



Central New Jersey Expansion Project
 Corporate Communications
 Williams
 2800 Post Oak Blvd., Level 16
 Houston, TX 77056

Central New Jersey Expansion Project



Update

August 2004

Information about our natural gas pipeline in your area

FERC application and review process

FERC Pre-Filing: On May 20, Transcontinental Gas Pipe Line Corporation, a wholly owned subsidiary of Williams, requested, and on May 24 the Federal Energy Regulatory Commission (FERC) approved, the initiation of an environmental review of the Central New Jersey Expansion Project prior to Transco's certificate application. This process, known as pre-filing, is

facilitated by the FERC to encourage involvement by citizens, government entities and other interested parties in the very early design stages of a proposed project.

During the pre-filing process, the FERC notifies citizens, government entities and other interested parties of the proposed project and requests comments. As part of the pre-filing process, representatives from the FERC participated in Transco's public open house held on June 2 and Bordentown's Township meeting held on June 21. Additionally, the FERC conducted a walk through of the proposed pipeline route on June 29 and held a scoping meeting later that evening to gather public comments.

The FERC assigned the Central New Jersey Project a Pre-Filing (PF) Docket Number PF04-12. All documents and

correspondence submitted to or issued by the FERC regarding the pre-filing process on the Central New Jersey project can be accessed by referencing the PF Docket Number on the FERC website located at <http://www.ferc.gov>.

FERC Filing: On August 11, Transco filed its application with the FERC, formally seeking a certificate of public convenience and necessity to construct and

Where to find the application

Copies of the application can be found on the Internet at www.ferc.gov and at the following locations:

Bordentown Township
 Township Administrator's Office
 1 Municipal Drive
 Bordentown, New Jersey 08505

Mansfield Township Municipal Complex
 Township Administrator's Office
 24548 East Main Street
 Columbus, New Jersey 08022

operate the Central New Jersey Expansion Project on its natural gas pipeline system. Maps and detailed information presenting a proposed route and alternate routes that had been considered and studied to date are included in the FERC application. The environmental component of the application consists of 12 resource reports.

On August 20, the FERC assigned a Certificate Proceeding (CP) Docket Number to the proceeding, CP04-396. Documents and correspondence submitted to or issued by the FERC regarding the certificate application for the Central New Jersey Expansion Project can be found on http://elibrary.ferc.gov/idmws/docket_search.asp. Use CP04-396 to search for related files.

(continued on page 3)

Central New Jersey Expansion Project Schedule

| | |
|---|--------------------|
| Open season complete | February 2004 |
| Open house to solicit public input | February 2004 |
| Preferred route selected | April 2004 |
| Open house to present preferred route | June 2004 |
| FERC scoping meeting | June 2004 |
| FERC filing | August 2004 |
| Right-of-way acquisitions begin | August 2004 |
| Requested to receive FERC order | January 2005 |
| Construction begins..... | Third Quarter 2005 |
| In-service | November 2005 |

Opportunities to comment

There are two ways to become involved in the Commission's review of this project. First, any person wishing to become a party to the proceedings for this project should file a motion to intervene no later than September 10, 2004. A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties.

However, you do not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, written comments on the project. The Commission will consider these comments when determining what mitigation measures or construction procedures may be needed to eliminate or reduce project impacts.

Also, in the coming months, FERC will issue an Environmental Assessment of the project. Stakeholders will have a 30-day comment period once the EA is issued.

Be sure to reference Docket No. CP04-396 on all correspondence. The Commission strongly encourages electronic filings.

Via the Internet:
<http://www.ferc.gov/docs-g.asp>

Via mail:
 Magalie R. Salas, Secretary
 Federal Energy Regulatory Commission
 888 First St., NE, Room 1A
 Washington, DC 20426

The Commission also offers a free service, called eSubscription, which allows users to keep track of all formal issuances and submittals in specified dockets. Log on to: <http://www.ferc.gov/docs-filing/esubscription.asp>

Q&A

Q. How will the value of the easement be determined?

A. Easement values are determined in much the same way that all property values are determined. An assessment of the easement area's fair market value will be determined, generally by an independent appraiser, considering such factors as length, width, existing use and comparable land sales in the area. Impact to the remaining property may also be considered. This information will be shared with the landowner and fair compensation will be offered based on the above criteria. We encourage the landowner to provide any other relevant information that may be considered in establishing a fair market value.

In addition to the value of the easement, landowners will be compensated for damages caused to their property during construction. Such damages may include loss of crop, timber, pasture, landscape features or use. Settlement of damages may occur before or after pipeline construction (or both) at the landowner's discretion.

Damage to fences, gates, roads, drainage, etc., will be repaired prior to the contractor leaving the site. The landowner will be asked to acknowledge completion of restoration activities and sign a damage release following construction.

