively connected with a non-U.S. holder s United States trade or business (and if required by an applicable income tax treaty, attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates in much the same manner as if such non-U.S. holder were a U.S. holder. Any such effectively connected dividends received by a foreign corporation may, under certain circumstances, be subject to an additional branch profits tax at a 30% rate or such lower rate as specified by an applicable income tax treaty.

Distributions in excess of our current and accumulated earnings and profits and in excess of a non-U.S. holder s tax basis in its shares of our common stock will be treated as described under Sale, Exchange, Certain Redemptions or Other Taxable Dispositions of our Common Stock below.

Sale, Exchange, Certain Redemptions or Other Taxable Dispositions of our Common Stock

Subject to the discussion below regarding backup withholding and the Foreign Account Tax Compliance Act, any gain realized by a non-U.S. holder upon the sale, exchange, redemption (provided the redemption is treated as a sale or exchange) or other taxable disposition of shares of our common stock will not be subject to U.S. federal income tax with respect to such gain unless:

that gain is effectively connected with the conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment maintained by the non-U.S. holder);

Table of Contents

the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or

we are or have been a U.S. real property holding corporation during the shorter of the five-year period preceding the disposition or the non-U.S. holder s holding period (the applicable statutory period) and either (a) our common stock is not regularly traded on an established securities market, or (b) our common stock is regularly traded on an established securities market, and the non-U.S. holder actually or constructively held more than 5% of our common stock at any time during the applicable statutory period. For this purpose, our common stock will be treated as regularly traded on an established securities market for a calendar quarter if either (1) (i) trades in our common stock are effected other than in de minimis quantities on at least 15 days during the quarter and (ii) the aggregate number of shares of our common stock traded is at least 7.5% of the average number of shares of our common stock outstanding during the quarter, or (2) our common stock is traded on an established securities market in the United States during which it is regularly quoted by brokers or dealers making a market in our common stock. We may be treated as a U.S. real property holding corporation for U.S. federal income tax purposes. However, our common stock is currently treated as regularly traded on an established securities market for this purpose.

A non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax on the net gain derived from the sale or other taxable disposition at the regular graduated rates generally in the same manner as a U.S. holder. If a non-U.S. holder is eligible for the benefits of a tax treaty between the United States and its country of residence, any such gain will be subject to U.S. federal income tax in the manner specified by the treaty. To claim the benefit of a treaty, a non-U.S. holder must properly submit an IRS Form W-8BEN or W-8BEN-E (or suitable successor or substitute form). A non-U.S. holder that is a foreign corporation and is described in the first bullet point above in addition may be subject to a branch profits tax equal to 30% of its effectively connected earn