

Clean Energy for Florida's Future

May 31, 2006



Ms. Liz Warren
Asst. County Administrator
Pinellas County
512 S. Ft. Harrison Avenue
Clearwater, Florida 33756

Re: Gulfstream Phase IV Pipeline Expansion

Dear Ms. Warren,

As you may be aware, Gulfstream Natural Gas System is a natural gas transmission pipeline that is designed to deliver nearly one-half of the natural gas consumed in the state of Florida. Placed into service in May 2002, Gulfstream can transport approximately 1.1 billion cubic feet of natural gas each day from vast natural gas reserves to a wide array of customers, including electric utilities, local distribution companies and municipal users.

As one of the fastest-growing states in the U.S., Florida's demand for natural gas is steadily increasing. In fact, the Florida Reliability Coordinating Council estimates the state's need for natural gas will increase by about 1.5 billion cubic feet per day over the next decade.

Gulfstream has reached an agreement with Progress Energy Florida to provide natural gas to the Bartow Power Plant in Pinellas County. Progress Energy intends to modify its Bartow Power Plant to double its electric generating capacity and allow it to burn cleaner-burning natural gas. The conversion is estimated to reduce emissions of sulfur dioxide, nitrogen oxides and particulates by more than 90 percent.

A proposal to construct additional pipeline facilities to provide natural gas to the Bartow Power Plant is currently in the preliminary planning phase. Gulfstream is developing a plan to construct a 17.5-mile pipeline in Tampa Bay to connect the existing Gulfstream pipeline to the Progress facility. Gulfstream is currently working to identify an underwater route, taking special consideration to avoid or minimize impacts to live bottom habitat and sea grasses.

In addition, Gulfstream intends to construct a compressor facility in Manatee County to allow the pipeline to continue to serve the growing demand for natural gas in the state. Gulfstream is committed to choosing a location for the compressor facility that minimizes residential and environmental impacts.

Although a formal application has not yet been filed with the Federal Energy Regulatory Commission (FERC), Gulfstream has requested that the FERC initiate a pre-application environmental review of the proposal.

The FERC is the lead federal agency responsible for conducting the environmental review of the project, as required by the National Environmental Policy Act. The FERC will prepare an environmental assessment for this project to consider the environmental impact that could result if it issues Gulfstream a Certificate of Public Convenience and Necessity under Section 7 of the Natural Gas Act. FERC staff has already begun the environmental review of the project in accordance with its pre-filing process.

The Commission's pre-filing process enables review of a project to begin before an application is filed. Gulfstream and FERC will work with interested parties to identify and address project issues as early as possible in the planning and approval effort. Your input is important to us.

Gulfstream Natural Gas System
1905 Intermodal Circle - Suite 310
Palmetto, FL 34221
Phone: (941) 723-7100 - Fax: (941) 723-7180
Toll Free: 888-GAS-4-FLA

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The comments gathered during this planning phase will help to shape our final application. We anticipate finalizing the project proposal and filing a formal application with the FERC in December 2006. Therefore, we encourage you to attend one of the following three scheduled open houses:

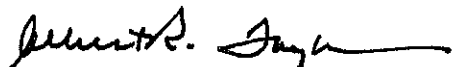
Date	Day	Time	Location	Address
July 11	Tuesday	6-8 p.m.	Hillsborough County Commission Building, 18 th floor	601 E. Kennedy Blvd. Tampa, FL 33602
July 12	Wednesday	6-8 p.m.	Weedon Island Preserve Cultural & Natural History Center	1800 Weedon Drive St. Petersburg, FL 33702
July 13	Thursday	6-8 p.m.	Manatee Civic Center Palma Sola Room	One Haben Blvd. Palmetto, Florida 34221

Additional information about the FERC and its certificate process can be obtained through its website at <http://www.ferc.gov/for-citizens/my-rights/process.asp> or by calling the Commission's Office of External Affairs at 1-866-208-3372. Interested parties who wish to correspond with FERC about this project should refer to pre-filing Docket No. PF06-29-000.

In addition, you can learn more about this Gulfstream project by visiting us online at www.gulfstreamgas.com/phase4. If you have questions or would like to submit comments, you can reach us at toll free at 888-GAS-4-FLA or e-mail us at gulfstream@williams.com.

Your cooperation is greatly appreciated.

Sincerely,



Albert R. Taylor
Vice-President, Operations
Gulfstream Management & Operating Services, L.L.C.,
As Operator of Gulfstream Natural Gas System, L.L.C.