



The Williams Cos., Inc. (WMB)

EDITED TRANSCRIPT

2024 Analyst Day

February 14, 2024

Forward-looking statements

- > The reports, filings, and other public announcements of The Williams Companies, Inc. (Williams) may contain or incorporate by reference statements that do not directly or exclusively relate to historical facts. Such statements are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). These forward-looking statements relate to anticipated financial performance, management’s plans and objectives for future operations, business prospects, outcomes 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 report 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,” “objectives,” “targets,” “planned,” “potential,” “projects,” “scheduled,” “will,” “assumes,” “guidance,” “outlook,” “in-service date,” or other similar expressions. These forward-looking statements are based on management’s beliefs and assumptions and on information currently available to management and include, among others, statements regarding:
 - Levels of dividends to Williams stockholders;
 - Future credit ratings of Williams and its affiliates;
 - Amounts and nature of future capital expenditures;
 - Expansion and growth of our business and operations;
 - Expected in-service dates for capital projects;
 - Financial condition and liquidity;
 - Business strategy;
 - Cash flow from operations or results of operations;
 - Seasonality of certain business components;
 - Natural gas, natural gas liquids, and crude oil prices, supply, and demand;
 - 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 report. 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:
 - Availability of supplies, market demand, and volatility of prices;
 - Development and rate of adoption of alternative energy sources;
 - The impact of existing and future laws and regulations, the regulatory environment, environmental matters, and litigation, as well as our ability to obtain necessary permits and approvals, and achieve favorable rate proceeding outcomes;
 - Our exposure to the credit risk of our customers and counterparties;
 - Our ability to acquire new businesses and assets and successfully integrate those operations and assets into existing businesses as well as successfully expand our facilities, and consummate asset sales on acceptable terms;
 - Whether we are able to successfully identify, evaluate, and timely execute our capital projects and investment opportunities;
 - The strength and financial resources of our competitors and the effects of competition;
 - The amount of cash distributions from and capital requirements of our investments and joint ventures in which we participate;
 - Whether we will be able to effectively execute our financing plan;
 - Increasing scrutiny and changing expectations from stakeholders with respect to our environmental, social, and governance practices;
 - The physical and financial risks associated with climate change;
 - The impacts of operational and developmental hazards and unforeseen interruptions;
 - The risks resulting from outbreaks or other public health crises;
 - Risks associated with weather and natural phenomena, including climate conditions and physical damage to our facilities;
 - Acts of terrorism, cybersecurity incidents, and related disruptions;
 - Our costs and funding obligations for defined benefit pension plans and other postretirement benefit plans;
 - Changes in maintenance and construction costs, as well as our ability to obtain sufficient construction-related inputs, including skilled labor;
 - Inflation, interest rates, and general economic conditions (including future disruptions and volatility in the global credit markets and the impact of these events on customers and suppliers);
 - Risks related to financing, including restrictions stemming from debt agreements, future changes in credit ratings as determined by nationally recognized credit rating agencies, and the availability and cost of capital;
 - The ability of the members of the Organization of Petroleum Exporting Countries and other oil exporting nations to agree to and maintain oil price and production controls and the impact on domestic production;
 - Changes in the current geopolitical situation, including the Russian invasion of Ukraine and the conflict between Israel and Hamas;
 - Changes in U.S. governmental administration and policies;
 - Whether we are able to pay current and expected levels of dividends;
 - Additional risks described in our filings with the Securities and Exchange Commission (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 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 this report. 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. For a detailed discussion of those factors, see (a) Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC on February 27, 2023, (b) Part II, Item 1A. Risk Factors in subsequent Quarterly Reports on Form 10-Q, and (c) when filed with the SEC, Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2023.

CORPORATE PARTICIPANTS

Danilo Juvane

*Vice President-Investor Relations,
ESG and Investment Analysis*

Alan Armstrong

*President, Chief Executive Officer &
Inside Director*

Micheal Dunn

*Chief Operating Officer & Executive
Vice President*

Chad Zamarin

*Corporate Strategic Development
Executive Vice President*

John Porter

*Chief Financial Officer & Senior Vice
President*

Lane Wilson

Senior Vice President & General Council

Debbie Pickle

*Senior Vice President & Chief Human
Resources Officer*

OTHER PARTICIPANTS

Jeremy Tonet

J.P. Morgan Securities

Sunil Sibal

Seaport Global Securities

Tristan Richardson

Scotiabank

Theresa Chen

Barclays Capital

Gabriel Moreen

Mizuho Securities

Praneeth Satish

Wells Fargo Securities

Yves Siegel

Siegel Asset Management

Robert Catellier

CIBC Capital Markets

John Mackay

Goldman Sachs & Co

Keith Stanley

Wolfe Research

Jean Ann Salisbury

Sanford C. Bernstein & Co

Craig Shere

Tuohy Brothers

Brian Reynolds

UBS Securities

Danilo Juvane

Vice President, Investor Relations, ESG and Investment Analysis, The Williams Cos., Inc.

Good morning, everyone. Thank you for joining us and thank you for your interest in The Williams Companies. This morning, we released our presentation and earnings press release and starting-off the event we will have our President and CEO, Alan Armstrong. He will kick off our event. He'll be followed by Micheal Dunn, our Chief Operating Officer. Subsequent to that, we have Chad Zamarin, our Executive Vice President of Corporate

Strategic Development, and then John Porter, our Chief Financial Officer will end the presentation with the financial outlook portion of the event. We will then take a very quick break and have Lane Wilson, our General Counsel, and Debbie Pickle, our Chief HR Officer, join us for the Q&A portion of the presentation today. For some housekeeping here. In our presentation materials, you'll find a disclaimer related to forward-looking statements. This disclaimer is important and integral to our remarks, and you should review it. Also included in the presentation materials are non-GAAP measures that we reconcile to generally accepted accounting principles. And these reconciliation schedules appear at the back of today's presentation materials, and we'll get the event started this morning. So, with that, I'll ask Mr. Alan Armstrong to come up and kick it off. Thank you.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Thank you, sir. Okay. Well, good morning. I'm so glad to have you all here in DC and appreciate a lot of you all that were able to join us yesterday and yesterday evening for dinner as well as last night. So yesterday was a great day kind of exposing the efforts that we've been putting in to making sure that natural gas has the right advocacy here in DC. And we've been working on that issue very hard. And you're going to hear why we're so committed to the natural gas strategy today, and why we think it's so important for the future of our company and as a result, a great opportunity for Williams and for our shareholders. So, I'm very thankful to have such a great team today on our presentation you're going to hear some really good news today, so I'll prepare you for that. And so, I'm excited to go ahead and get into the presentation.

First of all, the three things that you're going to hear today, just kind of a summary here of this is, first of all, our value proposition. We've got quite a great track record of creating value for our shareholders. And we'll put some metrics around that for you as well and also give you a glimpse into the future in terms of our guidance as we look forward. We'll also talk about the importance of natural gas and really continuing to press upon the importance of natural gas and how critical it is becoming. It's not – it's no longer just an accompanying fuel here in the US. It really is becoming the fuel here in the US in terms of both our industry, our power generation and our way of life here in the US. And then finally we'll talk about the future as well and how we're positioned as changes do occur on the energy front, how well-positioned we are to take advantage of that, as well.

So, just a little bit on Williams, a lot of you all know the story very well, but we have been around for about 115 years now and we have really worked hard to build a great reputation, you saw a little bit of our efforts on that yesterday. What we do to really impress our reputation and it's incredibly important that we do that in terms of our ability to continue to build out and expand our existing infrastructure and us having the right reputation, both here in DC and in the states that we operate is critical. And you don't get that by not following through in your actions. And so, I'm very proud to work for a company that really does value its reputation and is always focused on doing things the right way. You hear a lot of people say that I can tell you, at Williams, we absolutely live that.

This slide just is kind of a grounding on our financials. And this looks like a very basic Venn

diagram here, but this is very much the fundamental and the foundation for how we run the company from a financial perspective and this metric is something that we see loud and clear as a management team. I'm proud to have a board that really brings a focus to this and balancing these three measures does create tremendous shareholder value. So if you think about any one of these, if you drove too hard in any one of these directions, you probably would not drive the kind of optimum value for the shareholders, but driving our growth on a per share basis and I'll stress the per share basis there, because you see a lot of people posting big growth numbers, but if they're not doing it on a per share basis, it doesn't mean a whole lot to you as an investor. What we also have been focused on is our return on capital employed and importantly all three of these measures, over the last six years, all three of these measures have been used in varying balances for our long-term incentive comp for the management team. So not only do we run our business and think about our capital allocation according to these, but again the board, I think, has done a nice job of keeping the management team aligned with shareholder interest by being balanced on these. And so, when I hear people ask about our capital allocation, you can look to these three primary metrics, and it will drive to a lot of answers about the way we think about capital allocation within our business. And importantly, we have grown our ROCE over this period, over the same period by 58%. We've grown our AFFO per share by 47%, and we've reduced our net debt to EBITDA by 25%. So, a great trajectory on all three of these measures. Again, it'd be easy to drive one of these metrics, but driving all three of these at the same time takes care and close attention to the returns on capital that we're able to produce.

Just another picture here of what we've accomplished here from 2015 and now through our guidance for 2025. There you can see going from \$4.1 billion of adjusted EBITDA up to \$7.4 billion of adjusted EBITDA and so not a real complicated slide here. This is \$3.3 billion of growth, roughly 80% of EBITDA growth over this period. But I think an even more balanced look at what we've accomplished over this period shows up here. And it really does show us really checking all the boxes here. And so, you can see here the – now 11 consecutive years of growing our EBITDA with an 8% CAGR on that importantly and I think this is an industry leading kind of number, a 19.5% return on our invested capital. And John will give you some more detail on that today. But this is the kind of returns that we are going to continue to experience. And if you look forward, these returns are even looking better, frankly, because we've got a lot of heavy capital that's been spent that's already behind us that will lead us to some big Deepwater growth, as well as some very high return transmission projects that are on the horizon. But really, if you look across this mosaic of boxes that we've been checking, these really are the important things. And again, it's one thing to be checking one of these or a few of these boxes but checking all of these really is leading us to be both – well, shareholder value, both now and certainly in the future.

So, our strategy around natural gas is something you've heard over and over. We continue to be, probably today, I would tell you, I am more bullish today than I've ever been on the strategy, mostly because of the domestic growth in demand that we're seeing here in the US, and it is really starting to show its way. And actually, we're in the very early innings on that.

And here's the reason that we've been so fixated on natural gas, and we believe in it so strongly, is that it does meet all of these needs that are really critical needs by the public and by the economies, both here and around the world. And so just, one of the things that I always like to make sure people appreciate is that when we think about affordable, you'll hear, everybody always knows the math on the 6:1 on gas for crude oil as the math on the Btu conversion on a barrel of crude to natural gas. But what's really missed in that equation is the fact you don't actually just burn crude oil. You have to go through the refining process to make a valuable product. And so if you really use the end value product on gas to diesel, it is a tremendous advantage for us here at home to continue to drive our industries not just lightly, but our heavy industries as well on the backs of natural gas and it is so inexpensive relative to the other fuels and the alternatives that people use around the world, that it is driving our industry and it's driving opportunity here at home. In fact, you're going to see today, not just around the world, is it driving it. It's actually here in the US. We're starting to see industry and manufacturing start to relocate the people that have adequate energy supplies versus places like the Northeast that have cut themselves off from low cost energy supplies. And you're going to see that as we look at growth in our business here, that is starting to really occur in the mid-Atlantic and Southeast and Gulf Coast as a result of that.

So we've all – everybody knows about how important our grid is becoming and the reliability of our grid. It's really just, I would say in the early innings of concern on that front. We think there's good reason for that. If you look at what the capacity values are for wind versus solar and you look at how much we continue to invest in this, we have got to keep front and center that we've got to have spinning reserves backing up our renewables and I would tell you from a Williams standpoint, we are excited about the renewables coming into the market. But we have got to make sure that that gets backed up. And then there's a lot of regions that we've oversaturated the area with renewables and we've become very dependent on those on a regular basis and Texas is great – Texas and the ERCOT is a great example of that where we are now having to go back and invest very heavily in spending reserves in Texas to be able to back up the renewables. So it's great to have renewables, but what they really accomplish is reducing fuel consumption. They don't really replace the need for spending reserve and for having backup power. And so as we build out renewables, gas is really becoming the alternative, whether we like it or not. Whether people want to accept that or not, it really is becoming the fuel of choice for the utilities because nuclear is just too far out given the strong surge in growth that's going on right now. I personally think it's a great solution. But in terms of practical opportunities right now, you're going to see gas surpass that by a pretty strong margin. Obviously, coal, I think, would be very, very difficult to lean into these days. And so you really – we really are left today with natural gas as the primary choice.

And historically, we have not seen a whole lot of growth in the power market. But this is a picture that has just started to change, really just in the last year as we started to see the impact of both the drive to electrification, as well as the data centers and the hyperspace data centers that are starting to come on right now that are really going to drive a tremendous amount of growth. You're going to hear a lot more about that today. But if this graph is right in terms of this load growth, this is a major shift for our country and it's a major

shift for the natural gas market to be able to keep up with this. So just a few – a little bit of math on the data centers. Right now by 2030, we're projecting now that we'll have data centers loads will be up to 30 gigawatts than today, or sorry, in 2022 that was 10 gigawatts. So 20 gigawatts of additional power load associated with data centers. Also 150 terawatt hours that are equivalent to the entire New York ISO annual demand in 2023, everybody throws all these numbers around, I always have to say we are like put that in real terms for me. So 150 terawatt hours the same as all of the power in the New York ISO today is what we were expecting just from data centers, and we're starting to see that come through in request for proposals for capacity from our customers. And we're starting – and they are really starting to be urgent about understanding how they're going to meet the incremental load that's coming at them.

On top of that, this is the gap that is being developed as we're installing more and more renewables and projected to install more renewables, this is the gap that is growing between the nameplate capacity on the renewables versus the reliable capacity that has got to come with that. And so you can see a huge opportunity there if we want to enjoy the same reliability that we have in the US today, you can see the gap there that's ahead of us. This is a really powerful slide and we touched on this last year and we unpack it a little more here. McKinsey did a study on the – what the impact on peak day loads would be on natural gas if the state mandates and the public commitments were all met. So in other words, they took all the public commitments that have been stated by the states and they said, okay, if this actually occurs, what would the peak day load would be on natural gas into these markets? And this is what you can see that they show that growth. So in the PJM, which is obviously one of our important markets, a 167% increase in the peak day demand. Now, we are definitely seeing our peak days continued to crank up. In fact, in November of this year we saw or sorry, November of 2023, we hit one of our top 10 peaks ever. The strange thing about that, we always had our peaks, usually January, February. This was a November. So this wasn't a peak for November, this is the all-time annual peak and we hit it in November of last year on Transco. And the driver for that is the combination of both power gen load that's picked up at the same time with some heating load in the Northeast that actually was fairly moderate. So we are already starting to see the signs of that in our systems where our peaks are growing much faster than the average annual demand for natural gas in our markets. And I think if this study that McKinsey's looked at is accurate. Now, I'm not telling you that I think we will meet all those public commitments, but to the degree that you're concerned about what happens to our business and to the degree we do install that much renewables is actually going to be a big positive for us. And I'll remind you that, a lot of you all know this very well, but I always like to remind people that you see so much information on average annual demand of natural gas all the forecasters use that. When it comes to the gas pipeline business we don't really care that much what the average annual demand is. We care very much what the peak is because that's what we sell our capacity based on. So an important distinction to make around the way we run our business at Williams, especially when you consider that our capacity is 100% sold out.

So we've talked about, the importance of decarbonization and we've talked about reliability, but affordability is only available if we have enough infrastructure and a business in natural

gas and the markets that it serves will only be sustainable if it is affordable. And the good news natural gas has a lot to – a lot of room on that front and you can see here 4 times less expensive than electricity and more than half, I mean, think about – think about this advantage in a market. If you think about what a big industry this is and run with this kind of margin room between this and the competing sources of heat, this is pretty amazing if you think about how strong natural gas is and how powerful it is to consumers. And so, a lot of talk about electrification of heat loads. Frankly, we will sell more peak capacity if the heating loads do get converted to electricity, we'll be selling more peak day capacity than we will on the heating load. Now, you might question that and how could that be? Well, the truth is that obviously it's not as efficient to heat a home from when you talk – when you start at the molecule level and you go all the way through the process, by the time you convert that molecule into power generation and are there for the peak loads that you'll have to be, it is going to take more electricity. So I would just say as to electrification, we're kind of throw us in that briar patch attitude towards it because we think this will be positive for us one way or the other.

Another look at cost here is looking at industrial level costs for gas and – versus electricity and looking at it around the world. And you can see what a huge advantage the US has, both on power costs, mostly because of our gas fired generation, but as well – and again this is not at the consumer level now; this is at the industrial level. So this is this is what attracts long-term heavy industry. And you can see what a huge advantage the US has today on these fronts. And frankly, as we become a bigger and bigger LNG exporter, we almost cement in that advantage by having low cost natural gas here. Obviously if we're exporting it to other countries, we are the cheapest source if we're in the business of exporting to other, given the cost of the infrastructure to liquefy, ship, and then gasify the LNG. So the US is extremely well positioned to take advantage of natural gas, a lot of the onshoring that's occurring and even when you start to think about the very intensive power load associated with data centers, the US is very well-positioned on this front.

