

October 12, 2012

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RE: Exposure Draft - Comprehensive Income (Topic 220): Presentation of Items Reclassified Out of Accumulated Other Comprehensive Income (AOCI) in Accounting Standards Update No. 2011-05 (ASU 2011-05).

We have reviewed the proposed amendments to the presentation of reclassifications of items out of AOCI in ASU 2011-05. Overall, we support the Board's decision not to reinstate the requirement to report the effects of reclassification adjustments out of AOCI in the separate components of net income for the reasons stated in the above referenced exposure draft.

We appreciate the Board's objective to propose alternative disclosures that would meet user needs for information about the items reclassified out of AOCI and the corresponding effect on net income without a significant increase in cost to preparers and have thus provided responses to the following questions posed in the exposure draft.

Question 1: Would the proposed disclosures provide useful information to users of financial statements? If not, please explain why.

We believe the effective requirements of ASU 2011-05 have already served to give more prominence to the activity within comprehensive income and provide an effective means of focusing attention on these elements. In our own application of the proposed disclosure, the information presented in the Statement of Comprehensive Income combined with other existing footnote disclosures would be largely replicated in the proposed tabular disclosures.

This is consistent with what was noted in the exposure draft, that the proposed amendments would create redundancies in disclosure. Based on the user outreach conducted by the Board, the need for these redundancies may not be substantially supported. Specifically, most users and users from large institutional firms either reported that the current disclosure requirements provide sufficient information or that a single note disclosure compiling currently disclosed information about items reclassified out of AOCI would be "helpful but was not critical to their analysis."

While one user group was most supportive of the additional disclosures, there was an acknowledgment regarding the lack of understanding of the activity within AOCI in general. In our view, the proposed disclosures may not be an effective means of addressing this root issue.

We believe there are alternatives that could meet the Board's objective to create a "road map" for users when considering the effect of reclassification adjustments. Specifically, this objective may be addressed by a single narrative discussion in the significant accounting policies disclosure, briefly describing the nature of a filer's material reclassifications out of AOCI with a reference to a footnote where more information can be found.

Alternatively, the Board could refine the existing disclosure requirements related to the presentation of comprehensive income to require further information in the line item descriptions for such reclassifications on the face of the financial statements. Where such items are required under GAAP to be reclassified in their entirety, the line item description could identify the income statement line item affected. In other instances where items are not entirely reclassified within net income, such as postretirement benefits, the description could include a cross-reference to the appropriate disclosure within the notes to the financial statements.

Both of these alternatives provide a central cross-reference point approach that could serve as the desired "road map" for users without creating significantly redundant disclosures.

In addition, we note the Board's view that a single location for the new proposed tabular disclosures will improve the information presented seems to consider only traditional means of delivering financial disclosures. This seems less relevant for public companies that already provide interactive financial disclosures through the SEC's eXtensible Business Reporting Language (XBRL) reporting requirements. User groups that have a strong preference for a single point of access to such information should be able to leverage the disclosure that is already available via XBRL.

Question 2: Would an entity incur significant costs because of the proposed amendments in Question 1 for both interim and annual reporting? If so, please explain the nature of those costs.

Complying with the proposed disclosure requirements would create some incremental burdening of existing resources associated with data gathering and XBRL requirements for both interim and annual reporting, though not likely to be significant. Of course, there would also be incremental efforts, and thus costs, required by the independent registered public accounting firms to audit this presentation.

Question 4: Would an effective date for annual reporting periods ending after December 15, 2012 for public companies be practicable?

We believe we could comply with the proposed disclosure requirements or either of the alternatives we suggested for the annual reporting periods ending after December 15, 2012.

We appreciate the opportunity to comment on this matter and voice our concerns. We would welcome the opportunity to provide any additional information you may require or discuss our comments further.

Sincerely,

Ted Timmermans

Vice President, Controller and Chief Accounting Officer

The Williams Companies, Inc.