

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

## Williams Partners L.P. Q2 2009 Earnings Call Transcript

### Question-and-Answer Session

---

#### Operator

(Operator instructions) And our first question comes from Gabe Moreen from Merrill Lynch.

#### Gabe Moreen –Merrill Lynch

Hi, good morning everyone. Question, couple of questions, one is just on the changes in the Discovery, I guess the distribution policy from Discovery just goes behind that, you just want to sink things up I guess?

#### Alan Armstrong

Yes that is primarily the case. We were discontinuing the run out of the quarter for the performance and so we've got to get with our partners and decided that would make sense for both parties to sink that up.

#### Gabe Moreen –Merrill Lynch

Thanks Alan and Alan if I can also ask about the decision to hedge some ethane and propane volumes in the third quarter, it is obviously a departure I guess from prior policy, just rethinking in terms of, why just the third quarter and why not beyond that a little bit, you know as a review point that you have got in the fiscal gas prices may decline further and perhaps drag ethane and propane with it in the third quarter specifically?

#### Alan Armstrong

Yes. What we saw Gabe was, first of all let me respond to, in terms of our policy recall. We did have a fairly substantial hedge on -- in 2008 for our ethane and propane on WPZ, so we certainly have done those hedges in the past.

And as far as why not the fourth quarter, why only the third quarter, what we saw in the forward markets was that gas prices where -- had quite a bit of ramping up at the end of the year, as I think most people are aware and -- but we weren't seeing the ethane and the propane moving with that and so we saw that margin collapsing in the forward markets in the fourth quarter, mostly driven by an increasing gas prices that we are not all that confident may exist and certainly think that the NGL markets will come with that, if the gas prices do come up.

#### Gabe Moreen – Merrill Lynch

Okay. And then in terms of – Don, I appreciate that there is distribution, GP distribution support for another two quarters here, but given were commodity prices stand even with the current improvement, I guess can you give your latest thinking on the possible extension of that GP distribution support into next year?

Copyright © 2009 CBS Interactive, Inc. All Rights Reserved.