So, now we'll talk a little bit more on the emissions front and a lot of you all have seen and heard this, but this is a look at what was accomplished between 2005 and 2022 with the use of natural gas. The number one reason that the US, as you probably know, is the only country to actually meet its goals on the Paris Climate Accord, we had a goal of being down from 2005, we were had a goal being down 17%. And we actually, as a country delivered 19% lower emissions. And the vast majority of that advantage on the power generation came from natural gas and power generation was by far the largest source. So the numbers on that are 563 million metric tons of reduction for natural gas to coal conversion. So that's the amount of tonnage that it actually got reduced during that period. And that was up against a 1,451 million metric tons of total reduction that the US accomplished. So 39% of all of the emissions reductions came on the back of natural gas. So I can tell you it is really frustrating for those of us in the gas industry when we go to places like Dubai and we hear that we really shouldn't be there because we don't have that much to offer when we actually have been the number one source of emissions reduction. And so we have a lot to be proud about, I think, in the industry and we also have a lot more to go.

And so if you look at this slide, we still have 217 coal plants running in the US today. That's

about – that's taking 80% of the cars off the road today. So think about how hard we are working to electrify or – and go to EVs on the one hand. And on the other hand, we still have this much coal running, which is powering a lot of those vehicles. And so this is a lot more powerful, actually. This is taking cars completely off the road. This isn't converting them to EVs. This is taking completely off the road. So tremendous opportunity. And the one thing, the one thing that stands in our way of doing this is infrastructure. And so right now, the TVA, the Tennessee Valley Authority, is trying to – has made the decision to go to gas fired generation. And of course, what does the environmental opposition do? They are now trying to block pipelines into that facility and the expansions of pipes into that facility. And so it really, really makes me wonder what their real goal is often, because if it's reducing emissions, I really don't understand.

Now, one of the arguments we hear from the environmental opposition and the one they started with, they're starting to fade a little bit on this one. But the one they started with was, well, the fugitive methane emissions associated with natural gas are so high that – that's what's going to ruin the opportunity for natural gas to help contribute. Well, this is IEA information. For those of you all don't know who IEA, that's the International Energy Agency. And they are about as far to the green side of this as you could get in terms of collecting data. And yet their data shows that in terms of methane emissions by source and natural gas is only 6% of this in 2022. And it's been coming down pretty rapidly, by the way, thanks to good efforts by the oil and gas industry. And I think it's also important to note here that while we continue to grow coal use around the world and we continue to say, well, gas is not as good as coal because of the emissions associated with it, you can see here that the data actually says otherwise in terms of the emissions associated with natural gas. So, I think this is a very powerful slide as we get into this debate around LNG exports and what natural gas can actually do. And it's nice to have the data coming from IEA.

So, this is kind of what remains out there on the global front in terms of coal. It's a huge opportunity. You can be very upset by the fact here that we are continuing to grow coal use. 2022 was a record. 2023 was another record. You can be very frustrated by that on one hand or you can see it as a huge opportunity for continued reduction of emissions. And if your goal is in terms of climate change, your goal should be reducing emissions as fast as we can. And if you actually want to reduce emissions and not just fight about how we're doing it, this is such a great opportunity for us to do. So China continues to talk a really good game about renewables and they are installing a lot of renewables, but yet they continue to grow both their coal use and their emissions. And if we can't, by the way, if we can't make, if we can't get gas in there affordably because we don't have the infrastructure to do it. They will continue and they and everybody else will continue to use coal. If our infrastructure here in the US is so expensive and so burdened by the permitting process, we won't – we will not be able to take advantage of that.

So, a lot of great story here about demand, a lot of great story about the opportunity for natural gas and the opportunity to export around the world. Well, the one thing that there's now starting to be question as well, do we really have enough resources, you heard that kind of surfaced by the administration last week with the LNG pause or freeze or however you want to refer to that. And yet they know the answer to this question. This is not like

there's not plenty of reserve studies out there about how much natural gas we have. This is – the information here that's on the technically recoverable resources now I'll be the first to warn you this is not proven resources. And so I don't want to be guilty of being too fast with the facts of myself. This is technically recoverable resources. So this is not proven resources. This is resources that we expect that we have and that could be recovered. But it's not – it's – they don't go to the trouble of trying to decide what the economics are of recovering those resources. But I will tell you, if you look at, so that 53% of our – even if we're on this fairly strong growth pattern of demand that you can see on the bottom, that's the cumulative natural gas. So it's really the inflection in the curve there at the bottom that's the growth. This – we still would have 53% of our natural gas resources remaining. And so the skeptic would say, well, that's all fine and good, but that's just technically recovered, and so what does that really mean?

Well, on the next slide here, this is the proven reserves. And the important thing about this is the fact that we've continued, even though our demand has continued to go up and up and up; 43% growth in demand over the last 10 years. Look at how much we've been able to grow our proven reserves against that demand. So we are continuing, despite a very hard draw on natural gas reserves, we are continuing to crank up – they are continue to increase reserves. In fact, in the Appalachian area over a 10-year from 2012 to 2021, we saw a 17.5% growth in CAGR, sorry, in production growth and a 15% increase in reserve growth. So almost, almost keeping complete pace with the demand growth that's at a very rapid pace. That's been going on there. So the Appalachian is an incredibly important resource, as you can see here, 36% of the proven reserves here in the US. And one of the things that we hear from time-to-time as it relates to Williams is well, that's been a great ride and it's been some great growth out there. But now when Mountain Valley and REA get built, that might be the last expansions out of the area and might really stymie the growth coming out of the Northeast. And I wouldn't try to argue with you on that, if that growth does stop, then we would be in a position of losing that gathering growth. But talk about a fantastic opportunity from a shareholder perspective, because the free cash flow growth, if this – if you think about most gathering basins, most gathering basins go up, they drill themselves as fast as economically possible, and then you go into a decline. That's the typical US approach. I've been in the gathering business a long time, seen plenty of basins go into decline. That is the typical situation. The Appalachian could be very different and a very different economic picture for us because most of our rates out there have escalators on – have inflation escalators on them, number one. Number two, if we go flat for a long period of time out here and are not having to put capital into this gathering system, the returns and the free cash flow off of our investments out here are going to be like none we have ever seen in the gathering business. And so I'm actually kind of fascinated with the concept of seeing this get flattened out because the reduction in our capital load is enormous and the returns and free cash flow that come off of this asset are very powerful. And you'll see some of that from Micheal today. But I would just tell you whether we see the growth or we don't see the growth, we're in a fantastic position in the Appalachian, primarily because of its very long lived reserves that exist in this basin.

So now a little more about from a Williams' perspective about how we take this opportunity

and convert it into shareholder value. First of all, as you've heard me mentioned several times, the lack of infrastructure really is does stand in between us and taking advantage as a nation, taking advantage of this. You can see here that over the last 10 years, we've seen a 43% growth in natural gas demand and only 25% increase in the infrastructure. And really importantly, we've only seen a 2% growth in storage. Now, if you think about the drivers for storage going forward and by the way, look at how the fact we've actually declined. If you look at the last five years, we've actually declined in terms of storage capacity available to the market. But if you think about the drivers for the electricity demand that you've heard about today, one being the demand for backing up power generation and backing up renewables, that is going to be volatile. That is going to require a lot of storage. Number two, a market where we finally get the LNG capacity built out here in the US, operating in a capital intensive business, operating at 100% load factor is not where markets wind up. They wind up in 85% to 90% load factor because people are going to overinvest a little bit to capture those peaks in an efficient market. And if that occurs and if we're running at a 25 Bcf to 27 Bcf a day, US export facility, the amount of storage that's required to be able to backup LNG when it comes in and out of favor is going to be tremendous and people are going to really start to understand the value of storage. And so, we're very bullish on this. And it's not a mystery. It's not like we had to run a month long AI model on this to come up with this. This is pretty simple story for us in terms of what the drivers of this demand. And we are seeing it on our systems already. We're seeing those peak days grow much faster right now than – and if you think about the constraints and infrastructure that exist, that also drives volatility, which also require storage to back that up as well. So if you look at kind of the way Williams is positioned up against this on the power demand side, tremendous amount of growth coming on, on that side, LNG growth. I'll talk about that here in just a moment. But that is despite the pause or freeze, there's a lot of LNG growth coming at us one way or the other. It's a question of what it does to that tail end of growth, but we certainly over the next five years are going to see a lot of growth there. And then finally, on the coal retirements. That is a big opportunity for Williams, as you'll see here in a second as well.

And so this is a really interesting chart. If you really take time to unpack this, look at the power generation market share in the Transco corridor here and look at how that's grown. So we've seen our market share on the gas fired generation grow by 4% from 2020 to 2023. And you can see that wind and solar has grown by 3%. So despite the huge investments that we've been making in wind and solar, the market share on the Transco system has actually been growing, but it has grown on an absolute basis more than wind and solar has. And so and we're continuing to see this in the power market and it's just now it is just now beginning. Honestly, this is the very early innings of a lot of the conversion that's going on in our markets.

And so this next slide I think might be my favorite slide of the deck and really speaks to what our customers are seeing. So some quotes here and this is very fresh stuff. This isn't stuff that's two years old here. This is very fresh. And we are working very closely with our customers now to try to help solve the problems or – and take advantage of the opportunity. So you can see here, Georgia Power came out and said that that their forecast in 2022,

their forecast was 400 – sorry, 400 megawatts of growth through 2030. They now have come out and said they missed that by 17 times and they expect 6,600 megawatts of growth, mostly from both data center load, industrial load and manufacturing that's moving from the Northeast into their markets where there's hopefully going to be ample energy supplies and we hope to help enable that. The next picture there, one of our great customers Duke Energy also saying that they are – they missed their load growth that they projected two years ago is already off by a factor of 8. So the load growth that's coming into these markets is tremendous. And so the big project that you'll hear about from Micheal today that we just signed up last year and just filed with the FERC earlier, that's just the beginning of this. So that was really based on their '22 IRPs and what they were planning on there. There's even more growth now coming at them and they're just now trying to figure out how they're going to be able to address that. So I would say this is very early innings. If we look at Dominion here on the next slide, you can see what's going on in the PJM market, and you can see that the data center load that is cranking things up here. PJM is now saying that they expect 178 gigawatts in 2039, which is a 31% increase over the 15-year period. Now, that does not include, if you're thinking about it purely from a gas centric perspective, that doesn't include the 24 gigawatts of coal retirement that you have to add on to that as well in terms of the load that – and the opportunity for natural gas. So really big loads and a lot of this, particularly in the PJM area, a lot of this is coming from power centers. And so Dominion Energy now pretty much the electric arm there obviously is forecasting some huge growth on the electric side and we're very fortunate to be well-positioned to help serve that load.

So now turning to LNG real quickly and the load there, you can see here the footprint, our footprint up against the LNG. We've kind of grouped these into three things. First of all, in the dark blue is the already up and operational. So that's 14.3 Bcf a day of load on our system, or sorry, across the LNG space and that we serve a lot of, and then 11.6 Bcf a day that is now under construction. So in operation under construction is 11.6 Bcf and the 13.7 Bcf is the LNG exports that are permitted but they likely are won't – well, I would just say there's a big question mark on how much of that 13.7 Bcf gets built, given the pause. But even if you say that we're only going to get a 2 Bcf a day out of that, which I think is not a bad estimation as we sit here today, you're still going to – we're going to see a doubling of demand growth here in the near future that's coming from these facilities that are under construction. So a lot of talk about when that will actually occur, whether that's going to be early 2025 or late 2025 or even into 2026, but under any scenario, there's a lot of demand growth coming on the LNG side.

If we go back to the coal picture, this is now narrowing that 217 coal plants we talked about earlier down to the coal plants that Transco would have an opportunity to serve and that are in our markets and you can see still 69 coal plants and 9.8 Bcf a day of capacity needed to serve the backup gas fired generation behind that. So really, opportunities abound and this again, this is just replacing coal. This isn't responding to the growth in power generation that we're seeing coming at us.

So, kind of back where we started here, really Williams is extremely well-positioned today. We're really excited about the return projects that we've got on the slate right now and the

very high returns that we're able to capture on the expansions of our system. And importantly, you're going to see here today, you're going to see a transition and we put a lot of growth dollars into – growth capital into the Northeast over the last four or five years and you're going to see now a pivot to a lot of growth capital going into the transmission business. And we're really excited about the returns that we're seeing in those – in that business. For those of you who are not completely familiar with our story, one of the things that's important to understand, well I get this question a lot of ways is that it's a regulated business. So how can you have high returns in a regulated business? Here's the way this works. We have, our capacity is completely sold out on our system today and it's that existing capacity that's out there that has a regulated rate. We're in a rate case. We're just in the throes of the rate case process right now, which we're really excited about the opportunity for what will come out of that. But that only applies to the existing previous base transportation capacity. It does not cover anything for the future. So when we have an expansion, nobody can force us, including the federal government, can force us to expand. So it gives us pricing power right up against the avoided cost associated with the expansion and if you think about how difficult it has gotten to build new greenfield pipelines that used to be the cap on and the pricing mechanism into our markets was the fact that somebody could threaten to build over the top and come in and serve the markets alongside us. That has – that threat has been put to bed pretty heavily, when you look at the disaster, we're excited to see Mountain Valley Pipeline come on. It's a huge bonus for us because it brings supply into our system in an area that we can distribute it. But that's a very important piece of pipe for us. But it's – there's not going to be a whole lot more new expansions coming on. And so we are – the returns that you see are because of the pricing power we have in the market. So it's not regulator. I'm not sure what I'm competing with there. But the – and then for the future, I would just say, we really are doing a great job of looking around the corner, looking to new opportunities to use our network to help serve the energy of the future. And so we're very excited about that.

And I'll start to close here on one of the things that, I would ask you to focus on the term sustainability for a minute. Williams has always as long as I've been with the company now, 38 years, has always focused on the long-term. It's always been a company that thinks long-term, mostly because it was kind of a family founded company and it very much focused on its values and the way that it runs its business. And that shows up in our rankings because of the transparency, the governance that we have, how we treat people, how we treat communities, and the transparency that we show around our carbon emissions has gotten us incredible rankings here on the ESG front, not because we change the way we do business because of ESG, but because simply we document the way we do business and really stands up to our sustainability. So I'm very proud of these ratings, not again, not because it's the latest fad, but because it really is speaks to the way we've always run our business.

And then finally I would just finish up here on as I started. Our value proposition here in the immediate term, and John's got a great financial story to show you, the importance of natural gas that I just walked through and then how well we're positioned to serve the future. And so the future really has not – I don't remember a time being more excited about

where we are right now with the emergence of the new growth on our transmission systems and we're really just getting started on that. So it's a great time to be here at Williams, a great team that I get to work with and I really appreciate all the investor support and the long-term investors that are in here today and your confidence in our company. So thank you very much. I'm going to turn it over to Micheal now.

Micheal Dunn

Chief Operating Officer & Executive Vice President, The Williams Cos., Inc.

All right. Good morning. I tell you, every year I get to come up here and talk about Williams and the story for me just gets better and better and easier to tell, frankly, with all the opportunities we have in front of us. I always like to talk about operational excellence and what it means to us. I'll talk about that. I'll talk about the growth opportunities we have here for the business, and then I'll close out talking about our progress against our emissions reduction programs and our goals we've established there.

A little bit about our priorities when it comes to operational excellence for us. As I always say, it starts with safety for the organization and for our team. And for our customers, certainly safety and reliability are incredibly important. We establish goals for the organization that puts safety and reliability foremost in their minds. We set our annual incentive targets against those goals as well and our team has done a really good job improving upon that. We see the results in our safety culture surveys and in our conversations with our employees. Our leading indicators, when it comes to employee safety metrics, are improving. And we really align our teams against those goals in establishing dollars that contribute to their bottom lines, in setting these goals every year for them. So it's really important for us to align on that. If we don't get that right, nothing else matters when it comes to operational excellence for us. Focusing on sustainable operations is another great aspect of our operational excellence journey. We've had a 10% reduction in our methane emissions. I'll talk a lot more about that – why that's important – but you heard Alan talk about the focus that we have on sustainability. Methane emissions reductions are top of the list when it comes to decarbonizing our operations, and we've done a really good job at that. The fact that we have so many growth opportunities is an incredible story for us, not just what we've commercialized today, but those opportunities that we have in our backlog are tremendous and real and we're actively working on those and bringing those to commercial conclusions. And we'll talk more about that. And then finally, expanding our footprint. We've been doing that very well the last several years with some really nice bolt-on acquisitions. We'll talk about that in my presentation and Chad's. We really are taking advantage of the footprint we have and expanding the scale where we operate today. Lastly, maintaining and protecting our balance sheet and improving our financial performance. We're doing a really good job at that over the last several years, bringing our leverage down and you can see the growth that we've had in our business, whether it would be gathering volumes, the capacity in our transmission systems. We've got an 8% CAGR growth on that over the last six years, only a 2% increase on a CAGR basis on our operating costs. So we're doing a tremendous job controlling our costs in a really very high inflationary environment. We've seen that in our operations. The teams have been

challenged to improve upon that, really taking a lot of cost out of the business and moving that right to the bottom line.

