

KEYSTONE APPALACHIAN TRANSMISSION COMPANY
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

KEYSTONE APPALACHIAN TRANSMISSION COMPANY
STATEMENTS OF INCOME
UNAUDITED

<i>(In thousands)</i>	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
REVENUES	\$ 22,875	\$ 23,734	\$ 67,117	\$ 66,295
OPERATING EXPENSES:				
Other operating expenses	6,636	8,731	22,575	22,119
Provision for depreciation	4,274	3,835	12,855	11,101
Amortization of regulatory assets, net	98	98	293	293
Total operating expenses	11,008	12,664	35,723	33,513
OPERATING INCOME	11,867	11,070	31,394	32,782
OTHER INCOME (EXPENSE):				
Miscellaneous income, net	1,709	36	3,878	4
Interest expense	(2,692)	(106)	(8,018)	(342)
Capitalized financing costs	1,749	821	4,355	2,299
Total other income	766	751	215	1,961
INCOME BEFORE INCOME TAXES	12,633	11,821	31,609	34,743
INCOME TAXES	2,685	3,034	7,150	8,592
NET INCOME	\$ 9,948	\$ 8,787	\$ 24,459	\$ 26,151

KEYSTONE APPALACHIAN TRANSMISSION COMPANY
BALANCE SHEETS
UNAUDITED

<i>(In thousands, except share amounts)</i>	September 30, 2025	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Receivables -		
Affiliated companies	\$ 807	\$ 10,005
Other	3,180	3,438
Notes receivable from affiliated companies	73,748	108,175
Prepaid taxes and other	2,353	1,575
	<u>80,088</u>	<u>123,193</u>
PROPERTY, PLANT AND EQUIPMENT:		
In service	649,615	608,951
Less — Accumulated provision for depreciation	71,035	62,860
	<u>578,580</u>	<u>546,091</u>
Construction work in progress	120,035	72,327
	<u>698,615</u>	<u>618,418</u>
Deferred charges and other assets	2,763	2,395
TOTAL ASSETS	<u><u>\$ 781,466</u></u>	<u><u>\$ 744,006</u></u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable - affiliated companies	\$ 8,918	\$ 7,926
Accrued taxes	1,398	—
Accrued interest	2,183	1,178
Other current liabilities	49	114
	<u>12,548</u>	<u>9,218</u>
NONCURRENT LIABILITIES:		
Long-term debt and other long-term obligations	198,843	198,928
Accumulated deferred income taxes, net	72,403	63,634
Regulatory liabilities	20,571	19,584
	<u>291,817</u>	<u>282,146</u>
TOTAL LIABILITIES	<u>304,365</u>	<u>291,364</u>
EQUITY:		
Common stockholder's equity-		
Class A Common stock, \$1 par value, 1,000 shares authorized, 1,000 shares outstanding	1	1
Other paid-in capital	451,380	451,380
Retained earnings	25,720	1,261
TOTAL EQUITY	<u>477,101</u>	<u>452,642</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 781,466</u></u>	<u><u>\$ 744,006</u></u>

KEYSTONE APPALACHIAN TRANSMISSION COMPANY
STATEMENTS OF CASH FLOWS
UNAUDITED

<i>(In thousands)</i>	For the Nine Months Ended September 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 24,459	\$ 26,151
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	13,148	11,394
Deferred income taxes, net	7,045	8,151
Transmission revenues collections, net	3,035	(5,527)
Allowance for funds used during construction - equity	(3,558)	(2,226)
Changes in current assets and liabilities-		
Receivables	9,455	(18,147)
Prepaid taxes and other current assets	(778)	(216)
Accounts payable - affiliated companies	(3,156)	3,649
Accrued taxes	1,398	—
Accrued interest	1,005	—
Other current liabilities	(64)	110
Other	(539)	(2,250)
Net cash provided from operating activities	51,450	21,089
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital investments	(84,352)	(68,425)
Loans to affiliated companies, net	34,427	—
Asset removal costs	(2,075)	(3,410)
Other	572	(151)
Net cash used for investing activities	(51,428)	(71,986)
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Short-term borrowings - affiliated companies, net	—	51,379
Other	(22)	(482)
Net cash provided from (used for) financing activities	(22)	50,897
Net change in cash and cash equivalents	—	—
Cash and cash equivalents at beginning of period	—	—
Cash and cash equivalents at end of period	\$ —	\$ —
SUPPLEMENTAL CASH FLOW INFORMATION:		
Significant non-cash transactions:		
Accrued capital investments	\$ 12,528	\$ 11,451
Common Stock issued to acquire certain transmission net assets from West Penn Power Company	\$ —	\$ 451,356