



FOR IMMEDIATE RELEASE

April 12, 2006

CONTACT: Renee Parnell, PG&E Corporation (415) 267-7028

Michele Swaner, Williams (801) 584-7048

PG&E CORP., WILLIAMS AND FORT CHICAGO AGREE ON PARTNERSHIP FOR NEW GAS TRANSMISSION PIPELINE*Regulatory review process begins with preliminary filing for the natural gas project.*

San Francisco – PG&E Corporation (NYSE: PCG), Williams (NYSE:WMB) and Fort Chicago Energy Partners L.P. have taken the next steps toward building a new natural gas transmission pipeline that would increase West Coast access to natural gas supplies beginning in 2010. Subsidiaries of the companies have signed a formal partnership agreement creating Pacific Connector Gas Pipeline L.P., which has requested the Federal Energy Regulatory Commission (FERC) to initiate a pre-filing review for the proposed Pacific Connector Gas Pipeline. The three partners hold equal interests in the pipeline project.

The proposed 223-mile Pacific Connector Gas Pipeline would connect to the proposed Jordan Cove liquefied natural gas (LNG) terminal being developed near Coos Bay, Ore. by Fort Chicago affiliate, Jordan Cove Energy Project L.P. The pipeline would then join the Williams' Northwest Pipeline system near Roseburg, Ore., and tie in near the California-Oregon border to Pacific Gas and Electric Company's gas transmission system.

The companies announced the proposed project in February 2006. The pre-filing process enables the Pacific Connector Gas Pipeline and the Jordan Cove projects to begin pursuing the necessary regulatory approvals for the pipeline and the LNG terminal. The Jordan Cove Terminal FERC pre-filing is being made simultaneously with the Pacific Connector Gas Pipeline filing.

Today, virtually all of the natural gas supplies serving the Pacific Northwest and northern California originate in the Rocky Mountains or in Canada. As proposed, the Pacific Connector Gas Pipeline would deliver as much as 1 billion cubic feet per day of natural gas to the West Coast.

The Pacific Connector Gas Pipeline is scheduled for completion in 2010, subject to environmental reviews and FERC approval. The FERC certificate application is scheduled to be submitted in January 2007, with construction planned to start in summer 2009. The final route and estimated costs will be determined following further analysis and public review.

The Pacific Connector Gas Pipeline would be operated by Williams. “Completing the partnership agreements and submitting the pre-filing request are significant milestones in advancing the project,” said Phil Wright, Senior Vice President of Williams’ gas pipeline business. “We look forward to discussions continuing with LNG suppliers and our customers to bring LNG into the region.”

“This project is another example of PG&E Corporation’s efforts to expand our customers’ access to clean, reliable and cost effective energy supplies,” said Richard Rollo, PG&E Corporation Vice President, Strategic Development and Business Integration.

“We are very pleased to take these important steps in the overall development of the Jordan Cove LNG project,” said Stephen White, President and CEO of Fort Chicago. “The Pacific Connector is a vital link for the Jordan Cove LNG Terminal and is designed to bring new diverse worldwide natural gas supply sources to West Coast markets.”

About PG&E Corporation (NYSE:PCG)

PG&E Corporation is an energy-based holding company whose core business is Pacific Gas and Electric Company, one of the largest investor-owned gas and electric utilities in the country. Pacific Gas and Electric Company serves approximately 15 million customers throughout northern and central California. www.pgecorp.com

About Williams (NYSE:WMB)

Williams, through its subsidiaries, primarily finds, produces, gathers, processes and transports natural gas. The company also manages a wholesale power business. Williams’ operations are concentrated in the Pacific Northwest, Rocky Mountains, Gulf Coast, Southern California and the Eastern Seaboard. www.williams.com.

About Fort Chicago Energy Partners L.P.

Based in Calgary, Alberta, Fort Chicago presently owns a 50 percent interest in the Alliance Pipeline, an approximate 42.7 percent interest in Aux Sable Liquid Products L.P. and Alliance Canada Marketing and a 100 percent interest in the Alberta Ethane Gathering System ("AEGS"). The Alliance Pipeline is a 3,000-kilometer mainline natural gas pipeline, which extends from northeastern British Columbia to delivery points near Chicago, Illinois. Aux Sable operates natural gas liquids extraction, fractionation and delivery facilities near Chicago. AEGS is a 1,324 kilometer ethane pipeline system, which delivers ethane feedstock to Alberta's petro-chemical industry.

www.fortchicago.com.

###