So I want to give you a little bit of an overview here on the transmission and gathering assets within our business. Really, the only change from last year that you saw in this slide are the Gulf Coast Storage assets that we purchased from Hartree in January and then the Cureton acquisition that we made in the Rocky Mountain Midstream area, where we've combined those assets now into the DJ Basin asset footprint. So that's the biggest change as you've seen from previous years on this slide, and we want to dive in and talk a little bit about some of the aspects of the business on our growth projects.

10 transmission projects underway and in execution process right now. 7 of those on Transco, I'll talk a lot more about those in a moment, 2 on MountainWest, and 1 new one on Northwest Pipeline. It's a 50,000 dth/day expansion serving a coal fired power plant that's converting to natural gas and with some of the storage infrastructure in the state of Wyoming. So a lot of opportunities. You probably saw the coal plant map that Alan had up there, all the concentration of coal plants in Wyoming and Utah and we're incredibly well-positioned to serve those facilities in the future. The Gulf of Mexico, we've been talking about the Gulf of Mexico expansion projects for years now, and really a lot of those coming to fruition and being completed this year. Really pleased to see our producers on time with those projects and just some great opportunity to continue to expand in the Gulf of Mexico with no capital investment on our part in many of those opportunities. The West G&P business – we've had a number of expansions that have come online in the Haynesville. We've got a few more of those underway, including the LEG project. The optimization we've done in the DJ Basin will continue to take advantage of our scale there. And I'll tell you, our upstream JVs are performing incredibly well on their own as a standalone opportunity. But what it really is doing is driving business through our midstream assets. We're seeing great opportunities to really control what's happening with the drill bit there and directing very efficient capital on the upstream side to where it takes advantage of the capacity that we have in the Wamsutter and the Haynesville basins. And then finally in the Northeast, we've brought two expansion projects online in 4Q of last year. We have two more underway – smaller compression-only expansions, very efficient capital deployment there in the Northeast. And I'll talk more about the changes that we've had in Blue Racer. And then finally, just incredibly pleased with the scale that we've developed in the Northeast. And as you heard Alan say, a great generation of free cash flow for the business.

So in the Transmission and Gulf of Mexico business, one of the things that I thought was really interesting when we started developing our story for this year was the peak days that we're seeing on our three major transmission businesses. We had both MountainWest and Northwest Pipeline set all-time peak records this winter. In fact, Northwest Pipeline was 11% higher than its 2022 peak day. We're seeing tremendous growth on a peak day basis, while at the same time you're seeing a lot of capacity for wind and solar being built in those same jurisdictions. So we've overlaid that on the graph here, and that is telling us that natural gas demand on a capacity basis is not going away. You absolutely have to have these facilities there, ready, and available on these winter peaks. And we're seeing a lot of summer peaks now. We've seen some major summer peaks on the Transco system as well

from power generation. And it's not just a peak day story. We're actually seeing all time throughput records on these pipes as well. Both MountainWest and Northwest Pipeline set all-time peaks on annual throughput last year, and Transco was very close to one as well. You didn't see a peak day yet on Transco in the winter. We were very close to being a – we were like a top three this winter so far. But we did set an all-time three-day peak in one of the winter events in the Northeast, in the Mid-Atlantic there on Transco. So we are very confident that the need for additional capacity is going to continue to occur. You heard Alan talk a lot about what's going on in the Mid-Atlantic and Southeast, we've got a lot to talk about in that regard.

On the next slide, I'll jump in here and talk about Southeast Supply Enhancement first. That is a major new project for us. We highlighted that in our last earnings call. We were at about 1.4 Bcf, we thought we'd be subscribed at that time. We're about 1.6 Bcf now, and we pre-filed this project with the FERC on February 1. We'll make the official filing later this year on the project. We're still working with potential customers on the project. As you heard Alan say, there are a lot of customers that are still working through their future demand needs and this project actually could get bigger before we make our final filing. But an incredible project, very capital efficient. There's about 55 miles of 42-inch loop in two segments for this project in Virginia, and North Carolina and about 200,000 horsepower for the project. So slightly bigger than Regional Energy Access from a scope standpoint. That project was 36 miles of loop and was about 115,000 horsepower. So, I can't overestimate the importance of this project for the region. The fact that you're seeing so much power generation demand occurring in this area, and I think that it will just continue. I think it's been underreported until most recently about the amount of electric demand that's occurring in these areas and we're going to see a lot of additional demand on the Transco pipeline to serve these growth needs on the power generation standpoint. So very capital efficient project. You'll ultimately see the capital numbers when we make the final filing and develop the final scope as to where all the customer subscriptions end up, but we are locked in on just under 1.6 Bcf a day for the project. Regional Energy Access has gone incredibly well. Our team did a really good job being prepared for that. We were cutting down trees, if you remember, within an hour of the FERC giving us a notice to proceed on that. And why that's important – there are very short windows of time when you can cut down trees in many of these areas where there's a species of concern. So, we had to get 36 miles of trees cut down in about 14 days. We beat that in service for the tree clearing, got the project in on time. If we had to miss that tree clearing window, we would have lost a year on the project. So it was really important for the team to get that done. The pipeline loops are complete. That's how we got the interim capacity available and now we're working on the compression, still predicting later this year to have that project online but we're doing everything we can to accelerate the project. Hope to have an early in-service on the second phase of this before the end of the year. Commonwealth Energy Connector the FERC certificate has been received on that. We've started construction on Southside Reliability Enhancement and our Southeast Energy Connector. The Texas to Louisiana Energy Pathway just recently received our FERC certificate. So all in all, we're really keeping FERC busy. I'm surprised Chairman Phillips didn't talk about that last night, but we've got a really good relationship with the staff there that works on our projects. They do an incredible job. There's a lot of workload there, and

it's a pretty thankless job for a lot of those folks. And they do really good work. So we've got about 3 Bcf currently in the queue for the Transco expansion projects and that's just a little under \$3 billion of investment.

Just a quick summary of where we stand on Transco's capacity. We've had about a 4% CAGR growth since 2018. By the end of '25, we will be over 21 Bcf per day. That's just about 20% of all the consumption in the United States on the natural gas basis today. So obviously when Southeast Supply Enhancement comes online, that will be 1.6 Bcf a day higher in 2027. But just see us continuing to find opportunities to grow the Transco assets. It's near all of the major population centers on the East Coast and you're seeing definitely a lot of population changes occurring in the Southeast and Mid-Atlantic areas that's driving a lot of their demand.

All right. Let's switch over and talk about MountainWest. Actually, today is the one-year anniversary of closing on that acquisition. So we're celebrating that with the team. We've had a lot of commercial success on the assets so far. And many of these – when you go and talk to a seller of an asset, they put some of these in their sellers' assumptions and you take those with a grain of salt – but actually a lot of these have come to fruition. So very important for the team to have those early successes and a lot of commercial opportunities that we see on the MountainWest assets. We've had over 500 million cubic feet per day of projects come online. So most of these are laterals off the mainlines and their interconnects that we're receiving a return on, but no real mainline capacity that we've put in service yet. And what that means is, it's driving additional demand on the pipes. And so, that's ultimately good for expansions to occur on the mainline of those pipeline systems. The other thing that we're taking advantage of here is we're bringing Sequent into those conversations with those new customers. Many of them don't have gas supply, they're new facilities or existing facilities that were using coal that are now switching over to gas. There's a lot of industrial utilization of coal in Wyoming, for example, not just for power generation. And so those entities are converting over to natural gas, and they don't really know about sourcing gas. And so we're able to bring Sequent into those conversations and Sequent can marry them up with a gas supply, most likely coming from our own production in Wyoming. So it's a really great opportunity to put both our transmission and our marketing teams together and talk about opportunities with customers. So we're doing a lot of that in the West. We have over 400 million cubic feet per day of expansion projects underway on the mainlines. So the Uinta Basin Expansion is occurring. That will be online later this year. Once again, another very capital efficient project. And the Overthrust Westbound Expansion, a compression-only project, a lot of production and activity of gas trying to get east to west across Wyoming. The Opal pricing point has been fairly volatile, a lot of that driven by California demand. And we're seeing a lot of interest in organizations moving their gas over to that Opal pricing and ultimately getting to the California pricing that regularly seems to occur in the wintertime. So we expect to see a lot more opportunities to move gas east to west across Wyoming. And then I talked a little bit about the coal plants. There's a large number of coal plants in Wyoming and Utah that will ultimately either be converted to natural gas in their boilers or new gas fired generation built to replace that coal. And our footprint is in a great spot to take advantage of either opportunity, whether it would be a boiler converting to natural gas or a

new gas fired combined cycle power plants. Ultimately, we think we might have some storage opportunities to expand our Clay Basin facility there. That's about a 52 Bcf storage facility out on the Wyoming-Utah border. It's the largest storage facility in the Western U.S. and we're looking at deliverability and injection expansions for that facility as well.

All right. Let's talk a little bit about the transmission projects in the backlog that we have. That 30 number you see in the middle of the screen there might look static to you. 30 has kind of been the number that we've had for a long time, but the projects within that 30 are changing a lot. We've moved 12 projects from our backlog into execution over the last several years. It's about 2.8 Bcf of expansions that we put online since 2020, generating almost \$240 million of additional earnings for the business. We've got about 10 Bcf per day in this queue right now, and these are real projects that we're talking to customers about today where we think we have a real opportunity to commercialize those at some point and they will come online between 2025 and 2031. So I would just say we're very excited about this backlog. It would represent about \$8.5 billion of investment opportunity. As you heard Alan say, we're talking to customers about these, but these are negotiated rate deals. Virtually all of those that we're talking about and what that means is we're taking the risk on permitting in some instances – I would say it's becoming more and more of a seller's market out there right now where we're actually getting many of the customers to agree to reimburse us for our cost if we don't achieve permitting success. So the market has changed quite a bit where you saw projects like ACP and others that ultimately got cancelled and the owners of those projects took the hit whenever those projects ultimately didn't have success. So we're negotiating different deals today. We're also negotiating very nice returns on these projects. And we are taking the cost risk, ultimately, if we build that project and it costs more than we expected, we would obviously take that risk. But our teams are doing an incredible job bringing our projects in well below budget in many instances, but certainly better than our schedules have anticipated. So, I would just say that I'm really optimistic about the opportunities we have here. The pipelines that we have are in really great spots to take advantage of these opportunities for the future.

The emissions reduction program is going very well for us. We've got 205 units now on the Transco and Northwest Pipeline systems that we intend to replace, it used to be 184 units, so we've added some Transco units that we expect to replace between now and 2030. Made really great progress. By the end of this year, we'll have 112 units replaced, mostly on the Transco system. We're just ramping up the Northwest Pipeline replacements this year, and those will go in service next year. So, the methane emissions reductions are very dramatic on these replacements, we'll have 27% methane emissions reduction. But the NOx emissions are really what I think are the important measures here to talk about. We'll have 46% of the NOx emissions reduced from these units by the end of 2024. And a really interesting anecdote in the state of Virginia – we replaced two stations in Virginia already, 24 units between the two stations. The NOx emissions reductions from those two replacements resulted in a reduction of 10% NOx emissions in the entire state of Virginia from stationary sources. That's not just our reduction, that's across the entire state. And so what that means is you're taking NOx emissions, which creates ozone, out of the air. Ozone is a human health hazard, really is detrimental to people that have asthma and other

breathing conditions. And so where our pipelines and where our assets operate typically are in non-attainment areas on the East Coast where this compression is. Really important for us to take those NOx emissions out of the atmosphere and it's making a real difference. And certainly when we come back and re-permit compression projects in the state, we get to take advantage of those emissions reductions. We're doing that on REA. The projects there, at the same time that we're building new incremental compression for the REA growth, we're replacing compression that's been there since the 1950s at the same station. Reducing dramatically the emissions that were from existing sources and actually being below levels that they were prior to our expansions. So we get very favorable reception in states like New Jersey when we come in and propose things like that, because we're actually reducing emissions while growing the business.

All right. Quick update on the rate case. We have an obligation to file a rate case by August of this year. That was an obligation that we agreed to back when we settled our 2018 rate case on Transco. So we had a six-year obligation to come back. We could have come back sooner, but we chose to go to the end here and you'll see in John's presentation materials, a lot of investment that we're making on the ERP program on Transco, it's really wrapping up. We've got to get those projects done before the purple timeline there is completed. So by basically by the end of February 2025, all those projects need to be in service on our ERP program as well as our maintenance capital. We're shooting for the end of 2024, obviously, to have a bit of a buffer there, but you'll see a big ramp up in our maintenance capital on Transco as well as our ERP program. And that's really just back-end loading that capital investment that we could have spread out over the last six years but chose to back-end load it here so that we could get that return as we file the rate case, as that project goes in service. So a lot of work taking place this year on maintenance capital projects. The really other important thing to talk about, I think Alan touched on this, the 50% of our rates on Transco are negotiated rates. They won't be affected or impacted by the rate case filing. So we'll obviously work to get a settlement with our customers before we file. We were able to do that on Northwest Pipeline in our last rate case and ultimately hope to get an emissions reduction program and modernization tracker here, just like we have on Northwest Pipeline. And that will be the objective. It's more of a challenge with our customers here on the Transco system. We have a lot more of them and we also have our regulators in many instances that are sitting in the room negotiating right beside our customers. And so that creates a bit of a challenge for us. When you have your customer's regulator negotiating on their behalf.

All right, Gulf of Mexico. We've been talking about the Whale expansion for at least six years now and finally bringing that project to a completion this year. The Shell and Chevron customers floated their Deepwater floating production facility from Ingleside, Texas, a few weeks ago, and it floated out to sea. They're ready to start getting that prepared to make all the connections offshore. We built the pipelines last year offshore, so virtually all we have left to do is make those connections that they'll ultimately do out there, commission that pipeline and then start bringing production to the shore. Onshore work is complete. We're ready to go with our facilities there. So we're just awaiting the customers' connections and ready to go on that project. The \$450 million investment there, we've been predicting that. I

think it was originally \$500 million, it came to \$450 – we'll actually be below that. We have a lot of contingency remaining in the project and now that we're just to the commissioning phase, really think we'll be able to release that at some point this year and I suspect it will be closer to \$400 million as opposed to \$450 million when we ultimately complete the project. The Shenandoah project also is going really well, \$160 million investment there. This is on the Discovery system in the Central Gulf and the Anchor project with Chevron will also be coming online later this year. That's Chevron producer behind that one and Salamanca will be second half of next year on the Discovery system. And then finally, Chevron's got the Ballymore Project in the Eastern Gulf of Mexico. That will be in the first half of 2025 coming online. Really excited about the opportunities we see in the Gulf of Mexico.

And the team put together this slide, which is really interesting and talks a little bit about what's going on around our facilities. This shows a schematic of our East and West and Discovery system in the central. These are all the producers that are currently drilling in close proximity to our assets and have dedications to us. And the really interesting thing here are the lease sales that occurred last year in the purple. So all of these blocks were acquired in two different lease sales in 2023. As you can see, very concentrated right around our assets and facilities. And this really bodes very well for us, not in the short-term, but this is really a mid- and long-term opportunity for the company. It takes typically 6-8 years for producers to be able to ultimately go out and start producing from these blocks, and you can see the producers that are very active in those areas. And this is what we really get a lot of optimism from in the Gulf of Mexico. You hear a lot of noise about lease sales and the government slowing down. I think API just sued the federal government yesterday in regard to lease sale activities and for us, I think that will all get worked out. This is the cleanest production in the world, and ultimately, I believe the producers will be able to continue to find opportunities to purchase leases out here, take advantage of the clean production that occurs in here. And the opportunities are right around our assets. And so we will continue to find opportunities to build out for producers here. A lot of the capacity that we have on the systems is still available. We built a lot of this infrastructure years ago, and we're extending the lives of the assets and the floating production facilities that we have out there as are other producers doing the same thing. So a lot of optimism for us in the Gulf of Mexico for the future.

The slide here shows a little bit about those lease sales, some high record bids. \$645 million in bids between the two lease sales and a lot of the majors are very active out here and positioning themselves well into the future.

All right, let's jump over and talk about storage. So we've been very bullish on storage for a while now. We made the NorTex acquisition in 2022. We purchased the assets from Hartree this year. We've got about 405 Bcf of storage today, it's about 8% of all the storage in the US. We've got 37% of that storage where we're charging market-based rates. We have our existing Washington storage on the Transco system where we applied for market-based rates, that's been approved by FERC. We settled with our customers as to how to implement those tariffs and just awaiting FERC to approve that tariff. So it's a formality from this point on. We'll ultimately implement that between now and sometime in 2025. And that'll

put us at 56% of our storage, charging market-based rates once we get approval from FERC on that. We're the large operator storage in the Gulf Coast. This is very important for the LNG facilities. We are seeing a lot of these storage opportunities being developed and the opportunity is growing because of LNG. The LNG players when they have any kind of impact on their facilities, they lose a train, you've got 2 or 3 Bcf you've got to find a home for that day. And it really needs to go into storage, you can't back into the gathering systems. And that's a lot of gas that needs to find a home. So, you need high deliverability, need high injection capabilities, and we have that across our fleet and our footprint here in the storage. Power generation is also another thing that's driving a lot of value in the storage business for us. It used to be – you would – winter, summer arbitrage, put storage in the summer, put gas in the ground in the summer, cheap prices, bring it out in the winter. Make your money that way. That's still the case. You can still do that. But today, we're seeing opportunities daily on some of these facilities where a customer might be injecting one day and they'll be pulling out the next day, depending on what their operations look like on the power gen side or on the LNG side. So, we really like storage. We think it's a great opportunity for us, and we've got expansion opportunities on the assets that we have today. So, we'll be looking at that and developing that and finding opportunities to sell that. But the contracts that we have typically it's two-, three-year period where these contracts in storage were. We're seeing terms lengthen now, we're seeing rates go up, we've seen that on NorTex, we're seeing that already on the Hartree assets that we bought. So we do like the storage opportunity, we think it's a great expansion of our footprint in the corridors where we operate.

