

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
STATEMENTS OF INCOME
Unaudited

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2026	2025
REVENUES	\$ 289	\$ 268
OPERATING EXPENSES:		
Other operating expenses	43	46
Provision for depreciation	51	49
Amortization of regulatory assets, net	1	1
General taxes	79	70
Total operating expenses	<u>174</u>	<u>166</u>
OPERATING INCOME	<u>115</u>	<u>102</u>
OTHER INCOME (EXPENSE):		
Miscellaneous income, net	1	1
Interest expense	(22)	(19)
Capitalized financing costs	11	7
Total other expense	<u>(10)</u>	<u>(11)</u>
INCOME BEFORE INCOME TAXES	105	91
INCOME TAXES	<u>22</u>	<u>18</u>
NET INCOME	<u>\$ 83</u>	<u>\$ 73</u>

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
BALANCE SHEETS
Unaudited

<i>(In millions, except share amounts)</i>	March 31, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Receivables -		
Affiliated companies	\$ —	\$ 12
Other	44	48
Notes receivable from affiliated companies	48	225
Prepaid taxes and other	3	5
	<u>95</u>	<u>290</u>
PROPERTY, PLANT AND EQUIPMENT:		
In service	7,413	7,379
Less — Accumulated provision for depreciation	1,789	1,754
	<u>5,624</u>	<u>5,625</u>
Construction work in progress	735	594
	<u>6,359</u>	<u>6,219</u>
DEFERRED CHARGES AND OTHER ASSETS:		
Property taxes	231	308
Operating lease right-of-use asset	411	411
Other	10	16
	<u>652</u>	<u>735</u>
TOTAL ASSETS	<u>\$ 7,106</u>	<u>\$ 7,244</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Currently payable long-term debt	\$ 75	\$ 75
Accounts payable - affiliated companies	83	35
Accrued taxes	312	305
Accrued interest	22	26
Other current liabilities	7	5
	<u>499</u>	<u>446</u>
NONCURRENT LIABILITIES:		
Long-term debt and other long-term obligations	1,937	1,937
Accumulated deferred income taxes, net	778	754
Property taxes	159	315
Regulatory liabilities	260	276
Noncurrent operating lease obligation	405	405
Other	6	7
	<u>3,545</u>	<u>3,694</u>
TOTAL LIABILITIES	<u>4,044</u>	<u>4,140</u>
COMMON STOCKHOLDER'S EQUITY:		
Common stock, no par value, 850 shares authorized - 1 share outstanding	1,555	1,555
Retained earnings	1,507	1,549
TOTAL COMMON STOCKHOLDER'S EQUITY	<u>3,062</u>	<u>3,104</u>
TOTAL LIABILITIES AND COMMON STOCKHOLDER'S EQUITY	<u>\$ 7,106</u>	<u>\$ 7,244</u>

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
STATEMENTS OF CASH FLOWS
Unaudited

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 83	\$ 73
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	53	50
Deferred income taxes and investment tax credits, net	22	5
Transmission revenue collections, net	11	23
Allowance for funds used during construction - equity	(8)	(5)
Changes in current assets and liabilities-		
Receivables	16	10
Prepaid taxes and other current assets	2	2
Accounts payable - affiliated companies	9	15
Accrued taxes	(72)	(59)
Accrued interest	(4)	(7)
Other	6	—
Net cash provided from operating activities	118	107
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital investments	(154)	(136)
Loans to affiliated companies, net	177	42
Asset removal costs	(17)	(13)
Other	1	—
Net cash provided from (used for) investing activities	7	(107)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Common stock dividend payments	(125)	—
Net cash used for financing activities	(125)	—
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	\$ 69	\$ 35