Meet your land representatives

Transco is beginning to contact landowners to negotiate easement agreements for the pipeline expansion project. The company's land representatives will work diligently with landowners to develop mutually acceptable routes, coordinate survey entry to minimize impact to the landowner and address any concerns. Moreover, land representatives continue to make every effort to represent the landowner and communicate openly with all parties. Their goal is to make the entire process as smooth as possible. After all, Transco strives to be a good neighbor. It's the land representative's job to cultivate that

relationship and ensure it has the best possible foundation.



Meet your land representatives, (left to right) Patrick McClusky, Doug Anderson and Carol Peabody. They will contact each property owner along the route to inform them about the project and answer any questions.

Our Commitment to Landowners

Transco is committed to operating a safe and reliable pipeline and to being a good neighbor.

We promise to:

- Negotiate for land rights in a fair, consistent and equitable manner.
- Listen, and consider unique needs and concerns through open and honest communications.
- Meet our responsibility to restore lands as nearly as practicable to their previous condition and settle damages within a reasonable period of time.
- Work effectively with landowners to ensure minimal interruption of existing land use activities.
- Respect the landowner and his or her property rights.
- Where possible, construct new pipelines adjacent to existing utility corridors, roads or Transco's existing pipeline corridor which will minimize the additional land required for the right of way.
- Transco's representatives will make every effort to keep you informed.
- Disturbance in residential areas will be kept to the minimum width possible to safely perform construction and access will remain open to residents.
- Where required, topsoil will be separated from the subsoil and stored in a separate pile. It will be returned to the top of the disturbed area upon backfilling.
- The right of way will be graded and re-seeded. Slopes will be stabilized using mulch or fabric materials.
- Any landscaping or landscape features disturbed during construction will be restored or replaced.

FERC holds scoping meeting to gather public comments

On June 29, the FERC conducted a pre-certification site visit of Transco's planned Central New Jersey Expansion Project. The route that was being presented as the company's preferred route was examined by automobile and on foot.

FERC representatives, company officials and other interested stakeholders from the township, the county and the state, toured the site of the proposed 3.77-mile pipeline expansion and later that evening held a scoping meeting at the Ramada Inn on Route 206 to gather public comments.

Alisa M. Lykens, an environmental project manager with FERC, explained that the Commission is charged with determining whether or not proposed interstate pipeline projects are necessary. She also said that the Commission wanted to learn about issues concerning the expansion plan before the company's application was filed and said that the Commission will continue to accept written comments about the proposed project.

Alex J. Dankanich with the U.S. Department of Transportation Office of Pipeline Safety and representatives from Transco also attended the meeting.

Only three people from the public spoke during the Tuesday night meeting.

Julie Gandy, Burlington County's open space coordinator, echoed concerns raised by township officials about a roughly 70-acre horse farm off Old York Road that has been protected under the farmland preservation program, and a 90-acre site that fronts Georgetown Road that was preserved as open space.

Bordentown Committeeman George Chidley raised a number of questions. They included the total number of acres that would be affected by the project, the amount of

soil that would be displaced, what the environmental impact would be, what steps would be taken to control dust and noise during construction, and what would be the duration of the project.

Williamsburg Village resident Pat Lovas said she opposes any plans that would put the pipeline

on her side of the highway, a sentiment that has been voiced by fellow neighborhood residents.

Lykens said FERC is planning to prepare an environmental assessment of the proposed expansion project and additional comments will be accepted. After the report is completed, FERC will gather comments for another 30 days before the Commission determines whether or not to grant approval, she said.

A complete transcript of the FERC's scoping meeting can be found on the FERC website at www.ferc.gov. Use the e-library link to search for docket number PF04-12.

FERC application and review process

(continued from front)

Environmental Assessment (EA): The FERC will prepare an EA using information included in Williams' certificate application, supplemental information that may be provided by Williams upon request, and information assembled by its own staff. The EA will describe the proposed project and alternatives and will identify existing environmental conditions and the potential impacts from the project. The EA will also indicate what mitigation measures, construction procedures, and routing could be included in the project to eliminate or reduce impacts.

Once the EA is issued, stakeholders will have a 30-day period to comment.

Certificate of Public Need and Necessity: If FERC is satisfied that the project is in the public interest, the FERC will issue an Order granting a Certificate of Public Convenience and Necessity. This is the document FERC issues that signifies the approval has been granted to build and operate the pipeline. Comments received on the EA are typically addressed by FERC in this document. The certificate will detail the conditions of the approval, including the final route that FERC has authorized, and construction and mitigation measures that Transco must follow.

How to contact us

Project Web site:
<http://centralnj.williams.com>

Toll-free information line:
(866) 857-7094

E-mail:
centralnjexpansion@williams.com

Mailing address:
Central New Jersey Expansion Project
Corporate Communications
Williams
2800 Post Oak Blvd., Level 16
Houston, TX 77056