

WILLIAMS COMPANIES INC
Form DEFA14A
September 06, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

The Williams Companies, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

The following are certain excerpted slides taken from a presentation posted in its entirety to the website of The Williams Companies, Inc. (the Company) on September 6, 2016 in connection with the Barclays CEO Energy-Power Conference. The excerpted slides provide information relating to the Company's recent announcement that its Board of Directors appointed three new independent directors. The three new independent directors will stand for election at the Company's 2016 Annual Meeting of Stockholders, which will be held on Wednesday, November 23, 2016.

Additional Information

Williams intends to file a proxy statement with the U.S. Securities and Exchange Commission (the SEC) with respect to the 2016 Annual Meeting. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ ANY SUCH PROXY STATEMENT, THE ACCOMPANYING WHITE PROXY CARD AND OTHER DOCUMENTS THAT HAVE BEEN OR MAY BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY AS THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE 2016 ANNUAL MEETING. Investors and security holders should read the proxy statement carefully before making any voting or investment decisions. Investors and security holders may obtain free copies of these documents and other documents filed with the SEC by Williams through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed by Williams with the SEC will be available on Williams' website at investor.williams.com.

Participants in the Solicitation

Williams and its directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in connection with the matters to be considered at Williams' 2016 Annual Meeting. Information regarding the directors and officers of Williams is contained in Williams' Annual Report on Form 10-K filed with the SEC on February 26, 2016 (as it may be amended from time to time). Additional information regarding the interests of such potential participants is or will be included in the proxy statement and other relevant documents filed with the SEC.

Forward-looking Statements

This communication 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 (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). These forward-looking statements relate to anticipated financial performance, management's plans and objectives for future operations, business prospects, outcome of regulatory proceedings, market conditions and other matters. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995.

All statements, other than statements of historical facts, included in this communication that address activities, events or developments that we expect, believe or anticipate will exist or may occur in the future, are forward-looking statements. 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, potential, projects, scheduled, will, assumes, guidance, outlook, in service date or other similar expressions. Forward-looking statements are based on management's beliefs and assumptions and on information currently available to management and include, among others, statements regarding:

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 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;

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 communication. 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:

Whether WPZ will produce sufficient cash flows to provide the level of cash distributions, including incentive distribution rights, that we expect;

Whether Williams is able to pay current and expected levels of dividends;

Whether we will be able to effectively execute our financing plan including WPZ's establishment of a distribution reinvestment plan and the receipt of anticipated levels of proceeds from planned asset sales;

Availability of supplies, including lower than anticipated volumes from third parties served by our midstream business, and market demand;

Volatility of pricing including the effect of lower than anticipated energy commodity prices and margins;

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 timely execute our capital projects and other investment opportunities in accordance with our forecasted capital expenditures budget;

Our ability to successfully expand our facilities and operations;

Development of alternative energy sources;

Availability of adequate insurance coverage and the impact of operational and developmental hazards and unforeseen interruptions;

The impact of existing and future laws, regulations, the regulatory environment, environmental liabilities, and litigation, as well as our ability to obtain permits and achieve favorable rate proceeding outcomes;

Williams costs and funding obligations for defined benefit pension plans and other postretirement benefit plans;

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 and physical damage to our facilities;

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 and security holders 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 and referred to below may cause our intentions to change from those statements of intention set forth in this communication. 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.

Because forward-looking statements involve risks and uncertainties, we caution that there are important factors, in addition to those listed above, that may cause actual results to differ materially from those contained in the forward-looking statements. For a detailed discussion of those factors, see Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K filed with the SEC on February 26, 2016 and in Part II, Item 1A. Risk Factors in our Quarterly Report on Form 10-Q filed on August 2, 2016.

Alan Armstrong, Chief Executive Officer September 6, 2016 Barclays CEO Energy-Power Conference

Forward Looking Statements The reports, filings, and other public announcements of The Williams Companies, Inc. (Williams) and Williams Partners L.P. (WPZ) 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. These forward-looking statements relate to anticipated financial performance, management’s plans and objectives for future operations, business prospects, outcome of regulatory proceedings, market conditions and other matters. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this document that address activities, events or developments that we expect, believe or anticipate will exist or may occur in the future, as forward-looking statements. 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,” “objectives,” “targets,” “planned,” “potential,” “projects,” “scheduled,” “will,” “assumes,” “guidance,” “outlook,” “in service of” and 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: Expected levels of cash distributions by 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, WPZ and their affiliates; Amounts and nature of future capital expenditures; Expansion 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: Whether WPZ will produce sufficient cash flows to provide the level of cash distributions, including incentive distribution rights, that we expect; Whether Williams is able to pay current and expected levels of dividends; Whether we will be able to effectively execute our financing plan including WPZ’s establishment of a distribution reinvestment plan (DRIP) and the receipt of anticipated levels of proceeds from planned asset sales; Availability of supplies, including lower than anticipated volumes from third parties served by our midstream business, and market demand; Volatility of pricing including the effect of lower than anticipated energy commodity prices and margins; 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 timely execute our capital projects and other investment opportunities in accordance with our forecasted capital expenditures budget; Our ability to successfully expand our facilities and operations; Development of alternative energy sources; Availability of adequate insurance coverage and the impact of operational and developmental hazards and unforeseen interruptions;

