



DATE: February 2, 2016
TO: All Energy Transfer Partnership Employees
FROM: Kelcy Warren, ETE Chairman
SUBJECT: **Integration Update- WPZ President and Chief Executive Officer**

In November of last year, I issued a communication regarding the commencement of the integration planning process and the creation of an Integration Steering Committee (“ISC”) to prepare for the merger of Energy Transfer Equity, L.P. (“ETE”) and The Williams Companies, Inc. (“Williams”). Since that time, both organizations, under the leadership of the ISC, have been actively working toward achieving all of the principal integration objectives, including development of an executive leadership team for Williams Partners, L.P. (“WPZ”) after completion of the merger. The professionalism and collaboration exhibited by the members of the ISC as well as the members of the Integration Management Office (IMO) and the other key Workstream Integration Teams has been outstanding and a true credit to the dedicated and talented individuals working on behalf of ETE and Williams.

I also stated in my initial communication that we would keep everyone apprised of the progress of the merger, the integration planning and other matters as information became available and was able to be shared. Today, I want to share a significant and key decision that has been made. I have asked Don Chappel, WMB’s current Senior Vice President and Chief Financial Officer and a member of the ISC, to accept the position of President and Chief Executive Officer of the general partner of WPZ to be effective upon closing of the merger transaction.

Don brings over three decades of outstanding financial experience and executive leadership from his time at Williams, Waste Management, Inc., Beatrice Companies, Inc., Esmark, Inc. and Arthur Andersen & Company. I could not be more pleased that Don has agreed to accept the position of President and Chief Executive Officer of WPZ, effective upon closing, and I am very excited about the prospects of having Don lead such a critical new part of the Energy Transfer family of partnerships.

In his new role, Don will report to Mackie McCrea, ETE’s Group Chief Operating Officer and Chief Commercial Officer. As we continue the integration planning process, Don will take on an expanded role in the integration efforts, including the organizational design of WPZ.

Please remember that while this announcement is significant as it relates to the post-closing WPZ organization, both ETE and Williams remain independent entities and will continue to be so until closing. Closing of the merger transaction remains subject to securing Williams’ stockholder approval and all required regulatory clearance, including anti-trust approval of the Federal Trade Commission.

As stated above, please know that we will continue to provide updates as information becomes available and is appropriate to share. Please watch for emails from IntegrationPlanning@EnergyTransfer.com and watch for updates on EnergyTransfer@Work.

NO OFFER OR SOLICITATION

This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

The proposed transaction involving Energy Transfer Equity, L.P. and The Williams Companies, Inc. will be submitted to Williams' stockholders for their consideration. In connection with the proposed transaction, Energy Transfer Corp LP ("ETC") has filed with the Securities and Exchange Commission ("SEC") a registration statement on Form S-4 (which registration statement has not been declared effective by the SEC) that includes a preliminary proxy statement of Williams and a prospectus of ETC. Williams will mail the definitive proxy statement/prospectus to its stockholders and file other documents regarding the proposed transaction with the SEC. This document is not intended to be, and is not, a substitute for such filings or for any other document that ETC, Energy Transfer or Williams may file with the SEC in connection with the proposed transaction. SECURITY HOLDERS ARE URGED TO CAREFULLY READ THE PRELIMINARY PROXY STATEMENT/PROSPECTUS INCLUDED IN THE REGISTRATION STATEMENT ON FORM S-4 FILED ON NOVEMBER 24, 2015 AND ANY SUPPLEMENT OR AMENDMENT THERETO THAT MAY BE FILED, AND ALL OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, WHEN THEY BECOME AVAILABLE, BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION. The registration statement, the joint proxy statement/prospectus and other relevant materials (when they become available) and any other documents filed or furnished by ETC, Energy Transfer or Williams with the SEC may be obtained free of charge at the SEC's website at www.sec.gov. In addition, security holders will be able to obtain free copies of the registration statement and the joint proxy statement/prospectus from Energy Transfer by going to its investor relations page on its corporate website at <http://ir.energytransfer.com> and from Williams by going to its investor relations page on its corporate website at <http://co.williams.com/investors>.

PARTICIPANTS IN THE SOLICITATION

Energy Transfer, Williams, their respective directors and certain of their respective executive officers and employees may be deemed to be "participants" (as defined in Schedule 14A under the Exchange Act) in respect of the proposed transaction. Information about Energy Transfer's directors and executive officers is set forth in its annual report on Form 10-K filed with the SEC on March 2, 2015, and information about Williams' directors and executive officers is set forth in its definitive proxy statement filed with the SEC on April 10, 2015. These documents are available free of charge from the sources indicated above, and from Energy Transfer by going to its investor relations page on its corporate website at <http://ir.energytransfer.com> and from Williams by going to its investor relations page on its corporate website at <http://co.williams.com/investors>. Other information regarding the participants in the solicitation and a description of their direct and indirect interests, by security holdings or otherwise, are contained in the preliminary proxy statement/prospectus included in the registration statement on Form S-4 filed on November 24, 2015 and other relevant materials that Energy Transfer and Williams file with the SEC.