All right. Let's jump into the Northeast and talk a little about the free cash flow generation there. But first – gathering volumes. So, the graphic, it's a little bit hard to tell here, but we've had a 5% growth in gathering volumes in the Northeast. Since 2018, we continue to find ways to grow our gathering volumes; continue to capture more and more market share in the Northeast. We're also seeing our rich gathering grow as well. It's hard to tell in that graphic, but we saw a large improvement in the gathering on the rich side. What that does for us? We're able to go in and process that gas, fractionate that gas and even in some instances take away on our NGL pipes out of the area. Thus, you see a very large expansion in our margin in the Northeast. We're seeing that. We've been seeing that since 2018. We've been predicting that since 2018. And this is one of the reasons that our teams really are excelling in the Northeast is because of our opportunities to continue to find rich gas and our producers chasing the rich gas, while at the same time being in the dry gas basins. And so, we have a lot of diversity there. And it really helps with our scale that we have in that area, really able to generate tremendous opportunities in the Northeast.

And it's a great cash flow story. We had about \$1.5 billion of free cash flow generation last year. A bit elevated on our growth CapEx last year when we brought some of our expansions online. You'll see a moderation in growth CapEx in the Northeast for a bit as we – and our producers produced into that expansion capacity that we built out. This has been a great story for a long time in the Northeast and it just continues to grow for us on a free cash flow basis.

A little update on Blue Racer. You can see the timeline of activities that have occurred there on Blue Racer. Last year, we reached an agreement with our partner to be able to take over

as operator of Blue Racer. In the past, we had basically a third party that was operating on behalf of the two owners. Now that we have taken over operatorship, we'll transition and integrate the employees and the processes into the Williams way of doing business and, ultimately, reap a lot of benefit for ourselves as well as our partner here in Blue Racer. So just another great story of the scale that we have in the Northeast. You can see obviously in the map there, a lot of overlap between all the assets that we operate in the Northeast, and it was really just a natural progression for us to take over as operator here and work with our partner in the Blue Racer system to be able to create value for both sides.

All right. Let's dive into the West. A really diverse portfolio that we have in the West. We have gathering, we have processing, we have NGL pipelines, we have fractionation facilities and NGL storage in our Conway facility in Kansas. The excess cash flow is very significant here. I talked about the upstream JV that we have in Wamsutter here that's performing very well for us and just couldn't be more pleased with how things are going in the West. That geography does make a difference, the diversity there. Sometimes the Haynesville is hot, sometimes it might be in the Wyoming areas. So we take advantage of the scale and the geography and the diversity of customers that we have there in the West.

Not as significant of a free cash flow generation opportunity last year because of the growth expansion opportunities we've had in the Haynesville. We've deployed capital in both our Haynesville East and Haynesville West systems, and that will certainly pay dividends in the future, but still generating over \$600 million in free cash flow in the West assets in 2023.

A real quick overview of the transaction that occurred in the DJ. I know Chad will talk a lot more about this, but you can see on the map there really great synergy opportunity here to combine the Cureton assets with the Rocky Mountain Midstream assets. I think the most important thing to look at on this slide is the amount of acres dedicated to us. It went up 78% through this transaction from the Cureton assets. This will ultimately pay great dividends for us as we process that gas. Their capacity was at 100% on their processing facilities, they were overflowing gas, not only to us, but other processors in the basin. We can take that gas that was overflowing to other processors in the basin and bring it to our facilities now. And ultimately, as these dedications roll off for the NGLs, we'll be able to move that down our OPPL pipeline as those roll out. And so a really great story here for the business, and Chad will go into a lot more detail about that.

This slide shows a prediction from Wood Mackenzie in regard to the Haynesville production expectations in the Haynesville. There is an expectation that growth over the next 10 years will be at 12 Bcf per day higher than it is today. We have a great expectation that we'll capture even more market share in the Haynesville because of the deployment of capital we've made in the Haynesville East and the Haynesville West assets that we own there today. It's a really incredible story as far as the LNG goes in the Gulf Coast. Obviously, the Haynesville basin is closest to the LNG facilities in the Gulf Coast. And for us, really portends a great future, we believe, in the Haynesville for us to continue to take market share with the acreage and the production locations that our producer customers have in the basin.

A little update on the expansions that we have underway in the Haynesville. We're currently

engineering through a couple of expansions, and we'll have those come online in the second half of next year. This is primarily driven by the producers. The producers have dropped rigs, as you all well know. Pricing is certainly not supporting a lot of rig activity increasing in the Haynesville, but we think that will pick up next year. There's LNG facilities that are coming online. There's going to be high demand growth for the LNG and the producers moving that volume there. Thus, we've tempered our expectations here in regard to growth CapEx being needed in the Haynesville this year. We've also had a change on the LEG project. We've changed our in-service date to the second half of 2025. We virtually have all of our permits in hand today. We're awaiting one last segment from the Corps of Engineers. We've got the northern portions already permitted, and the south section is just finalizing permitting for that. We're dealing with four different Corps of Engineers offices for permitting that project. It's a bit unusual, but there's just four different jurisdictions there, so we have to work with four different offices, and they have varying needs of demands coming from other permitting activity that they have underway. Within weeks, we'll have all of our permits on that, and a few weeks later, we could start construction on this project. We've run into complications with Energy Transfer in regard to their easements that we're attempting to cross. They're utilizing their easements to basically block us and other pipeline companies from crossing them, not just for LEG, but even for some of our well-connects that we've been attempting to bring online. I can assure you we're going to build our project. We're rerouting around some of these complicating areas that we're going through the legal process just to be sure that we have the ability to build our project. Many of these reroutes don't require any additional pipe. It's just moving to a different location where either their pipeline isn't located or there's a different easement language that then we can be assured of crossing. So the complication is that we have to go back and re-permit all of these reroutes. So we have to go back to the Corps of Engineers, ask for them to go back and evaluate this, do the studies. We've acquired all of these right of ways, just to be clear. So, it's now starting the re-permitting process over and that takes time. The Corps is incredibly busy in these jurisdictions. It will take months to be able to do that. So we're very committed to this project. We will build the project and it really does align with the LNG demand that's coming online in 2025 and we do believe we'll be in service in late summer 2025. And certainly, if we get through the legal process faster, we can go back to our original routes, and we could accelerate this project. Finally, the really exciting thing about the LEG project, it does give us the ability to move natural gas with a high CO₂ content down the pipeline, ultimately remove that through our carbon capture facility that we're building at the end of the LEG project, moving that CO₂ to a sequestration facility and storing it underground. We can capture third-party business doing this as well. We think it's a great opportunity. Phase 1 we will remove 750,000 tons of CO₂. We can ultimately expand this up to 2 million tons of CO₂ per year. So a really great opportunity to decarbonize the area. We all have removal capabilities in the Haynesville today. The natural gas in the Haynesville, some of it is high concentration of CO₂, and because of that high concentration, it does limit some of the areas where the producers can go today. This will unlock a lot more acreage for our producer customers and give us the ability to capture that CO₂ and inject it in the ground as opposed to venting it to atmosphere like we're all doing today.

All right. Lastly, an update on our emissions reduction program. Wanted to start out and give you a picture of what we've been doing on the methane front. The team has done a really good job reducing methane emissions over the last several years. As you heard me talk about earlier, we incent our employees in our annual incentive program to hit targets for methane emissions reductions. And we do that through operational practices, making sure that we're re-compressing natural gas as opposed to blowing it to atmosphere. You saw two of the vendors here yesterday that are doing that work for us. A really great story for us when it comes to methane reduction for the business and decarbonizing our operations. We're exceeding all of the ONE future targets that were established years ago in all three segments that we operate in. And really, for us, what this does, it really strengthens our ability to go out and commercialize the NextGen Gas sales that we have. We've got Sequent working on that and commercializing really low carbon natural gas for our business and for our customers. And this really gives us the ability to document exactly what that emissions profile looks like for those customers that desire to have that attribute. And then, finally, this sets us on a really good path to establish a target later this year for methane emissions reduction targets that we agreed to do as part of our OGMP 2.0 commitment. Really great story there on the methane front.

So, overall emissions, our Scope 1 and 2 emissions story here is in the left graph. We've been growing the business tremendously. You all very likely heard us talk about our Scope 1 and 2 emissions and our absolute emissions reduction commitment we made a number of years ago, and we started evaluating this, this year. And it became clear that maybe we should be evaluating a CO2 intensity target. Our customers and obviously our shareholders want us to continue to grow the business. We're seeing a lot more customer demand to grow our business and, therefore, a carbon intensity target makes a lot of sense for us. And so we're establishing now a CO2 intensity reduction commitment through our business that gives us the opportunity to continue to grow our business very significantly, while at the same time decarbonizing our assets.

So we're making a 30% reduction commitment by 2028 from 2018 levels. We think this obviously gives us the ability to continue to grow the business, supports infrastructure buildout in the U.S. that's really important for worldwide decarbonization, certainly aligns with customer and shareholder interests and it will allow us to align with that methane reduction commitment that we made with the OGMP 2.0. So you'll hear a lot more from us about this in our Sustainability Report coming out later this year. But it's a new commitment that Williams is making today.

All right. In conclusion, I would just say the opportunity to continue to grow our business is vast. We've got a lot of opportunities out there. Our team is very motivated for operational excellence, and I will tell you, they are very focused on that. We're focused on decarbonizing our business. There's a lot of opportunity to do that through our emissions reduction program, our operational practices, and our New Energy Ventures program, which we'll hear about from Chad. And we're doing all of that in alignment with our commitment to grow the business by at least 5% to 7% on an Adjusted EBITDA basis as we go forward. So thanks for your time and look forward to your questions later.

Chad Zamarin

Corporate Strategic Development Executive Vice President, The Williams Cos., Inc.

All right. Thanks, Micheal. And it's great to be here today and build on the strategy that's been laid out before you. I'm going to take a quick moment for those who were here yesterday. Thank you for joining us for our Clean Energy Expo. For those who couldn't make it, I'll do a quick recap of what we covered yesterday, and I'll get to that in a moment. But, hopefully, what you'll take away from yesterday and from this presentation and from what you've heard from Alan, Micheal, and you'll hear from John, is that we are clearly focused on being a major part of the energy solutions of the future. And we strongly believe that the best way to do that is to leverage the decarbonization power of natural gas and couple that decarbonization power with clean emerging technologies. And so we will also cover an overview of our strategy and our strategic approach and talk about how we're aligning our business to make sure that we're prepared to take advantage of the opportunities that come from the clean energy needs going forward. And so let's take a quick look at the Clean Energy Expo that we held yesterday. Yesterday's expo was just a small window into the work that we're doing as a company and with technology partners to leverage our capabilities to bring what we think is solutions to one of our generation's greatest problems. It's a challenge, but also an opportunity. How are we going to meet the growing demand for energy while at the same time providing reliable, affordable energy and lower emissions? That is one of the greatest challenges of our generation, and we're very focused on finding solutions in order to do that. And so why don't we take a look at what we did yesterday.

Video Presentation (Clean Energy Expo)

All right. I want to thank the Williams team that helped prepare us for yesterday's event. It was a great example of what we're doing here today, but also that's the work that's happening every day, kind of behind the scenes and across the entire company. But certainly want to thank everyone who participated yesterday. I want to give a special thanks to former Senator Mary Landrieu. You heard her talking in the video. But also on stage with her was former Congressman Tim Ryan, former Congressman Kendrick Meek, and the former mayor of Philadelphia, Michael Nutter. These are Democratic voices who are joining us in making sure that we tell the story of how natural gas has been the most powerful decarbonization tool here in the United States and can be an incredibly important decarbonization tool going forward and also is an incredibly important partner to help us meet and accelerate our goals to increase electrification and renewables. I also want to thank EQT and Cheniere. They were with us yesterday. Just two of the many customers, but really important partners collaborating with us to not only make sure that what we do matters, but take it all the way from the wellhead through our infrastructure, put energy into our customers hands in the lowest emissions carbon intensity possible. And then for those who were able to join us last night for dinner, we had Senator Joe Manchin and Chairman Willie Phillips from FERC join us and give remarks. We didn't get any shocking announcements last night, but it was great to hear their perspective. And again, hearing important voices that are really reinforcing the need for what we do not only here and now, but for the long-term future. And then we also highlighted many technology partners. We had 14 technology partners here yesterday. Again, those are really important partners. That was also just a small window of the amount of work that's going on, really, across the board. And so, my hope is that everyone sees that our message is clear, that this company, our

company, Williams, this industry is committed to being a part of the solution to bringing low emissions and clean, reliable and affordable energy for generations to come.

And so now let's take a deeper look at the Williams' strategic approach. We say this often, and we really do mean it. Our process is disciplined and focused. What we really do is focus on a pretty simple equation. We work to identify really strong fundamentals; fundamentals that make sense, that we believe in, that we can identify, that are important today, but will also be sustainable for the future. Then we develop a strategy and an execution plan that's based in alignment with those fundamentals. And then you constantly look to evaluate and fine tune that strategy. And so that's what we've been doing for the last several years and will continue to do. And we've been focused on natural gas as core to that strategy. You hear us say it a lot, but it's really important, I think, for all of us to recognize that this is not a theory. This is not a theory that natural gas is a powerful decarbonization tool. You don't hear about it often when you turn on the TV or when I talk to my teenage kids. They don't necessarily see that as an obvious answer to what has been the greatest decarbonization tool here in the United States over the last 15 years. It's been natural gas. So, again, this is not a theory that we can leverage natural gas for decarbonization. It is a fact. And the fact of the matter is, and you've seen here today, there is a lot more that we can do with natural gas. And then as we think, even further into the future, the infrastructure, the value chain that we operate is a blueprint for how we're going to move the energy of the future and continue to meet the needs of not only the US, but the rest of the world. And so we've been very focused on that strategy. We've been growing through organic investments and then following those with strategic bolt on of new capabilities and assets that continue to position us for a sustainable business going forward. And so I'll cover a few of the kind of emerging technology areas that we're investing in. We refer to our team as our New Energy Ventures team. But really the purpose of this team is not to be some cool, fringy part of the business. This is how we evolve the core of what we do every day. So we're pursuing opportunities that we see fit within our wheelhouse where we've got unique competitive advantages and capabilities to leverage these emerging technologies. They have a real decarbonization benefit. We have the opportunity to make good financial investments. And importantly, we're looking for areas where we think we can achieve real scale, where we can make an impact. We need – we want to do big things as a company. And so we look for areas where we can really achieve over time scale and the impact that we're making. And so I'll highlight a few of these in the slides that follow. Starting here with NextGen Gas, we refer to our efforts to decarbonize the existing natural gas value chain as NextGen Gas. We showed several different technology partners that we had working on this effort. And this is really kind of an all hands on deck. Again, this is not a new product that we're creating. This is the evolution of the natural gas value chain. How do we with credibility demonstrate that the natural gas value chain is the lowest emissions value chain possible and that, over time, we're continuing to drive that even further down so that we don't have to worry about whether or not we've got a low emissions value chain and we can focus on the benefits of what natural gas can do when you use the fuel to displace higher emitting sources of emissions. And so that's the focus of NextGen Gas. And I'll give you an example. Like, the opportunity that we have as an industry. We built the natural gas industry for the last 200 years. In fact, many of the emissions that we had today were actually designed as part of how we built that infrastructure. We didn't know that methane was going to be a problem from an environmental perspective. We actually installed equipment that was designed to emit methane when it operates. We have operational practices that intentionally release

methane to the atmosphere. The largest source of methane emissions by far in our operations is not through leaks or emissions that we don't know how to find. They're actually through operational practices that were created over the last two centuries of building this infrastructure and building the natural gas system. So these are things that we control; things that we know that we can address. It's why we get really excited about the opportunity to decarbonize the existing value chain. And I'll give you just one example of how impactful this can be. Operational evacuations of methane over the last year, just intentional releases for us to perform maintenance that's required by regulation, regulations that were not developed with the idea of keeping methane emissions low. They were developed for the ease of maintaining our facilities. Just through those evacuations in the last year, we emitted around 200,000 tons of methane. That's equivalent to the emissions of 1 million cars on the road today. Like, we can eliminate those emissions just by identifying the work that we're doing, taking intentional evacuations of methane out of our operations. We can have the equivalent benefit of removing 1 million cars off the road each and every day from an emissions perspective. That's also equivalent to installing and running constantly over 1,500 wind turbines. So the opportunity to decarbonize the existing value chain is significant. And that's why this is such an important focus for us. And so NextGen Gas is going to continue to be the evolution of how we move natural gas across our infrastructure and demonstrate with credibility that we have the lowest emissions value chain possible.