Forward Looking Statements (cont'd) The impact of existing and future laws, regulations, the regulatory environment, environmental liabilities, and litigation, as well as our ability to obtain permits and achieve favorable rate proceeding outcomes; 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 postretirements benefit plans sponsored by its affiliates; 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 and physical damage to our facilities; Acts of terrorism, including cybersecurity threats and related disruptions; and Additional risks described in our filings with the Securities and Exchange Commission (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 and referred to below 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. Because forward-looking statements involve risks and uncertainties, we caution that there are important factors, in addition to those listed above, that may cause actual results to differ materially from those contained in the forward-looking statements. For a detailed discussion of those factors, see Part I, Item 1A. Risk Factors in Williams' and WPZ's Annual Reports on Form 10-K filed with the SEC on February 26, 2016 and in Part II, Item 1A. Risk Factors in our Quarterly Reports on Form 10-Q available from our offices or from our website at www.williams.com.

Additional Information Williams intends to file a proxy statement with the U.S. Securities and Exchange Commission (the "SEC") with respect to the 2016 Annual Meeting. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ ANY SUCH PROXY STATEMENT, THE ACCOMPANYING WHITE PROXY CARD AND OTHER DOCUMENTS THAT HAVE BEEN OR MAY BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY AS THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE 2016 ANNUAL MEETING. Investors and security holders should read the proxy statement carefully before making any voting or investment decisions. Investors and security holders may obtain free copies of these documents and other documents filed with the SEC by Williams through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed by Williams with the SEC will be available on Williams' website at investor.williams.com. Participants in the Solicitation Williams and its directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in connection with the matters to be considered at Williams' 2016 Annual Meeting. Information regarding the directors and officers of Williams is contained in Williams' Annual Report on Form 10-K filed with the SEC on February 26, 2016 (as it may be amended from time to time). Additional information regarding the interests of such potential participants is or will be included in the proxy statement and other relevant documents filed with the SEC.

Recent Accomplishments Reflect Disciplined Execution Produce strong, consistent operating results We said ... We did ...
WPZ 1H'16 Adj. EBITDA up >10% vs. 1H'15 All Segments show Adjusted EBITDA growth ü Execute projects; drive
EBITDA growth Leidy SE, Horizon offgas, Kodiak, Gunflint, Rock Springs all placed in-service in 2016 ü ü 2016
capital funding plan, announced January 2016 Canadian asset sale signed ü Pursue win-win renegotiations with
Chesapeake Haynesville, Utica dry, Barnett, Mid-con ü Finance 2016/2017 attractive fee-based growth opportunities,
primarily at Transco WMB to reinvest \$1.7 B in WPZ; \$250 mm private placement completed in August Announced
plan for public DRIP at WPZ ü Continue growth project development cycle 19 additional opportunities for Transco,
NWP and Gulfstream ü Focus on core business, reduce equity needs and cash flow volatility Geismar process initiated
ü Pursue cost reductions, align organization with market conditions \$55 mm adjusted cost reductions realized in
Q2'2016 Creating streamlined, lower cost organization ü ü ü Operating Measures 1 1 1 Financing Measures 2 2 1 1 1
2 Governance Measures 3 Appoint new independent directors 3 Three new, highly qualified directors appointed ü

Significant Public Company Leadership Experience and Deep Energy Industry Knowledge Three New Independent Directors Appointed Stephen Bergstrom is a skilled and extremely knowledgeable industry leader, having led growth initiatives and successfully managed through industry downturns over his long and distinguished career, recently serving as Senior Advisor of ArcLight Capital and CEO of American Midstream Partners. He has strong operational skills and a keen strategic understanding of the energy industry. William Spence has led PPL Corporation through a period of significant growth and capital expansion. PPL Corporation is one of the largest companies in the U.S. utility sector; the PPL family of companies delivers electricity and natural gas to approximately 10 million customers in the United States and the United Kingdom. Scott Sheffield is chairman and chief executive officer of Pioneer Natural Resources, a premier independent oil shale resource company in the United States. He is recognized for making well-timed strategic decisions, his focus on financial discipline and building Pioneer's strong corporate culture.