FORWARD-LOOKING STATEMENTS

The reports, filings, and other public announcements of 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, and Section 21E of the Securities Exchange Act of 1934, as amended. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. 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:

- The status, expected timing and expected outcome of the proposed merger between Williams and Energy Transfer Corp LP (the “ETC Merger”);
- Statements regarding the proposed ETC Merger;
- Our beliefs relating to value creation as a result of the proposed ETC Merger;
- Benefits and synergies of the proposed ETC Merger;
- Future opportunities for the combined company;
- Other statements regarding Williams’ and Energy Transfer’s future beliefs, expectations, plans, intentions, financial condition or performance;
- Expected levels of cash distributions by Williams Partners L.P. (“WPZ”) with respect to general partner interests, incentive distribution rights and limited partner interests;
- Levels of dividends to Williams stockholders;
- Future credit ratings of Williams and WPZ;
- Amounts and nature of future capital expenditures;
- Expansion and growth of our business and operations;
- Financial condition and liquidity;
- Business strategy;
- Cash flow from operations or results of operations;
- Seasonality of certain business components;
- Natural gas, natural gas liquids, and olefins prices, supply, and demand; and
- Demand for our services.

Forward-looking statements are based on numerous assumptions, uncertainties and risks that could cause future events or results to be materially different from those stated or implied in this document. 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:

- Satisfaction of the conditions to the completion of the proposed ETC Merger, including receipt of the approval of Williams' stockholders;
- The timing and likelihood of completion of the proposed ETC Merger, including the timing, receipt and terms and conditions of any required governmental and regulatory approvals for the proposed merger that could reduce anticipated benefits or cause the parties to abandon the proposed transaction;
- The possibility that the expected synergies and value creation from the proposed ETC Merger will not be realized or will not be realized within the expected time period;
- The risk that the businesses of Williams and Energy Transfer will not be integrated successfully;
- Disruption from the proposed merger between Williams and Energy Transfer making it more difficult to maintain business and operational relationships;
- The risk that unexpected costs will be incurred in connection with the proposed ETC Merger;
- The possibility that the proposed ETC Merger does not close, including due to the failure to satisfy the closing conditions;
- Whether WPZ will produce sufficient cash flows to provide the level of cash distributions we expect;
- Whether Williams is able to pay current and expected levels of dividends;
- Availability of supplies, market demand and volatility of prices;
- Inflation, interest rates, fluctuation in foreign exchange rates and general economic conditions (including future disruptions and volatility in the global credit markets and the impact of these events on customers and suppliers);
- The strength and financial resources of our competitors and the effects of competition;
- Whether we are able to successfully identify, evaluate and execute investment opportunities;
- Our ability to acquire new businesses and assets and successfully integrate those operations and assets into our existing businesses as well as successfully expand our facilities;
- Development of alternative energy sources;
- The impact of operational and developmental hazards and unforeseen interruptions;
- Costs of, changes in, or the results of laws, government regulations (including safety and environmental regulations), environmental liabilities, litigation, and rate proceedings;
- Williams' costs and funding obligations for defined benefit pension plans and other postretirement benefit plans;
- WPZ's allocated costs for defined benefit pension plans and other postretirement benefit plans sponsored by its affiliates;

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- Changes in maintenance and construction costs;
 - Changes in the current geopolitical situation;
 - Our exposure to the credit risk of our customers and counterparties;
 - Risks related to financing, including restrictions stemming from debt agreements, future changes in credit ratings as determined by nationally-recognized credit rating agencies and the availability and cost of capital;
 - The amount of cash distributions from and capital requirements of our investments and joint ventures in which we participate;
 - Risks associated with weather and natural phenomena, including climate conditions;
 - Acts of terrorism, including cybersecurity threats and related disruptions; and
 - Additional risks described in our filings with the 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 may cause our intentions to change from those statements of intention set forth in this document. 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.

Investors are urged to closely consider the disclosures and risk factors in Williams' annual report on Form 10-K filed with the SEC on February 25, 2015, and each of its quarterly reports on Form 10-Q available from its offices or from its website at <http://co.williams.com/investors>, as well as in Energy Transfer's annual report on Form 10-K filed with the SEC on March 2, 2015, and each of its quarterly reports on Form 10-Q available from its offices or from its website at <http://ir.energytransfer.com>.