And then, from a carbon capture perspective, Micheal mentioned, we've got some projects that are pretty exciting. And again, this is just kind of the beginning of how we continue to decarbonize the existing value chain. Micheal mentioned that on our Louisiana project, we have a project alongside our Louisiana Energy Gateway gathering system where we'll move CO₂ to the southern portion of Louisiana; we'll inject it underground. Just that project alone, our very first kind of meaningful carbon capture project, that will remove over 6% of Williams Scope 1 and 2 emissions just from a single initial CCS project. So, again, the ability when we talk about achieving emissions reduction goals, when we talk about decarbonizing the existing value chain, when we talk about getting to net zero by 2050, that sounds like a really far off, very ambiguous goal. And you hear a lot of companies talk about those without showing real results. We're talking about just our first project that will remove over 6% of our total Scope 1 and Scope 2 emissions and has the opportunities you saw to scale up from there. So pretty exciting project on that front. In Wyoming, we also recently received a grant from the Department of Energy. That project will remove CO₂ emissions from our processing plant in Wyoming. And we are working with the University of Wyoming. We're testing the geology of Wyoming. As you know, in the Wamsutter area, we operate across over 1 million acres. We have over 200,000 of those acres that we own in fee and where we are testing the ability to sequester CO₂ and store it permanently in Wyoming. So some cool projects that we're doing, but just examples of where we're just getting started from a decarbonization perspective.

And then, when we look at our solar projects, this has been a great program that the team has developed. What's really, I think, unique about it is, these are great projects. I'll show kind of a long list of opportunities that we have. But we have the ability to scale and time these projects to fit within our capital allocation priorities. And so, team has done a great job of creating flexibility to develop projects, but then time those projects in a way that fits best with our capital allocation strategy. We've got two projects that are in advanced development. These are projects that we are installing solar located at our facilities in the

Northeast, at existing compressor stations that use electric motors. So we've got a large electric load. What's really, I think, cool about our projects is we're installing the solar resource at the point of use, and so we're eliminating a lot of inefficiency. We're actually able to install solar power and generate power at a cost lower than it would cost to source it from the local electric service provider. Again, putting one of the real inefficiencies of storage in wind, putting power generation far from where it's needed. We're putting the power generation right where we use it. And so I think a great example of how to create more efficient decarbonization of our own footprint. We've got three projects that are in advanced development. In a minute I'm going to highlight one of those projects. I think a great example of how you take existing infrastructure and turn it into the energy infrastructure of the future. And then you can see here we've got another 14 projects in early development that really span across our entire footprint. So a great opportunity here to layer these projects in over time as they fit best with our capital allocation priorities. I will, as I mentioned, highlight one here. This is Lakeland Solar. This is a project that I think is a great example of how a company like Williams can leverage our history and turn that into the energy solutions of the future. Lakeland is a property that Williams acquired in in the early 1970s as part of an investment in an agriculture and fertilizing business and this property sits on the I-4 corridor between Tampa and Orlando and is a location where there was an old abandoned now phosphate mine. And so this property was over – originally, we had over 8,000 acres. In 1987, Williams divested of the business but retained the property here in Lakeland. A really cool story, and this kind of stuff happens all the time. Our team doesn't get enough credit for it. In the early 2000s, we actually donated over 500 acres of this property to the University of Southern Florida, and they built the Florida Polytechnic Institute. So now, on this site, we've got a polytechnic institute that has over 1 million square feet of educational facility. We actually also donated and helped build the off ramp from I-4 that is now University Parkway that serves into that that technical institute. And so, not only creating opportunity from an education perspective, but just last year, we worked with the local commissioners, and city commissioners unanimously approved a permit for us to install 1,400 acres of solar power at this facility, a facility where you can't develop much of this site because it's the old kind of area of phosphate mining. And so, again, a great example of how you take the infrastructure of the past, you leverage it and you turn it into the energy infrastructure of the future. And so more to come, but this will be an exciting project that we're developing in Florida.

And we continue to evaluate the potential for hydrogen. Just last year, it was announced that we are a participant in two of the DOE's awarded hydrogen hubs, and those are exciting. And we're keeping a close eye on hydrogen. There's a long way to go, but if hydrogen can be made affordable, if we can scale up an affordable hydrogen economy, we're convinced that you can only do that by leveraging the natural gas value chain. You think about the scale of hydrogen today. There's about 300 million cubic feet of hydrogen, blue and green hydrogen produced in the world today. That's 0.3% of the natural gas market in the United States. It's incredibly small. On the flip side, the natural gas market is incredibly large. And so if we're going to scale up the technologies of the future, we've got to figure out how to leverage the energy ecosystem that we have here today. And so we will continue to evaluate in these two hubs. We've got a hub project in Appalachia that's a great project that's going to couple natural gas production with the exploration of how to leverage that production into hydrogen opportunities. And then in the Pacific Northwest, that's an opportunity for us to provide pipeline capabilities and leverage our existing footprint to look

at power generation, industrial operations, agriculture and other uses. And we talk about this as a pretty, I think, interesting opportunity. Our Northwest Pipeline, which operates from Wyoming to the Pacific Northwest. If we were to put a 10% blend in that pipeline, that would be, again, more hydrogen than is produced in the world today. In fact, a 5% blend is about what it would take to move the equivalent of the entire hydrogen production in the world today. And so the opportunity to leverage our infrastructure and our capabilities to scale up the energy of the future is certainly something we're focused on. But, to be clear, it's going to take a lot of work and I think a long time for hydrogen to meet the economics and the affordability that we can deliver today with natural gas, and frankly, the decarbonization benefits that we can deliver with natural gas. And so the infrastructure of today is certainly going to be vital in transporting the energy of tomorrow. Those emerging technologies I talked about will be important. But we know we can't meet our goals without leveraging the natural gas value chain. And I talk a lot about this. The natural gas value chain is a great example of the equation that we are trying to solve with every other energy system that we're evaluating, that we're developing. You can produce energy far from where it's consumed. You can move it over vast distances without losing any of it. You can store it in vast quantities, and then you can dispatch it where and when it's needed. That is the challenge for energy that we need to solve and it's not been solved in truly any other decarbonizing low-carbon solution.

So, natural gas, that's why will continue to play a major role in the energy solutions of the future. And that's why we're positioning the business and tuning the portfolio the way that we have been, making sure that we've got the critical infrastructure to support what we can do with natural gas, but also how we accelerate, enable and compliment the technologies of today and the emerging technologies of the future. Just over the past few years, we've invested just over \$6 billion in new acquisitions. I'll talk a little bit more about these in a minute. We've been increasing the mix, as you can see here, of transmission and storage against our gathering business and we'll continue to increase that mix as we grow into the 2025 organic projects that we have coming online. But we've also made some really, I think, valuable investments on the gathering and processing side as well. And I want to give a shout out to the organization. We do transactions from time to time. They're bolt-on transactions. But we look at a lot of opportunities so that when we do follow through on a transaction, we know that it's something that's going to fit well. We know that it's going to deliver the results that we're expecting. And the organization has become incredibly good at making sure that we can seamlessly integrate new talent, new assets, new systems into the Williams business and really capture the benefits that we're expecting when we look at bolting on a transaction.

And so going back through kind of the most recent transactions, I'll take us back to 2021, Sequent. This was a relatively small transaction, but it has certainly supercharged the organization. Sequent has performed, as you all know, exceptionally well on its own, but I would tell you that even more importantly, more impactful has been the Sequent team bringing talent and really a collaborative culture into Williams that's helping to create value across virtually every aspect of our core business. In 2022, we also added a nice complement of gathering and transmission and storage, the Trace acquisition. This was an ideal move for us to expand into Haynesville. You've seen from what Micheal showed, the incredible growth we've seen in the Haynesville, the incredible growth we're going to need from the Haynesville in order to meet the LNG demand that's coming online over the next 10 years. And so positioning our infrastructure in the Haynesville to be a major player in

bringing that to market. The Trace acquisition expands us from what was a core footprint in the Louisiana area of the Haynesville into the East Texas. So you hear us talk about East and West Haynesville that moves us into the western side of the Haynesville, the East Texas area of the Haynesville. And so that's been a great addition to that footprint. And then NorTex, we talk about fundamentals. I'll talk a little bit more about storage fundamentals ahead of our Gulf Coast Storage acquisition. But here you have a set of assets that are sitting in the Dallas-Fort Worth area, an area of declining supply in the Barnett, but a rapid growth in power demand. The Dallas-Fort Worth area has been one of the fastest growing power demand areas, sitting on top of an area of declining supply. That's the kind of market fundamental backdrop that means you're going to need assets like storage in order to continue to deliver energy to those markets. And so that's been a great addition. And we're already seeing benefits beyond what we expected when we made that acquisition. And then coming a little more recently, Micheal showed Mountain West. This team and those sets of assets have done a great job of joining, and the team at Williams that's worked on bringing that together with our company. We're already seeing a tremendous amount of opportunity. That team has wasted no time becoming an incredibly valuable part of the Williams organization. That adds – and I'll talk about in a minute the importance of that region. Not always the most talked about area of the energy landscape, but we really like the fundamentals that backdrop, the Rockies. And then I'll dig into in a bit more detail the Rocky Mountain Midstream and Cureton transactions, the most recent transactions, as well as the Gulf Coast Storage transaction.

But let's just take a quick look because, again, want to tie the strategy to the execution and really highlight the Rockies and why this is such an important part of our strategy, but also a really critical market fundamental for our country. We are building a platform in the Rockies that is truly a bridge between markets. We've seen strong demand for natural gas in the West. Again, you don't always hear about it. There's strong demand for natural gas in the West. And as we've seen solar and wind increase in the West and Pacific Northwest, we have seen natural gas demand increase as well. And so you've got to have a natural gas backbone in order to support the decarbonization, electrification and renewable goals of any market. It's just been proven across our entire footprint, increasingly so over the last several years. And we expect that trend to continue. So, we really do see our footprint as a key bridge between markets. And within that footprint, you saw from Alan's side and from Micheal's side, we also see an ongoing need for coal to gas switching. There's still a lot of coal plants operating here in the United States. We've shown, again, the decarbonization benefits of natural gas, the need for more natural gas capacity to meet and help enable renewables, but also the ongoing opportunity to displace heavy emissions fuels like coal that will continue in this region. And with our Wamsutter footprint and our Sequent marketing presence that has expanded into the West, we've got an opportunity to really capture value in multiple different ways in this area. And I'll show in a minute the vertical integration that we have coming out of the Rockies makes for a very high margin platform and business. Not only do we gather, not only do we have an upstream opportunity, we process gas, we move NGL through our infrastructure and can capture a lot of margin downstream and beyond.

And so diving a little deeper into the DJ consolidation that we announced, this was a natural consolidation of our partners' interests in KKR. They were a 50% owner in our Rocky Mountain Midstream asset in the DJ. KKR was a great partner. And we really did benefit, I think, both of us did from the collaboration that we had with KKR. But this was a natural

consolidation of an asset that we knew well and also allows us to be more efficient and be more nimble here in the base. And you saw that with us following on that consolidation with the acquisition of the Cureton system. And Micheal showed the fully integrated asset footprint, but this is what it looked like before we brought them together. The yellow lines here that's the Cureton system literally overlaying our Rocky Mountain Midstream assets. And the purple line is our Overland Pass NGL infrastructure. So we were able to extend our footprint of our gathering system up into the northern extent of the DJ and we have really attractive integration with our NGL infrastructure. So, as Micheal mentioned, as Cureton was offloading, they were actually gathering quite a bit more gas than they could process, we're in the process of moving that gas over to our processing facilities. They also were producing NGLs that were not going, even though you can see how close their system was to our NGL infrastructure. Those NGLs were not moving on Overland Pass. And so over the course of the next several months, toward the end of the year, we'll be moving those NGLs over to our infrastructure and capturing the benefit of moving liquids down Overland Pass. We have our Conway fractionation facility. You can see we also have the ability with our Bluestem pipeline, and then a joint venture fractionator in Mont Belvieu. We can move those molecules across the entire value chain. So, really attractive transaction, acquisition that will continue to become more valuable over time.

And then flashing back to a slide that Alan showed, I really do think this is an incredible slide that hopefully, for me, certainly turned on a light bulb. When you see demand increase and the supply of capacity lags and, in the case of storage, doesn't grow at all, the value of that supply, the value of that capacity goes up. That's just the fundamentals of the market. And so we've seen the infrastructure not keep pace with the demand. And so that is a fundamental backdrop that we know will continue to drive value towards the infrastructure that will be called upon to serve that demand. It's also important to recognize that that is a different kind of demand than we've seen historically in the United States. By 2040, half of the demand in the gas sector will be from LNG and power demand. Historically, we've built storage for gas distribution. It was actually we slowly kind of fill storage all summer long and into the shoulder months and then we relatively slowly inject it or withdraw it back into the market during the winter months. As the temperatures get colder, we turn on our heating. That was the traditional model for how storage was built. It was not built for daily volatility in power markets. It was not built for an LNG terminal that has to put gas back into storage during times when there are upset conditions at their facilities. So not only is gas demand growing, it's growing in a way that's going to require even more flexibility from the infrastructure that we operate. Storage is what provides that flexibility. And so – and the right kind of storage in particular, storage that has high deliverability, high injectability. And so that's why we really like the backdrop for storage. And we will continue to see gas demand grow over time. We will continue to see LNG demand and power demand grow that will certainly continue to drive the value and need for storage, and it takes us to our most recent transaction.

Again, team did a great job through the holidays, closed this transaction in the first week of the year, already hard at work across the organization, making sure we can bring the team in these assets into our organization seamlessly. And so, really excited about adding this, but important following those fundamentals. We now become the largest operator not by accident, right? We now become the largest operator of storage along the Gulf Coast. You can see the footprint strategically positioned in and around the Transco footprint. And so you go back, you've got the NorTex transaction I talked about. MountainWest adds some of

the most critical largest stores in the Rockies region. And then we add the Gulf Coast Storage assets and position ourselves to be really, I think, key service provider for power generation and for LNG demand.

And so, as you can see, we continue to position Williams to be in the right place with the right assets, create the right capabilities to meet the needs that are emerging. Just a few recap highlights over the next 10 years. LNG demand will double along the Transco footprint. Coal to gas switching will continue here at home and certainly around the world. Gas will be the key enabler for wind and solar, and we'll continue to focus on bringing the infrastructure solutions that are going to be needed for the future. And we expect to be solving these challenges and opportunities for generations to come. And so, with that, I will turn it over to John Porter.

John Porter

Chief Financial Officer & Senior Vice President, The Williams Cos., Inc.

All right. Good morning and welcome. Very excited to be here with you this morning. Be here in person with many of you. I don't get to see very often. But, in my presentation, we're going to cover three main areas. First, we're going to review our financial performance for 2023, which set another record for adjusted EBITDA. And we're going to look at 2023 really in the context of the longer history of growth for the company, really through a variety of different commodity price scenarios. Second, I'm going to lay out our expectations for continued growth in 2024 and 2025 with our two-year financial guidance. And then finally, we're going to break down how we're going to continue to drive shareholder value through our capital allocation process.

All right. Before we dive into the details on 2023, let's take a quick look at the longer trend of financial performance for the company, starting with adjusted EBITDA climbing 6% in 2023 to almost \$6.8 billion. That's generating an 8% five-year CAGR now, exceeding our long-term target for adjusted EBITDA of 5% to 7%. Our adjusted EPS has seen an impressive 19% CAGR for the five-year period and our available funds from operations per share has also grown at an 8% five-year CAGR, while we grew the dividend at about a 6% five-year CAGR during this time. And then finally, you see the improvement we've made to the balance sheet strength over these last five years with the 25% improvement in our key leverage metric finishing 2023 at 3.58 times. So these trends really clearly demonstrate the combined impact of our pursuit of operational leverage in the business as well as our disciplined capital investments. And as we've noted on the bar across the bottom of the page, we generated about \$11 billion of free cash flow for 2018 through 2023.

So let's take a closer look at our 2023 EBITDA versus 2022. For 2023, we achieved a 6% increase over 2022, even as the average natural gas prices fell 61%. Walking out from last year's \$6.4 billion to this year's \$6.8 billion, and really starting with our core business performance, our transmission and Gulf of Mexico business improved to \$262 million or about 10%, really driven primarily by the impacts of the MountainWest Pipeline acquisition and the NorTex acquisition as well. But we did have significant other increases in our transmission revenues, including partial in-service for the Regional Energy Access project and higher Deepwater Gulf of Mexico revenues, including the Taggart project, which came online in 2023. Our Northeast gathering and processing business has performed very well with a \$159 million or 9% increase, driven by \$240 million of increased service revenues.

And this revenue increase was really fueled by a 5% increase in the total volumes that we had in the Northeast. Really focused in our liquids rich areas where we tend to have higher per unit margins than in the dry gas areas. And in the appendix, you'll find a slide that compares our 5% growth in the Northeast versus the overall average basin growth of just around 3%. Shifting now to the West, which increased \$17 million, benefiting from some positive hedge results and some strong Haynesville volume growth, including that Trace acquisition that Chad mentioned. But the West was significantly unfavorably impacted by lower natural gas-based gathering rates in the Barnett and also lower NGL margins as well. And then, you see the \$42 million increase in our gas and NGL marketing business really caused by the very strong start that Sequent had in the beginning of the year in 2023. Our upstream joint venture operations included in our other segment were down about \$141 million versus 2022. Our Haynesville upstream EBITDA was down about \$74 million, where the benefits of a 77% increase in net production volumes in the Haynesville were more than offset by dramatically lower realized natural gas prices. Our Wamsutter upstream EBITDA was down about \$67 million really due to the combined effects of the historically difficult winter weather that we had to the start of the year, the effect on those production volumes in Wyoming, as well as lower net realized prices. So, again, a very strong 2023 with 6% growth and EBITDA despite a 61% increase in average natural gas prices between 2023 and 2022, really driven by core infrastructure business performance, including the effects of our acquisitions with strength in the marketing business that really dramatically overcame the much weaker than expected results that we had in our upstream joint ventures.

