



News Release

Williams and Puget Accept Certificate for Pipeline Project

TULSA, Okla., Feb 25, 2004 /PRNewswire-FirstCall via COMTEX/ -- A unit of Williams (NYSE: WMB) and Puget Sound Energy, the utility subsidiary of Puget Energy (NYSE: PSD), today announced that they have accepted a certificate from the Federal Energy Regulatory Commission authorizing Northwest Pipeline to construct and operate the Everett Delta Lateral in Snohomish County, Wash.

Northwest Pipeline originally was granted a certificate for the pipeline project in October 2001. In August 2003, Northwest requested an amendment to permit project modifications and to name Puget Sound Energy as the sole customer.

The pipeline is designed to provide Puget Sound Energy with an additional 113,100 dekatherms per day of natural gas to meet the growing energy needs of customers in western Washington.

"This project is an opportunity for us to partner with one of our largest customers and add the necessary infrastructure to meet their growing market requirements," said Allison Bridges, vice president of commercial operations for Williams' Northwest Pipeline.

The Everett Delta Lateral consists of 9 miles of 16-inch pipeline. The lateral will connect with the Northwest Pipeline system near Lake Stevens, Wash., and continue westward to an interconnect with Puget Sound Energy near the Port of Everett.

Construction of the \$24 million project is scheduled to begin in June 2004, with a targeted in service date of November 2004.

About Williams

Williams, through its subsidiaries, primarily finds, produces, gathers, processes and transports natural gas. Williams' gas wells, pipelines and midstream facilities are concentrated in the Northwest, Rocky Mountains, Gulf Coast and Eastern Seaboard. More information is available at www.williams.com.

About Puget Sound Energy

Puget Sound Energy is the largest combination natural gas and electric utility in the Pacific Northwest, serving nearly 1.3 million customers in 11 Washington state counties. Its 6,000 square-mile service territory covers the largest metropolitan region north of San Francisco and west of Chicago. Based in Bellevue, Wash., Puget Sound Energy is the utility subsidiary of Puget Energy. Company information is available at www.pse.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.

SOURCE Williams; Puget Energy

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