

**Gulfstream Natural Gas System, L.L.C.**

Condensed Financial Statements

(Unaudited)

March 31, 2013

**GULFSTREAM NATURAL GAS SYSTEM, L.L.C.**  
**CONDENSED STATEMENTS OF OPERATIONS**  
**(Unaudited)**  
**(In millions)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>Operating Revenues</b>		
Transportation of natural gas	\$ 67.1	\$ 67.4
Other	0.1	0.3
Total operating revenues	67.2	67.7
<b>Operating Expenses</b>		
Operating, maintenance and other	5.0	5.2
Depreciation and amortization	8.9	8.9
Property and other taxes	4.6	4.9
Total operating expenses	18.5	19.0
<b>Operating Income</b>	48.7	48.7
<b>Other Income and Expenses</b>	-	-
<b>Interest Expense</b>	17.5	17.5
<b>Net Income</b>	\$ 31.2	\$ 31.2

**GULFSTREAM NATURAL GAS SYSTEM, L.L.C.**  
**CONDENSED STATEMENTS OF COMPREHENSIVE INCOME**  
**(Unaudited)**  
**(In millions)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>Net Income</b>	\$ 31.2	\$ 31.2
Other comprehensive income		
Reclassification of cash flow hedges into earnings	(0.3)	(0.3)
<b>Total Comprehensive Income</b>	<b>\$ 30.9</b>	<b>\$ 30.9</b>

**GULFSTREAM NATURAL GAS SYSTEM, L.L.C.**  
**CONDENSED BALANCE SHEETS**  
(Unaudited)  
(In millions)

	<u>March 31,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 78.2	\$ 56.4
Receivables, net	23.0	23.0
Other	9.4	11.5
Total current assets	<u>110.6</u>	<u>90.9</u>
<b>Property, Plant and Equipment</b>		
Cost	2,064.7	2,073.1
Less accumulated depreciation and amortization	<u>319.5</u>	<u>319.1</u>
Net property, plant and equipment	<u>1,745.2</u>	<u>1,754.0</u>
<b>Regulatory Assets and Deferred Debits</b>		
Regulatory tax asset - allowance for funds used during construction	23.1	23.2
Unamortized debt expense	4.9	5.2
Other	<u>0.1</u>	<u>-</u>
Total regulatory assets and deferred debits	<u>28.1</u>	<u>28.4</u>
<b>Total Assets</b>	<u>\$ 1,883.9</u>	<u>\$ 1,873.3</u>

**GULFSTREAM NATURAL GAS SYSTEM, L.L.C.**  
**CONDENSED BALANCE SHEETS**  
(Unaudited)  
(In millions)

	<u>March 31,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1.3	\$ 2.0
Taxes accrued	4.7	1.6
Interest accrued	27.5	10.0
Fuel tracker liabilities	7.6	5.1
Natural gas imbalance payables	0.2	-
Other	1.2	0.7
Total current liabilities	<u>42.5</u>	<u>19.4</u>
<b>Long-term Debt</b>	<u>1,149.4</u>	<u>1,149.3</u>
<b>Commitments and Contingencies</b>		
<b>Members' Equity</b>		
Members' equity	684.6	696.9
Accumulated other comprehensive income	7.4	7.7
Total members' equity	<u>692.0</u>	<u>704.6</u>
<b>Total Liabilities and Members' Equity</b>	<u>\$ 1,883.9</u>	<u>\$ 1,873.3</u>

**GULFSTREAM NATURAL GAS SYSTEM, L.L.C.**  
**CONDENSED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(In millions)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<u><b>2013</b></u>	<u><b>2012</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 31.2	\$ 31.2
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	9.2	9.2
Net change in operating assets and liabilities	26.0	25.2
Net cash provided by operating activities	<u>66.4</u>	<u>65.6</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditures	<u>(1.2)</u>	<u>(0.9)</u>
Net cash used in investing activities	<u>(1.2)</u>	<u>(0.9)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distributions to members	(43.4)	(41.5)
Other	-	(0.1)
Net cash used in financing activities	<u>(43.4)</u>	<u>(41.6)</u>
Net increase in cash and cash equivalents	21.8	23.1
<b>Cash and cash equivalents at beginning of period</b>	<u>56.4</u>	<u>54.4</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>\$ 78.2</u></u>	<u><u>\$ 77.5</u></u>

**GULFSTREAM NATURAL GAS SYSTEM, L.L.C.**  
**CONDENSED STATEMENTS OF MEMBERS' EQUITY AND COMPREHENSIVE INCOME**  
(Unaudited)  
(In millions)

	<u>Spectra Energy Corp</u>	<u>Spectra Energy Partners, LP</u>	<u>The Williams Companies, Inc.</u>	<u>Williams Partners L.P.</u>	<u>Total</u>
<b>Balance December 31, 2012</b>	\$ 0.5	\$ 351.8	\$ -	\$ 352.3	\$ 704.6
Net income	0.3	15.3	-	15.6	31.2
Reclassification of cash flow hedges into earnings	-	(0.2)	-	(0.1)	(0.3)
Total comprehensive income					<u>30.9</u>
Distributions to members	(0.4)	(21.3)	-	(21.7)	(43.4)
Attributed deferred tax expense	-	(0.1)	-	-	(0.1)
<b>Balance March 31, 2013</b>	<u>\$ 0.4</u>	<u>\$ 345.5</u>	<u>\$ -</u>	<u>\$ 346.1</u>	<u>\$ 692.0</u>
<b>Balance December 31, 2011</b>	\$ 0.9	\$ 366.5	\$ 7.3	\$ 360.0	\$ 734.7
Net income	0.3	15.3	0.3	15.3	31.2
Reclassification of cash flow hedges into earnings	(0.1)	(0.1)	-	(0.1)	(0.3)
Total comprehensive income					<u>30.9</u>
Distributions to members	(0.4)	(20.3)	(0.4)	(20.4)	(41.5)
Attributed deferred tax expense	-	(0.1)	-	-	(0.1)
<b>Balance March 31, 2012</b>	<u>\$ 0.7</u>	<u>\$ 361.3</u>	<u>\$ 7.2</u>	<u>\$ 354.8</u>	<u>\$ 724.0</u>