So, even though we have a very natural gas focused strategy and asset mix, we also have a high degree of diversification to our portfolio, which we're going to look at more closely on the following slide. And it's really that diversification within our natural gas focused strategy that is fueled the growth in our business through a range of commodity prices. And that's what we've shown here with a longer look back at our adjusted EBITDA growth compared to average annual natural gas prices. And what you see in this graph is that we've built a business that is primarily levered to the growth in natural gas demand and reserve pipeline capacity. And as a result, we've been able to steadily grow our EBITDA with lower natural gas prices. In fact, we've been able to grow our adjusted EBITDA for about an 8% CAGR from 2018 through 2023, where the average Henry Hub price was about \$3.44. Along the bottom of each bar here, you see the growth rates in each of those years and the dotted line is the average annual natural gas price in each of those years. And in three of those six years, the average price was actually \$3 or lower. And you also see that we had the 19% EPS growth during this timeframe as well. So, again, the diversification within our natural gas-focused strategy has been a real key to the stability and the growth of our cash flows through a range of natural gas prices that have actually typically been pretty low.

So let's turn to the next slide and take a quick look at the major pieces of that diversification. We have included a much more detailed breakdown of our 2023 EBITDA by business back in the appendix. Here we captured the diversification of our business really at a more general level. For 2023, you see a pretty even split between our gathering and processing business, including our NGL services business, and our transmission storage and Deepwater Gulf of Mexico businesses at 47% and 45%. And then you see a pretty even split between our gas and NGL marketing and upstream businesses at around 4% each. Chad mentioned this a moment ago, but as you look forward through 2024 and 2025, we'll continue to see a pretty significant shift in our business mix in favor of the transmission and Gulf of Mexico business. We'll talk about that more in a moment. Later, back to our

gathering and processing businesses, though here we have a diversified set of low cost gas directed supply areas, including our large Marcellus and Utica systems, but also with a lot of growth coming from the Haynesville basin as well. These gas-directed systems include a mix of both dry and wet gas targets and we also have several oil-directed supply areas as well. This is primarily a fee-based business with some commodity upside and a few contracts that also have floor values. Our transmission, storage and Deepwater Gulf of Mexico business is really anchored by the FERC regulated pipelines, Transco, Northwest Pipeline, MountainWest Pipeline and Gulfstream. But you also have a really uniquely positioned Deepwater Gulf of Mexico portfolio serving major oil producers. And our growing natural gas storage business, obviously, which you've heard a lot about today. So, again, it's really the diversification of our cash flows within the natural gas-focused strategy that has been such a great source of stability and growth for the company.

So, having covered the longer trend of our strong financial performance for the company, let's turn our attention now to the future with the review of our financial guidance for both 2024 and 2025. We'll do a pretty quick review of the metrics on this slide and then I'll have more to say about EBITDA and CapEx on the next few slides. For 2024, we have adjusted EBITDA of \$6.8 billion to \$7.1 billion with the midpoint of \$6.95 billion. In 2025, that climbs to \$7.2 billion to \$7.6 billion with a midpoint of \$7.4 billion. So, after a couple of record growth years in 2021 and 2022 at 10% growth and 14% growth, and then another very strong year in 2023 with 6% growth. We have over 9% growth now comparing the midpoint of 2025 versus 2023, working through what we're expecting to be a pretty low commodity price cycle during this timeframe. We are seeing lower EPS in 2024 due primarily to higher acquisition related DD&A and interest expense. For 2024, our AFFO per share midpoint is \$4.13. And based on our \$1.90 per share dividend, that's 2.18 times coverage after growing our dividend 6.1%. So, again, 2.18 times coverage after growing the dividend, 6.1%. A couple of notes here on the commodity price assumptions which are included in our appendix. They're referenced in the appendix. They were based on a 12/29 strip with Henry Hub at \$2.66 for 2024 on average, and WTI at \$71.25 for 2020. For 2025, the 12/29 strip was \$3.50 for Henry Hub and around \$68 for WTI. Back to AFFO per share, for 2025, you see it's \$4.25. And although we're not locking in on a specific dividend for 2025, we do plan to grow it in the range of 5% to 7% and would maintain strong coverage in excess of 2 times across that 5% to 7% range. You see leverage ticks up a little bit in 2024 following the Hartree acquisition in 2024 at a planned 3.85 times before dropping back down to 3.6 times in 2025. And we'll speak more about leverage later, but in general, these metrics remain within our targeted range of 3.5 to 4 times. For 2024, we have growth CapEx with the midpoint of \$1.6 billion and forecasted growth CapEx in 2025 is a midpoint of \$1.8 billion. And again, we're going to speak more about growth CapEx in a moment. We have a bit higher maintenance CapEx in 2024 of a midpoint of \$1.2 billion, again, really driven by higher Transco-focused maintenance capital in advance of the rate case, including about \$350 million of regulated emissions reduction program CapEx. Then you see the step down in 2025, post the rate case filing to a midpoint of around \$800 million. So, looking at the free cash flow creation during this period, we have a total of around \$15.5 billion of available funds from operation for 2023 through 2025, and a total of around \$8.1 billion of total CapEx growth plus maintenance, excluding acquisitions. And that would lead you to about \$7.4 billion of free cash flow for 2023 through 2025. Finally, with respect to cash taxes, there's lots of developments still coming together around the book minimum tax and we also have continued debate around restoring a 100% bonus depreciation and taking another look at

some of the interest expense deductibility limitations that are out there right now. Both of those last two things were components in the recently passed House Tax Legislation overwhelmingly passed in the House. However, we're not including any benefits from potential tax law changes in our guidance, obviously. And based on what we know right now, we've included around a \$100 million for cash taxes in 2024 and around \$300 million for cash taxes in 2025. Obviously, both those numbers reduce available funds from operations in the guidance.

All right. Let's take a closer look at that EBITDA growth. So, again, 9% growth 2023 to 2025 with slower annual growth in 2024 before significant acceleration into 2025, targeting \$7.4 billion at the midpoint. That \$7.4 billion of 2025 EBITDA would lead to a five-year CAGR at 8% for 2020 through 2025. So, looking at the drivers on the right hand side of the slide, here we've got a breakdown of both the tail and the headwinds specific to the slower expected annual growth that we have for 2024. For 2024, we have more limited tailwinds as most of our next wave of significant projects will reach in-service toward the end of the year in 2024, we will see incremental contributions in 2024 for a full year of Regional Energy Access, including partial capacity that leads to full capacity later on in the year. And we'll see a full year from acquisitions that were closed during 2023 in the case of the MountainWest Pipeline and our DJ transactions, and basically, a full year from the Hartree storage acquisition. But we do have some significant headwinds for 2024 and we have some pretty significant unknowns as well. I would say for the gathering and processing business, forecasting this 2024-2025 time period is pretty challenging given the commodity price backdrop. And as we did in 2023, we're taking a pretty conservative posture with our producer customer assumptions. Annual growth for 2024 is also impacted by some very favorable gathering and processing price hedges we had in place in 2023 and we have a little bit of lost EBITDA from assets that were sold during 2023 as well. Additionally, we're forecasting a return to a more normal marketing contributions versus the very strong year that Sequent had in 2023. And we're also expecting another decline in EBITDA from our upstream operations due to assumed lower net realized prices. As we shift into 2025, you can see that the increase in EBITDA is really driven by the known impacts of a range of new projects across our transmission, Deepwater and gathering and processing businesses as well as those Transco rate case impacts. So, again, growth accelerating into 2025, but it's fueled by very known and predictable impacts from discrete projects. Now, the ranges that we're putting into the guidance during this period are really largely driven by the uncertainties around producer drilling activities as well as the direct commodity price impact that we have in our upstream operations as well.

So, over the next couple of slides, we'll take a closer look at the CapEx guidance starting on this slide with 2024. Here we have a pie chart showing the breakdown of our total CapEx at midpoint. Growth capital is really led by spending on the numerous take or pay transmission projects that are nearing completion, really led by the Regional Energy Access project, as well as take or pay Louisiana Energy Gateway project and some smaller G&P projects in the Haynesville and the Northeast areas, and we're wrapping work on the two of the five Deepwater projects that actually required CapEx from Williams. Rounding the list are contributions to our upstream JVs and new energy ventures really focused primarily on the Louisiana CCS project and the solar projects that you heard Chad speak about. So that covers a combined \$1.6 billion of total CapEx for the company and then you see the traditional maintenance capex – that was total growth CapEx for the company. Then you see the traditional maintenance CapEx is around \$850 million and, as usual, the majority of

that is going to be focused on Transco; we're spending time to bring key projects into service in advance of our next rate case. Lastly, you see the regulated modernization and emissions reduction program capital is totaling \$350 million for 2024. Micheal discussed this investment opportunity. But, as a reminder, this is basically additional investment in our regulated rate base that will gain a regulated rate of return at our next Transco rate case with rates that will be effective in 2025 or in the case of the emissions reduction program at Northwest Pipeline via a tracker mechanism that was agreed to in the last rate case settlement. So that covers our 2024 CapEx. Now let's shift to 2025. Here's 2025 CapEx at midpoint, growth capital is led by wrapping our Louisiana Energy Gateway project and some continued smaller gathering and processing projects in the Haynesville in the Northeast. We've assumed a bit higher contributions to our upstream JVs and we'll also have our first more significant spend for our new energy ventures team in 2025 really focused on that Louisiana CCS projecting, bringing that into service as well as various other solar projects including the Lakeland project that Chad just mentioned a moment ago. Finally, we'll have significant amount of capital associated with our numerous take or pay transmission projects on Transco and also on MountainWest pipeline, including the beginning of a more significant spending for Transco's largest project, the Southeast Supply Enhancement 2025. You see that the traditional maintenance capital is now down to around \$700 million in 2025, stepping back down from that 2024 level post the Transco rate case and you see that the regulated modernization and emissions reduction program totaling only \$100 million also stepping back down post the 2024 Transco rate case. So that covers the 2025 CapEx.

Now let's shift our focus to look at how we'll continue to drive our shareholder value through our capital allocation process. Really, no real changes to announce to our returns-based capital allocation approach. This slides shows our overall capital allocation landscape. Then we'll touch on a few of these further in the coming slides. First on this slide, we highlight the primary importance of protecting the health of the balance sheet and our investment grade ratings. As I mentioned earlier, our forecasted year-end leverage of 3.85 times and 3.6 times in 2024 and 2025, respectively, fit well within our targeted range of 3.5 to 4 times for leverage. Second, we plan to continue to grow our dividends, paced with the growth trend in our AFFO per share, while keeping strong dividend coverage. Third, we're pursuing the attractive organic capital investment opportunities that we've been discussing really throughout the presentation. Fourth, we're continuing to invest in our large scale regulated emissions reduction projects that will generate those regulated returns. And we'll be minimizing the time between the investment and realizing a return through higher recourse rates. And then finally, with respect to our financial flexibility, we've talked a lot about our buybacks competing with the bottom of our capital investment returns, which would be those regulated rate base returns. So, generally speaking, where we see a return profile on our stock buybacks in terms of yield plus growth competing well against those scalable emissions reduction projects, we will take action under our currently authorized buyback program. With respect to M&A, we're going to continue to remain active reviewers of the overall M&A landscape, but we're going to remain very selective and strategic with those types of opportunities as you've heard about in today's presentation. So, over the next few slides, we'll take a closer look at a few of these capital allocation priorities beginning on the next slide with how we've positioned the balance sheet. On the left hand side, you see a very manageable debt maturity profile. For 2024, we have a total of \$2.25 billion maturing this year, of which we've already funded \$1 billion. On the right hand side of the slide, you

can see the great progress we've made on leverage, including solid and stable investment grade ratings at all of the agencies. You can see that our fixed rate debt portfolio has an average coupon of 4.86% and a weighted average maturity of just over 10 years. We started 2024 with a very successful bond issuance of \$2.1 billion, where our weighted average coupon on a mix of 5 and 10 year notes, including hedge impacts, was right at 4.9%. So current financing is pretty much right in line with the weighted average coupon on our portfolio. And obviously, we're confident we're going to continue to have very strong access to debt markets at attractive rates. Finally, we maintain – we continue to maintain a very strong liquidity position with a \$3.75 billion credit facility.

So let's shift now to our second capital allocation priority, returning capital to our shareholders with our dividend. So, we're proud of our 50 consecutive years of dividend payments to shareholders. And as we mentioned earlier, we've delivered a 6% dividend CAGR for 2018 through 2023 while maintaining very strong coverage. Our attractive 2024 dividend stacks up very well relative to the broader market with the top 5% S&P 500 yield at about 5.5%. And with guidance in 2025 for continued strong growth in our dividend of 5% to 7%, while maintaining very strong coverage across that range.

So, let's shift now to our third capital allocation priority with a look at our recent returns on invested capital. Alan mentioned this earlier, but our management team is very unified and focused on driving returns on invested capital in our business. As Alan mentioned earlier, our performance equity compensation for the senior management team is materially influenced by improvements in return on capital employed. And this slide shows how we've been doing on our recent capital investments. You see the adjusted EBITDA increase, less EBITDA from assets that we've sold is up by \$1.77 billion from 2019 to 2023. That \$1.77 billion increase is about 19.5% on the \$9.1 billion in capital that was invested for 2019 through 2022, plus the MountainWest acquisition. And that \$1.77 billion increase in EBITDA does include any and all declining areas that we have within the business as well. And it really illustrates the effectiveness that we've had as a team achieving our key organizational goals, disciplined capital spending, seeking strong incremental returns, excellent project execution, continuous improvement in our operating margin percentage, and really the resiliency of our natural gas-focused strategy and business.

So, let's take a look once more at the impressive slate of projects that are fueling our growth in 2024 and in 2025 and also really beyond the guidance period. This is one of my favorite slides because it really makes very clear the high quality projects that are fueling the growth in our business. Beginning on the left hand side, you see the long list of regulated transmission projects with planned in-service dates in 2024, 2025 and 2026, and now with the Southeast Supply Enhancement project, you have our largest and highest returning transmission project in company history that we'll be setting up growth for 2028 and beyond. We've also shown 2024 and 2025 G&P projects in the Haynesville that will continue to support expected growth in that important basin. And as we've talked about for a number of years, we have five Deepwater Gulf of Mexico projects coming online in 2024 and 2025 that will fuel approximately \$300 million per year of run rate EBITDA and only two of those projects required any capital investment by Williams, which will be a great boost to our return on invested capital. And the Deepwater continues to see historically high levels of activity and our teams are in negotiation on many additional projects. In fact, across our business, as you've heard from Micheal and Chad, we continue to see an impressive number of projects under negotiation, which we'll continue to add to this list. And it's really

all of these facts that continue to give us confidence in maintaining our target of 5% to 7% expected long-term adjusted EBITDA growth.

So, our natural gas-focused strategy, the superior assets that we have and our operational excellence have created a very strong company. Our performance has been consistent and our growth has been very predictable, and it's led to top quartile performance versus our peers for EPS growth, for dividend growth, for total shareholders return, for return on capital employed as well as balance sheet improvement. And we've done this without diluting our equity holders, utilizing some of the balance sheet capacity that we've created along the way for selective strategic bolt-on acquisitions at attractive prices.

And as a result Williams remains a very attractive investment opportunity within the S&P 500. Just a graphic here to illustrate the unique positioning that Williams has against the broader market. Obviously, there's a lot of different ways to filter through this kind of information. Here we've started with a sort that focuses on large investment grade companies with strong sustainability scores as well. 282 companies meeting those requirements. And then we've looked at how many of those companies have been able to grow their EPS at better than a 10% CAGR over these last five years, and there were only 105 of those. Next, we think our 10 plus years of year-over-year EBITDA growth is pretty impressive. And as it turns out, only 26 companies have done that. And then ultimately, we're the only one of those companies that is projecting both the free cash flow yield and a dividend yield that is greater than 5% for 2024. So, again, there's a lot of different ways to filter these types of investments. But here you're seeing a picture of Williams as a company with scale, financial strength and sustainability, consistently growing financial performance and a very attractive yield proposition for our shareholders. So, let's wrap up.

In closing, thank you very much for your time and attention this morning. Why Williams? Really our unique natural gas-focused strategy that is centered around valuable and irreplaceable assets and operational excellence has delivered a very strong track record of shareholder value creation. And today, our future is as bright as it really has ever been. So thank you again. And with that, I'm going to have Danilo step back up and we'll get set up for Q&A. Thanks.

Question & Answer Section

Jeremy Tonet

J.P. Morgan Securities

Hi. Good morning. Thank you for the presentation and expo yesterday. That was very helpful. Maybe just tying a few things together in the projections, interesting to see things going forward here in growth coming from latent capacity and investments feeding into EBITDA growth over the next couple of years. I was just wondering if you could take that a step further and maybe marry the EBITDA growth with the AFFO, how the impact of interest expense as well as taxes there and further expectations for taxes over time and bringing that all together, I guess, how that impacts your thoughts on dividend growth rate?

