

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 27, 2002

The Williams Companies, Inc.

(Exact name of registrant as specified in its charter)

Delaware ----- (State or other jurisdiction of incorporation)	1-4174 ----- (Commission File Number)	73-0569878 ----- (I.R.S. Employer Identification No.)
---	--	--

One Williams Center, Tulsa, Oklahoma ----- (Address of principal executive offices)	74172 ----- (Zip Code)
---	------------------------------

Registrant's telephone number, including area code: 918/573-2000

Not Applicable

(Former name or former address, if changed since last report)

Item 5. Other Events.

On March 27, 2002, The Williams Companies, Inc. (NYSE:WMB) announced it has completed the sale of its Kern River interstate natural gas pipeline business to MidAmerican Energy Holdings Company for \$450 million in cash and assumption of \$510 million in debt. The sale also eliminates the need for Williams to fund Kern River's capital expenditure requirements of approximately \$1.26 billion over the next one-and-a-half years.

Item 7. Financial Statements and Exhibits.

Williams files the following exhibit as part of this report:

Exhibit 99.1 Copy of Williams' press release dated March 27, 2002, publicly announcing the matters reported herein.

Pursuant to the requirements of the Securities Exchange Act of 1934, Williams has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE WILLIAMS COMPANIES, INC.

Date: March 28, 2002

/s/ Suzanne H. Costin

Name: Suzanne H. Costin
Title: Corporate Secretary

INDEX TO EXHIBITS

EXHIBIT NUMBER -----	DESCRIPTION -----
99.1	Copy of Williams' press release dated March 27, 2002, publicly announcing the matters reported herein.

[WILLIAMS LOGO]

NEWS RELEASE

NYSE: WMB

DATE: March 27, 2002

CONTACT:	Pat Wente	Richard George
	Williams (media relations)	Williams (investor relations)
	(713) 215-4156	(918) 573-3679
	Patricia.a.wente@williams.com	Richard.george@williams.com

WILLIAMS CLOSES SALE OF KERN RIVER TO MIDAMERICAN ENERGY HOLDINGS COMPANY

TULSA, Okla. - Williams (NYSE:WMB) has completed the sale of its Kern River interstate natural gas pipeline business to MidAmerican Energy Holdings Company for \$450 million in cash and assumption of \$510 million in debt. The sale also eliminates the need for Williams to fund Kern River's capital expenditure requirements of approximately \$1.26 billion over the next one-and-a-half years.

"The sale of the Kern River system is one of several steps Williams is taking to ensure its investment-grade credit rating as well as achieve the financial flexibility needed to provide capital to other important projects. Williams' gas pipeline group has several expansion projects slated for completion in 2002 and 2003 that will increase the productive capacity of existing assets," said Doug Whisenant, president and CEO of Williams Gas Pipeline.

MidAmerican, a member of the Berkshire Hathaway Inc. family of companies, will continue the planned expansion of the Kern River system. Operating as a subsidiary of MidAmerican, the pipeline company will retain approximately 140 former Williams employees including much of Kern River's existing management team.

KERN RIVER SYSTEM

Williams' Kern River pipeline is an important route for the transmission of natural gas from the vast reserves in the Rocky Mountain states to the rapidly growing markets in Utah, Nevada and California. Constructed in 1992, Kern River extends 926 miles from Opal, Wyo., to the San Joaquin Valley near Bakersfield, Calif. Kern River has a design capacity of 835 million cubic feet per day.

ABOUT WILLIAMS

Williams, through its subsidiaries, connects businesses to energy, delivering innovative, reliable products and services. Williams information is available at www.williams.com.

###

Portions of this document may constitute "forward-looking statements" as defined by federal law. Although the company believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. Any such statements are made in reliance on the "safe harbor" protections provided under the Private Securities Reform Act of 1995. Additional information about issues that could lead to material changes in performance is contained in the company's annual reports filed with the Securities and Exchange Commission.