AMERICAN TRANSMISSION SYSTEMS, INCORPORATED

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
STATEMENTS OF INCOME
UNAUDITED

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(In millions)	2025	2024	2025	2024
REVENUES	$ 261	$ 266	$ 529	$ 514
OPERATING EXPENSES:				
Other operating expenses	40	49	86	91
Provision for depreciation	50	45	99	89
Amortization of regulatory assets, net	2	2	3	3
General taxes	70	66	140	131
Total operating expenses	162	162	328	314
OPERATING INCOME	99	104	201	200
OTHER INCOME (EXPENSE):				
Miscellaneous income, net	1	2	2	4
Interest expense	(20)	(19)	(39)	(38)
Capitalized financing costs	9	6	16	13
Total other expense	(10)	(11)	(21)	(21)
INCOME BEFORE INCOME TAXES	89	93	180	179
INCOME TAXES	18	19	36	37
NET INCOME	$ 71	$ 74	$ 144	$ 142

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
BALANCE SHEETS
UNAUDITED

(In millions, except share amounts)	June 30, 2025	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 75	$ —
Receivables -		
Affiliated companies	11	9
Other	42	42
Notes receivable from affiliated companies	238	119
Prepaid taxes and other	2	5
	368	175
PROPERTY, PLANT AND EQUIPMENT:		
In service	7,027	6,881
Less — Accumulated provision for depreciation	1,700	1,630
	5,327	5,251
Construction work in progress	578	408
	5,905	5,659
DEFERRED CHARGES AND OTHER ASSETS:		
Property taxes	140	283
Operating lease right-of-use asset	411	411
Other	14	19
	565	713
TOTAL ASSETS	$ 6,838	$ 6,547
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Currently payable long-term debt	$ 75	$ —
Accounts payable - affiliated companies	55	48
Accrued taxes	272	275
Accrued interest	24	23
Other current liabilities	6	6
	432	352
NONCURRENT LIABILITIES:		
Long-term debt and other long-term obligations	1,936	1,786
Accumulated deferred income taxes, net	714	698
Property taxes	140	283
Regulatory liabilities	320	275
Noncurrent operating lease obligation	405	406
Other	7	7
	3,522	3,455
TOTAL LIABILITIES	3,954	3,807
EQUITY:		
Common stockholder's equity-		
Common stock, no par value, 850 shares authorized - 1 share outstanding	1,555	1,555
Retained earnings	1,329	1,185
TOTAL EQUITY	2,884	2,740
TOTAL LIABILITIES AND EQUITY	$ 6,838	$ 6,547

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
STATEMENTS OF CASH FLOWS
UNAUDITED

	For the Six Months Ended June 30,	
(In millions)	**2025**	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 144	$ 142
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	102	92
Deferred income taxes and investment tax credits, net	11	39
Transmission revenue collections, net	54	36
Allowance for funds used during construction - equity	(12)	(9)
Changes in current assets and liabilities-		
Receivables	(2)	(17)
Prepaid taxes and other current assets	3	1
Accounts payable - affiliated companies	14	5
Accrued taxes	(3)	2
Accrued interest	1	3
Other	4	(4)
Net cash provided from operating activities	316	290
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital investments	(321)	(270)
Loans to affiliated companies, net	(119)	(76)
Asset removal costs	(24)	(14)
Other	(2)	—
Net cash used for investing activities	(466)	(360)
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Long-term debt	225	150
Redemptions and repayments-		
Short-term borrowings - affiliated companies, net	—	(79)
Other	—	(1)
Net cash provided from financing activities	225	70
Net change in cash and cash equivalents	75	—
Cash and cash equivalents at beginning of period	—	—
Cash and cash equivalents at end of period	$ 75	$ —
SUPPLEMENTAL CASH FLOW INFORMATION:		
Significant non-cash transactions:		
Accrued capital investments	$ 42	$ 37