John Porter

Chief Financial Officer & Senior Vice President, The Williams Cos., Inc.

Yeah. I think we are going through a transition period relative to cash taxes. The book minimum tax, when it came into play, introduced a new variable. There are essentially two sets of tax books now. Obviously, as I said earlier, a lot of things are out there that could very significantly impact these projections as well. In fact, if the House Tax Legislation that was passed – overwhelmingly actually – became law, it would wipe out the \$100 million that we have in 2024, and it would very significantly reduce the 2025 number as well. So we're keeping a close eye on that.

The real regular tax is really more of a factor beginning in 2025, 2026, 2027 and kind of ramping up through that timeframe. Anything we pay under these book minimum taxes that we've layered on for 2024 and 2025 can be applied against those regular taxes in 2026 and 2027. So, back to your question and what I think you're going to see, the cash tax impact of AFFO per share is going to ramp over the next few years, but then it will sort of even out at – based on what we know today, without 100% bonus depreciation and the effects of transactions – you'd get to kind of a statutory rate toward the end of the decade, 2027, 2028, 2029. So, that would stop being a factor in the year-over-year growth as you get into the second part of the decade.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

So, Jeremy, I would just add to that, there is probably going to be some noise in the sector because some people would say it's a certainty that the bonus depreciation is going to come through at this point. A lot of things are pointing towards that. We're being conservative on that. But there's certainly going to be some noise out there and people's forecasted guidance, particularly if you get to the after-tax numbers and after cash tax numbers. So that's certainly affecting us, and we've taken a conservative approach and I think that's the smart thing to do for right now.

Jeremy Tonet

J.P. Morgan Securities

Quick second question – just as far as industry consolidation is concerned and Williams' thoughts on that. I think there's been a nice track record recently of bolt-ons and folding in JVs. I'm just wondering if there is focus on acquisitions in the future, and if that's more of that same type or if there's anything broader. Just wondering how you see the landscape evolving right now just given the level of consolidation we're seeing in the space.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah. I think if you look at the three measures that I opened my presentation up with, the AFFO per share, our credit metrics and our return on capital and improving return on capital, all of those things are important things to think about when we think about acquisitions. And the fact is, we've got so much strong organic growth that's already going to propel us through the 2027- 2028 timeframe with some of the projects that Micheal talked about, particularly on the transmission system. That's what we have to compare things to.

And so, to the degree – and we, believe me, we look at a lot of things, but as we look at it and we don't see that same level of growth in other businesses, it makes it pretty challenging to do a transaction that improves on those three metrics all at the same time. And so I would say, if you're thinking about how we would look at it, think about those three primary metrics and you'll get a pretty good picture of how we would think about that.

Sunil Sibal

Seaport Global Securities

Hi. Good morning. Sunil Sibal from Seaport Global, and thanks for the event yesterday and the presentation today. So, just wanted to take a step back on the gas storage side of things. It seems like you've done this big acquisition and everybody in the industry also seems to be growing. So I was kind of curious, when you think about that business, are there any natural impediments to growing that business? And then what does it do to the returns on that business?

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah. I would just say, first of all, there is obviously – some of those facilities that we own today have good expansion to them. I think one of the things that we're really excited about is getting to the market-based rates on our Washington storage facility, that 64 Bcf that sits right alongside the same Gulf Coast assets on Transco. And obviously, that's not reflected yet, but that's a big opportunity for us in the future as we're able to move that to market-based pricing. But I would also say that the expansions in and around facilities like Clay Basin, we're paying close attention to what those expansions cost – generally those expansion costs are much lower than what greenfield storage would cost. And right now, pricing is at a healthy level, but below new build cost and arguably kind of right at the brownfield cost right now. And so we're well positioned if the pricing moves on beyond that to expand those for better pricing. But I would say, right now, the market's going to be, I think a little bit – as long as the pricing kind of stays where it is, it's kind of Goldilocks' temp from my perspective. It's not so high that you're encouraging a lot of new build that might

overbuild the capacity and it allows us to have some pretty comfortable pricing margin there where we are today.

Tristan Richardson

Scotiabank

Hey. Good morning. Tristan Richardson with Scotiabank. Just a quick question on CapEx. If you think about Regional Energy Access, LEG and Southeast Supply, that seems to be the core of the story for CapEx in 2023, 2024 and 2025. And then when you think about your eight projects on the board and the \$8.5 billion of project opportunities that Micheal talked about, should we think that that sort of \$1.6 billion to \$1.9 billion could represent the range of growth CapEx in the portfolio if we're lucky enough to see a lot of these projects transact?

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah, I think that's not a bad number. But I would – couple of variables to that and I'll let Micheal jump in here as well. But the couple of variables. One, we're just coming off of something like the Whale project, big Deepwater build, and we've got a lot of incremental growth coming that'll show up in late 2025 and into 2026, off the backs of a lot of that Deepwater. Some of that doesn't even require much capital. So that's a pretty positive read into 2025 and 2026 for us. So that's one variable that's probably not going to stay consistent. It's nice to be able to get that kind of growth without capital but it doesn't come along that often.

But secondly, I would say that the run rate and the returns on our projects – the returns on our transmission projects have just continued to go up. And so I think it's hard to correlate growth to capital because we're seeing such nice movement in the returns available on our transmission projects right now. So I think those two things make it kind of hard to use capital growth as an estimation for future earnings growth right now. And Micheal?

Micheal Dunn

Chief Operating Officer & Executive Vice President, The Williams Cos., Inc.

No, I think that's exactly right. The build multiples in the past we said on our transmission projects were 6x or a little better and we're well south of that now. And I don't see that changing for the foreseeable future with where the demand is on the transmission assets.

Theresa Chen

Barclays Capital

Theresa Chen from Barclays. Thank you for taking my questions. So I wanted to follow up on Jeremy's question related to AFFO on a per share basis specifically. Even adjusting for the ramp in cash taxes, taking out that \$300 million in 2025, based on the EBITDA ramp, it would seem that you would end up with more AFFO on an absolute and per share basis versus 2023. So are there other drivers that would explain that flattish AFFO per share number? How should we think about that?

John Porter

Chief Financial Officer & Senior Vice President, The Williams Cos., Inc.

Yeah. I think the other major one that I would point to is just the fact that the Hartree acquisition was debt financed with balance sheet capacity, right? So that was almost \$2 billion of essentially incremental debt. So it's really interest expense on that component of the growth as well. We talked about some of the headwinds we've got in 2024. Obviously, we had the acquisitions coming in and providing a tailwind, but not getting the full effect of those tailwinds in 2024 due to some of the things that are going the other way versus 2023. But then you have the incremental interest expense associated with the financing of the acquisition and you have the cash taxes. So, for AFFO per share, those would be the two things that I would point to. For EPS, obviously taxes are not really a comp there. It's really more of the DD&A and the interest expense on that.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah, and Theresa, I think one thing that while we're on this topic – and I know your question wasn't around EBITDA relationship to AFFO per share growth – but another thing to keep in mind there is that we've enjoyed two really nice years on Sequent, and I would say the environment hasn't actually gotten worse. It's probably improved right now with the contango that we've got in the forward gas market which makes the storage the business that much more valuable. But we don't have that upside that we've enjoyed. We don't have that built into our forecast and our guidance. And therefore – and that's a very economically efficient growth in earnings. So I know your question is EBITDA to AFFO per share, but that business doesn't require very much capital at all. And therefore, you see that reflection when you pull that kind of earnings out that's very low capital-intensive earnings that you see that impact on the per share basis on.

Gabriel Moreen

Mizuho Securities

Gabe Moreen, Mizuho. A couple of quick questions. I just wanted to maybe ask two things on the guidance. To what extent is there anything for the Transco rate case without jumping the gun on the process here? And then also, as far as the cadence about gathering volumes in some of your basins, maybe you can help us walk through kind of exit rate to exit rate what you're assuming around some of these basins, do some of these basins decline, given gas prices going into 2024 and then recover in 2025? I'm just curious.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah, Gabe, great question. I'll ask Micheal to kind of go through that detail. But, in general, we have a pretty conservative forecast in there and I think that's appropriate in terms of volume declines in a lot of the basins. I think that's appropriate given where gas prices are right now. We've had the benefit of going out with guidance after seeing a gas price collapse here.

And I think that expecting producers to drill in to this – a lot of people will say well they can hedge into it for 2025 and that's certainly true, but there may be even a financing issue when their cash flows are so constrained here in 2024 to continue to do any growth in drilling that would build into that contango that we've got in the market. I would just say that we're being appropriately conservative in the basins that we've got out there. Micheal, you might add some color.

Micheal Dunn

Chief Operating Officer & Executive Vice President, The Williams Cos., Inc.

No, I think that's exactly right. We still have the diversity for the rich basins that are fairly supportive for the NGL pricing that they're seeing there in the condensate play and Utica as well. So it's a mixed bag in regard to dry gas for us. We've been in maintenance mode in Northeast PA for a while now, and I think the producers will stay in maintenance mode in Northeast PA. In the Haynesville, you can drop rigs very quickly and have an immediate effect in the short-term on production. Right now, we've embedded the rig counts that we see now – and with pricing – that's embedded in our guidance. So we did, as Alan said, we had the luxury of establishing guidance here at a point where we saw where pricing was headed. So we feel pretty good about what's in our volume forecast right now.

On to the rate case question, we have embedded some increase in expectations there, but we're conservative in that regard because it could be a fully litigated rate case and may take years to determine what those rates actually will be. So we definitely aren't going to get ahead of ourselves there in predicting what that will be. But we will be filing for a rate increase, and we do expect to get higher rates at the end of the day on the rate case on Transco.

Gabriel Moreen

Mizuho Securities

Thanks. And if I could maybe ask one follow-up and I think it may be for Chad, just on where the integrated LNG strategy stands right now. I don't think it was really discussed here during the Analyst Day in terms of the capacity at some of the export facilities. And I'm also curious whether the delay in the LEG project impacts that at all in terms of the strategy there?

Chad Zamarin

Corporate Strategic Development Executive Vice President, The Williams Cos., Inc.

Yeah. Thanks for the question. It doesn't really impact the strategy. If we were to participate further down the value chain from an LNG perspective, it would be a little bit further out in the decade from a startup perspective. But, as everyone I think is aware, we announced an HOA. It's been a little over a year now that we've been evaluating whether to convert that into a firm commitment with Sempra Infrastructure. And when we announced that, we actually created quite a bit of, I think, activity and attention on the potential to work with Williams on a wellhead to water strategy. And so we've been taking our time to evaluate what we would want to see as the very best opportunity to connect our Haynesville, in particular, but really our entire footprint with infrastructure and gas supply solutions that are

tied to the LNG markets. I would say, in general, again, this is why I think our capital allocation strategy is important. We're going to make sure that we're continually tuning our investments and our opportunities against the opportunities that we have.

And you've heard a lot of talk today and recently about the market fundamentals that we're seeing come to fruition. We're seeing more demand on our transmission system across the gas storage footprint than we've seen in a long time. And we don't see that as a kind of flash in the pan. We think that there's a lot more to come. So we are being thoughtful about making sure we have the capacity to really focus on the most valuable fundamentals that are out there. So the LNG strategy, the team is continuing to work it, but we're going to make sure that it fits ideally within that opportunity set that we have going forward. So, we're in no rush. Don't feel like we have to do anything. We're talking about activities that would come online in the later part of the decade. And frankly, those will continue to have to compete with the other opportunities that we're talking about today.

Praneeth Satish

Wells Fargo Securities

Hi. Praneeth, Wells Fargo. There's been a lot of focus on data centers here and the incremental load on power demand. I guess I just want to see how that plays out. Most of the build out is happening in Virginia near Transco and I know the utilities understand that they need to tap multiple fuel sources. But I guess how receptive are some of these larger tech companies to seeing their data centers powered by natural gas? Do they want it to be powered by 100% renewables? Are they receptive to that? Just curious for your thoughts.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah, well, you're certainly not going to hear the people that are – the only people you're hearing announcing how they're going to power it are people announcing that they're going to power it with renewables. All the other data centers are not – and interestingly enough, it's kind of – I heard a CEO for a big brewing company the other day, global brewing company, say that they were powering their brewery in China on 100% renewables – on 100% solar. And this wasn't a lack of integrity on his part. It was a lack of knowledge on how they're connected to the grid and where their power was really coming from. And you hear that a lot. You hear a lot of people say, well, we've got 100-megawatt load and we're putting 100 megawatts of solar in, and therefore, we're 100%.

So, the fact stands that regardless of if somebody is putting renewables in or not, they're going to have to have backup. They're going to have to be connected to the grid and the market's going to have to stand up for the power generation. Right now when we talk to our big utility customers, particularly in the mid-Atlantic and the south, that are saying that the datacenters are starting to just come directly to put in big cogen units and buy gas directly to power rather than going to the utility company for that. And so you may see some of that, but I don't think anybody's planning on running part time datacenters at this point. And so I think we're going to see that capacity load coming to us on that.

Yves Siegel

Siegel Asset Management

Thanks. Can you discuss the dynamics of how much pushback or how much opportunity there is on Transco as you raise rates? And when you think about the cost of getting gas down to the Gulf Coast, it would seem that most of that gas is going to be dropped off. So maybe if you could just discuss the dynamics of rates and ultimately, is that gas going to be able to find its way down to the Gulf Coast?

Micheal Dunn

Chief Operating Officer & Executive Vice President, The Williams Cos., Inc.

Yeah. I would say I think when we see capacity become available on Transco, it gets snapped up. And typically, anybody that wants to acquire that released capacity, they have to bid out a term. And we see decades of commitment that those people are making to get their hands on that capacity. It's incredibly valuable capacity, especially when it goes all the way from the Gulf Coast to the Northeast and they can segment that capacity. And so by segmentation, they can basically divide up tranches of that capacity. There are so many supply and delivery points embedded on Transco between the north and the south end, they can sell that capacity and utilize it many times over in regard to the paths as long as those paths don't cross. And so that's what most shippers are doing today on Transco, especially the marketers. But even the utilities are doing the same thing that hold capacity. And the AMAs that people like Sequent hold, they're doing the same thing. They're optimizing their capacity, getting a lot more value than just a single path on it and really paying for itself many times over. And so I don't think any of our customers would deny that there's value there.

And the fact that they know that the rates are going up, we had a pretty significant rate case increase last time. They know how much capital we're deploying. We've been very clear about the emissions reduction program and the impacts that that will have on rates. But it's the right thing to do because it also helps them in many of the jurisdictions that they are in because they're growing, their utility business is growing, their customer base is growing, and we take emissions out. That helps growth in their areas as well. So, they'll push back, obviously. I don't expect it just be an easy street to get a rate increase ultimately implemented, but we've been signaling this for years and it shouldn't be any surprise.

Yves Siegel

Siegel Asset Management

Does that deter producers from taking capacity? Is it too expensive?

Micheal Dunn

Chief Operating Officer & Executive Vice President, The Williams Cos., Inc.

No, no. I mean, we have some producers that are capacity holders on Transco today, but a lot of the producers are seeing now they don't need to take out the capacity because the market's doing it. Market pull is really in high demand on the Transco assets, and most of our shippers are market pull shippers. And for the most part, we're not seeing producers having to take out a lot of capacity.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

And I think just to add to that, if you look at new capacity, if you look at the way we're pricing new capacity on those tranches, those prices are 60% to 70% higher than the base rate that gets – as Micheal describes, gets you the entire service of the pipeline as opposed to a much smaller segment. So the pricing is 60% to 70% higher for much more direct paths without the full – and so I think that kind of tells us where the market is right now and the bad news is that we don't have a way to reprice to the full value on the original base transportation because it's protected by regulators.

Chad Zamarin

Corporate Strategic Development Executive Vice President, The Williams Cos., Inc.

And from a market fundamental perspective, Yves, to your question about supply and demand and how gas will move, Transco is unique. It's obviously the biggest, most flexible system, but it also hugs the Gulf Coast and the Eastern Seaboard through the power markets. And so you're seeing a competition for gas supply and gas infrastructure capacity between power demand and LNG demand that's coming online.

If you think about a supply and demand balance for the United States, even in the relative near-term, if you see the Marcellus get a bit unlocked but for the most part be constrained. You saw that tremendous growth we're hoping and planning for from the Haynesville as a country, we're certainly keeping a close eye on that. The Permian will continue to grow based on oil economics. We actually see an incredible call on capacity and supply across our footprint. And even further, there will likely need to be gaps that will have to be filled by secondary basins outside of just the Permian, the Haynesville and the Northeast. When we saw an undersupplied market a couple of years ago, the Arkoma and the Mid-Continent were the fastest-growing from a rig activity perspective basin. So, we're setting up our footprint to make sure that we can move gas in a way that's going to meet those dynamics going forward and it might be that the utilities are going to grab as much of that Northeast capacity as they can. The Haynesville will have to carry a large load for LNG, but then we'll need to be filled by other basins that can move gas in and supply that demand.

Robert Catellier

CIBC Capital Markets

Rob Catellier, CIBC. Appreciate your comments on risk management in the transmission business, where it appears like others in the industry are trying to risk share some of that development expense with the shipping community. I wondered if you could talk about any risk management initiatives in that gathering or processing business. I'm thinking a little bit less on the capital side there, more on the fee side as you try to manage through what's a low-price environment. Are you finding ways to share risk with the producing community through fee floors or any other means? Or conversely, are you trying to actually support the producing community by maybe doing blend and extend or other creative fee structures that maybe make it easier for them to keep their production going?

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah, well, I would first of all say there's a wide variety of basin economics that are out there and there's a wide variety of hedge positions that our producing customers have out there. So I would say we work really well with our big high trust customers in understanding what their needs are, planning well in advance. This isn't like the gathering business that I started in where you're building, 4- and 6-inch flow lines. We're building 24-inch flow lines today because these pads are so enormous. So it takes a lot of time and planning to build out and to stay up with our customers on that front. And we are very careful about not getting our capital exposed. So I would say one of our primary negotiating tools is us not getting our gathering capital out in front of a drilling program that there's not assurance behind and plenty of credit standing behind that. And so that's probably one of the primary ways that that we work with our customers on that front.

But, at the end of the day, we do have some contracts that have upside in them for higher prices, but with floors in them but I would say we're not willing to extend out a lot of risk and get a lot of exposure to the downside on the gathering business. It's a capital-intensive business if you're not careful, and we work really hard to not get our capital exposed without some kind of assurance. So we have cost of service agreements, we have minimum volume commitment agreements that every time we add capacity for somebody, their minimum volume commitment across the whole system steps up. So we have a number of different structures and contracts – very dependent on what our customers' needs are and our need to protect capital that we extend out there.

John Mackay

Goldman Sachs & Co

John Mackay, Goldman Sachs. Thank you for the time today and yesterday. I wanted to go back to the gas macro. Really wanted to drill down a little bit I think into what you answered Gabe's question with, but are you guys seeing any shut ins right now from producers given we're at \$1.65, \$1.70 gas and maybe just looking through the balance of the year and maybe speaking more broadly versus Williams' customers, where would you expect to see shut-ins or kind of faster declines in activity? Is it the Northeast or is it the Haynesville? And maybe just as part of that, you could frame up generally your sensitivity to a \$0.50 change in gas or \$1 change in gas for overall corporate EBITDA? Thank you.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah. Well, I don't know that we've got that sensitivity laid out there on that. I can tell you that we're not expecting any significant periods of shut-in because that doesn't take very long – given the volumes that we gather – doesn't take very long for the market to right itself. So we're not expecting any major periods of shut-in in our forecast. But I would say in terms of – and no, we are not seeing any shut-ins as we sit here today. One thing that that investors should always realize about this is you see the spot prices that – when you think about a producer getting paid that, but very often they've got a gas purchase contract, it's at a basket or they own their own transport into a market, and they have their own obligations, or they have their own sales obligations to the market. So the amount of gas that actually moves against that spot price in most of our basins is pretty small relative to the overall

portfolio. And so there's not a tremendous amount of gas that just moves on spots. Said another way there's an obligation to produce on some of that. And they don't have the luxury of shutting that in necessarily but except on the margin. And so when you've got expected low growth in a basin, there's less and less of that gas that's on the margin, said another way, if you're in a high growth period and they sold their base production, the more growth there is – the more there is that's actually trading on that spot and on that increment and it's free to be shut-in. In a low growth environment or a declining environment like we've got posted in some of our forecasts right now. That's less likely to happen to slip down below a declining number.

So – but to answer your question, clearly we do not have major shut-ins. We're not seeing major shut-ins right now. Clearly, the market's oversupplied right now. But I think it doesn't take a whole lot to see this market correct. And I do think that if we have another record year of power gen growth, we'll see the market stabilize a bit. So – because we certainly are seeing and expecting a reduction in rigs and much slower growth in the basins. And I think that that will tend to correct itself.

Keith Stanley

Wolfe Research

Hi. Keith Stanley with Wolfe Research. Question on Southeast Supply Enhancement you compared the pipeline miles and compression to REA. It's pretty similar or maybe a little bigger I'm thinking the capital cost for REA was \$900 million or so. Can we extrapolate that and think of Southeast Supply Enhancement as a little over \$1 billion project? And then second question on it, you referenced new discussions with customers and the potential to upsize the project. How material could you – how materially could you increase the size or capital of the project? Thanks.

Micheal Dunn

Chief Operating Officer & Executive Vice President, The Williams Cos., Inc.

Yeah, thank you for the question. You know, we're not predicting yet or determining what the capital cost is. We have a pretty good idea of where it will be. At the end of the day, it will be higher than REA, and that's really what I was trying to alert you to regarding the scope so you can extrapolate probably fairly safely as to what the two costs are between the – to the assets. But for us, as far as how big it can be, we think economically and efficiently we could probably get the project up to about 1.9 Bcf a day with how we've modeled it. And so I think that's the upper end right now with where we think the project could go. And us being able to make a filing later this year. We do have to cut it off eventually, make a decision at some point, but we think we could easily go to 1.9 Bcf and really stay within the capital that we're envisioning for the project today with some increased compression and just some small looping. But it's a – as I said earlier, a very efficient capital project. And we'll be able to alert everyone what the capital cost will be when we make that ultimate filing later this year, likely in October.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

I do think that that'll be early relative to this ah-ha that's going on within the Mid-Atlantic and the southeast markets that we referenced with both Duke and Southern and Dominion to a certain degree. And so I think it's going to be a little early for them to be in a position to make those kind of long-term commitments to make it into this expansion project. So there's – they had quite a bit of growth they already knew about. And I think that's reflected in their current request. But this latest wave, I think is kind of beyond their expectations.

Jean Ann Salisbury

Sanford C. Bernstein & Co

Hi, Jean Ann Salisbury from Bernstein. Can you talk about the factors that would cause LEG to be like mid-2025 versus like end of 2025? And is the permit that you referenced kind of the main outstanding uncertainty there?

Micheal Dunn

Chief Operating Officer & Executive Vice President, The Williams Cos., Inc.

Yeah, Jean Ann, right now it would be a permitting issue on the reroutes, I mean that's really the critical path. Assuming we get some success in the legal avenues, that could accelerate things as well. But right now we're counting on having to reroute, so we'll be going back to the Corps of Engineers and asking for approval on the reroute. And that's really what we think is putting the project into the summer of 2025. I think there's a real chance to accelerate that if the Corps looks at the reroute and all the studies we've done on that and says, yeah, we can do that fairly quickly and turn that around and we'll be able to accelerate the project. The contractors are ready to go. All the pipe is stacked in the yards and ready to go and the compressor has been purchased and sitting and waiting to be shipped. So, we could start within a few weeks, basically, if we had everything ironed out.

Craig Shere

Tuohy Brothers

Thanks for taking the question. So I understand that cash taxes are a bit of a wild card, but you obviously maintain strong free cash flow, very high dividend coverage and CapEx and M&A don't help much in stemming leverage ratio decline to the degree that over time, we're averaging kind of mid-single digits investment to EBITDA ratios. So the degree that you have falling leverage metrics, I've got a couple of questions around that. First is could we see share buybacks start to be more programmatic rather than opportunistic? Second, against this backdrop that I just discussed, how do you think about allocating a larger single cash slug potentially from monetizing your upstream?

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Yeah. I'll take a stab at the last part of that. You know, first of all, the two E&P positions that we have, we have the properties that we took from Chesapeake in that bankruptcy process and the negotiation on their Springridge acreage and that acreage is diluting off because GeoSouthern, the operator there, has continued to drill at a pace that that we agreed if they drilled at that pace we would hand over the undeveloped acreage at an increasing rate. And

so that's occurring and therefore our interest is declining as their volumes grow. That's a great thing for us because it effectively is converting – just as we had modeled actually – is converting what would be E&P cash flows into longer term durable midstream cash flows. And so that's working out extremely well for us and we're diluting out of that kind of naturally. And I would say, our – while we've been very clear, if somebody wants to come along and pay us out, a family fund or something like that that's interested in buying some very low risk exposure to gas, we certainly would be open to that. But there may be better value in us in tagging along with GeoSouthern on that and to degree they would like to sell. That's typically been their MO. So, I would just say we're not in any hurry on that, because it's kind of naturally declining and our capital load on that is extremely low. So that's the Haynesville.

The Wamsutter basin is a much interesting opportunity for us. One, because it's very large and it has a tremendous amount of undeveloped acreage. There's 1.1 million net acres there and we have had some very attractive finds there, the operator Crowheart has. And – but frankly, it hasn't grown in volume the way we think really unlocks the value for us because we've been very focused on seeing the volume grow. We've got an operator that's very focused on drilling at a pretty limited pace for the very high return opportunities there. And so we think that's an area that we have on our list of things to do as a team in 2024 is to come up with a better mousetrap for how we really unlock the value associated with the volumes associated with that play. So, I would say that's probably not going to see a big cash infusion from either one of those plays in 2024. Maybe 2025 on Wamsutter depending on the path we take on that but wouldn't expect that.

The question of what are you going to do because your credit metrics are obviously going to continue to come down with this kind of cash flow at this capital rate. And I would just say, as always, we're going to stay focused on shareholder value. I like the fact that we've been opportunistic on our share buybacks, and I think that's been a very positive thing for our shareholders to be buying that at the bottom. And if we see the market not appreciate the growth and the yield that we have, we'll be right back in there and buying it – if it's not buying that. But I like where we're positioned on that and I don't really see any reason to change our capital allocation strategy – until we get to that point, Craig, I don't disagree that our forecast, a model would show we get there. But I would just say, until we get there, we don't really have to decide what the very best use of that excess capital is.

Brian Reynolds

UBS Securities

Hey. Good morning, everyone. Brian Reynolds from UBS. Maybe just talk on nat gas storage, we've seen kind of supply and demand really outpace just the absolute additions for nat gas storage. So, Williams has added a lot organically, but a lot inorganically. So, looking forward to opportunities for LNG supply and renewable intermittency, a lot of it seems to be dependent on that storage. So how much more storage do you need to really execute that growth or are you guys fine with where your absolute storage number is? Or do we need to see that grow organically and inorganically still?

Chad Zamarin

Corporate Strategic Development Executive Vice President, The Williams Cos., Inc.

Yeah. Look, I think we will continue to keep an eye on, as you've seen, the storage opportunities. I mean you heard both Micheal and Alan speak to this. I mean, one of the things that's unique about the storage story over the last 15 years has been contracts have moved to shorter term. The counterparties that are taking storage typically there's been a lot of marketers in the storage contracting and so the ability – there's a reason why storage hasn't been built along the pace of demand and even now, knowing that we're going to need a different type and more storage moving forward, you don't have long-term contracts and the market has not really been primed for storage keeping up pace with capacity. Storage has priced in general kind of across the whole footprint over the last 15 years, down to \$0.10 to \$0.15 per dekatherm per month. Greenfield storage where we see it – and you've got to get it properly located, build all the pipeline interconnectivity – prices over \$0.30 per dekatherm per month to build greenfield. In many cases, it's much more expensive than that.

So, we see a tremendous amount of headroom in the existing storage for a while because the contracting strategy isn't even right for someone to go and build infrastructure, you need long-term commitments to build significant infrastructure. That's the beauty of what we have in our pipeline business. We've got companies willing to put big balance sheets against long-term contracts that support infrastructure development. It's one of the reasons why we like the storage backdrop. So, for now, we'll continue to look at can we get ahead of the realization of the value that we see clearly coming. We're already kind of seeing that in the assets that we've added and the work we're doing on Washington storage. But it will be a while before Greenfield competes with the existing – so there's quite a bit of runway with the existing storage. There're limited opportunities to grow that footprint for anyone. I mean, as you see, we haven't been creating new inventory of storage. So, I think we like the position we've got. If all we're going to do is focus on generating value from that great footprint that we've just built over the last 24 months, I think we've got a lot of inventory and opportunity to spend time on, but we'll continue to keep an eye out for where we might also pick up additional opportunities.

Brian Reynolds

UBS Securities

Great. Thanks. And as a follow-up, just litigation on LEG. There's a lot of different parties out there with different processes in different litigation. I think that's kind of the key parameter for the timeline for a lot of these projects. So maybe just talk specifically about the litigation process on LEG. What's your view and what's the timelines here that we should be looking for? Thanks.

Lane Wilson

Senior Vice President & General Council, The Williams Cos., Inc.

So, I wouldn't focus on the timeline on litigation. As Micheal's told you, we've kind of laid out a plan for getting LEG done, irrespective of the litigation. There's only upside there. If we get done more quickly, we'll get LEG built more quickly. I view the litigation more as an effort on our part and the other parties down there to defend the industry really against anti-competitive conduct and improper use of interstate pipelines. So, I wouldn't get too hung up on paying a lot of attention to the litigation if it moves more quickly, we've got upside, if it

doesn't, we've got reroutes and we'll get that pipeline built as Micheal's laid out.

Jeremy Tonet

J.P. Morgan Securities

Thanks for squeezing me back in. Debbie, question for you here. I'm curious, if I take a step back and I think about kind of the national media and thoughts about natural gas, natural gas is painted in a certain light. And I think the expo is helpful in kind of bringing a fuller conversation for natural gas's role in decarbonization here. But I'm curious where you sit and how you go about it when you're promoting the midstream career to young talent. How do you go about doing that and leading them to believe it's a good career and attracting the right talent?

Debbie Pickle

Senior Vice President & Chief Human Resources Officer, The Williams Cos., Inc.

I appreciate that question, Jeremy. That is certainly something that's been top of mind for us for the past several years now, given that narrative. And so, we've put a lot of resources and a lot of focus on that. So that starts when we go to college campuses, and we've had to go out to college campuses a lot to get our message out and talk about the importance of natural gas. But then also a key thing that we've done is from recruiting, whether that would be on our recruiting platforms that we have, social media, any time we get a chance to tell our story, we're doing that. And then another success story that we have is we really lean into what we call campus champions. So, these are employees of Williams who go with us to college campuses to tell our story. They're also involved in the recruiting process, interview panels. And so, if you look at the stage here, many of us have not been a college student for many years. So, that's a good thing to have other people, ambassadors in the company who help support our message and they hear it directly from them.

But I will say we don't stop there, so once they become an intern or an early career rotational employee with us, this team that you see on the stage invests time in them. So, we have an intern institute where we spend a couple of days with them, and they get time with us, so we continue to spearhead that message, but also do more than that and talk about Williams' culture and our values and why that's important. And so with that, we really feel like that investment has paid off because not only do most of our interns apply for full time positions and accept those positions when we offer them to them, but also, if you look at our metrics over a three-year period, our number of college applicants has actually increased year-over-year. And so that's not without effort, though. We knew these headwinds were coming, and so we really tried to be proactive to address that. And so, we've seen some good stats there. So, we feel like the talent pipeline is critical for Williams' success and so we've really invested a lot of resources and time.

Alan Armstrong

President, Chief Executive Officer & Inside Director, The Williams Cos., Inc.

Okay. Great. Well, thanks, everybody, for joining us here in DC. Hopefully, you all got some exposure to our efforts here in DC and the message that we're trying to bring of being very solution oriented and helping to solve some of the world's biggest problems. Also, I hope

you got exposed a little bit to our effort with natural allies. We're very proud of that effort and our ability to start trying to really bend the communication around natural gas and the huge opportunity that it has. And so that's why we had it here in DC and I appreciate you all making the effort – all those in New York, the effort that you all made to be here – and from other places, it's much appreciated.

Williams is the most natural gas centric player period in the space and as a result of that, we're also the most exposed to this power gen story and most exposed to what is going on the AI front, which I think we are at the early innings of that process and I think – so if you think about – and we didn't talk about what we're doing directly with AI, but I would tell you if you want to be in the business and selling picks and shovels to minors in the AI business, this is a very good story to get exposed to because the power demand is going to sneak up on people in terms of where that's coming from and we're going to be a big beneficiary of helping serve that load. But it doesn't end there. We've got the LNG growth that is very identifiable. You don't have to speculate on the next doubling of the LNG growth. Coal replacement remains and continues to be an opportunity and it's a steady opportunity for our transmission business. And then of course, the industrial business that is coming back to the U.S. as a result of us having low priced gas here in the U.S.

So, all of those things I think are great tailwinds for the long-term investor in our business. So, in the near term, we are ramping up for growth. We've got a very nice growth trajectory that you saw today, but that's even without the upside that we've been enjoying from Sequent and the upside that we've seen from our E&P business that is not embedded into the forecast that you have there. So that's a nice growth trajectory, but I would tell you, if we see the same kind of environment we've seen in the last couple of years in the trading, then there's more upside to that than what's embedded in that guidance out there today. And we certainly have fairly low commodity prices embedded in this guidance because we did have the benefit of kind of seeing how the natural gas market has responded here over the last month. Finally, this is a very big political year, and I think we're all kind of fascinated with the kind of changes that might come out of that.

But at the end of the day, this is a pretty darn safe spot to be because the energy thirst is not going to change regardless of the administration changes. Our ability to help solve some of the biggest problems is not going to change and we certainly have that steady growth that you see in our base business, but we have a lot of upside beyond that as we get beyond this guidance period. So, we're very thankful for our long-term investors and for you all continuing to stay engaged with the company. And we're excited as a management team to be able to continue to deliver tremendous shareholder value to you both in the present and in the future. So, thank you all again for joining us and safe trips home, everybody. Thank you.