

**ALLEGHENY GENERATING COMPANY**  
**UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020**

**ALLEGHENY GENERATING COMPANY**  
**STATEMENTS OF INCOME**  
**(UNAUDITED)**

<i>(In thousands)</i>	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2021	2020	2021	2020
<b>REVENUES</b>	\$ 6,212	\$ 5,827	\$ 12,263	\$ 11,375
<b>OPERATING EXPENSES:</b>				
Other operating expenses	1,944	1,431	3,760	2,626
Provision for depreciation	1,294	1,285	2,580	2,571
General taxes	327	324	654	647
Total operating expenses	3,565	3,040	6,994	5,844
<b>OPERATING INCOME</b>	2,647	2,787	5,269	5,531
<b>OTHER INCOME (EXPENSE):</b>				
Miscellaneous income, net	17	3	41	78
Interest expense	(568)	(569)	(1,136)	(1,138)
Total other expense	(551)	(566)	(1,095)	(1,060)
<b>INCOME BEFORE INCOME TAXES</b>	2,096	2,221	4,174	4,471
<b>INCOME TAXES</b>	16	121	123	223
<b>NET INCOME</b>	\$ 2,080	\$ 2,100	\$ 4,051	\$ 4,248

**ALLEGHENY GENERATING COMPANY**  
**BALANCE SHEETS**  
**(UNAUDITED)**

<i>(In thousands, except share amounts)</i>	June 30, 2021	December 31, 2020
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Receivables - affiliated companies	\$ 10,354	\$ 10,287
Materials and supplies, at average cost	1,412	1,351
Prepaid taxes and other	758	728
	<u>12,524</u>	<u>12,366</u>
<b>UTILITY PLANT:</b>		
In service	202,245	201,026
Less — Accumulated provision for depreciation	49,980	47,400
	<u>152,265</u>	<u>153,626</u>
Construction work in progress	2,466	3,047
	<u>154,731</u>	<u>156,673</u>
	<u>\$ 167,255</u>	<u>\$ 169,039</u>
<b>LIABILITIES AND CAPITALIZATION</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable-		
Affiliated companies	\$ 341	\$ 302
Other	641	533
Short-term borrowings - affiliated companies	612	576
Accrued taxes	22	28
Accrued interest	99	99
Other	245	82
	<u>1,960</u>	<u>1,620</u>
<b>CAPITALIZATION:</b>		
Common stockholders' equity-		
Common stock, \$1 par value, 5,000 shares authorized - 451 shares outstanding	1	1
Other paid-in capital	41,196	41,196
Retained earnings	3,831	4,780
Total common stockholders' equity	<u>45,028</u>	<u>45,977</u>
Long-term debt and other long-term obligations	49,701	49,682
	<u>94,729</u>	<u>95,659</u>
<b>NONCURRENT LIABILITIES:</b>		
Accumulated deferred income taxes	18,473	18,810
Accumulated deferred investment tax credits	16,814	17,474
Regulatory liabilities	35,269	35,467
Other	10	9
	<u>70,566</u>	<u>71,760</u>
	<u>\$ 167,255</u>	<u>\$ 169,039</u>

**ALLEGHENY GENERATING COMPANY**  
**STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

<i>(In thousands)</i>	For the Six Months Ended June 30,	
	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 4,051	\$ 4,248
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	3,025	2,935
Deferred income taxes and investment tax credits, net	(1,640)	(1,316)
Changes in current assets and liabilities-		
Receivables	(67)	(380)
Materials and supplies	(61)	(6)
Prepaid taxes and other current assets	(30)	295
Accounts payable	147	(393)
Accrued taxes	(6)	(24)
Other current liabilities	163	116
Other	19	18
Net cash provided from operating activities	5,601	5,493
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
New financing-		
Short-term borrowings - affiliated companies, net	36	—
Redemptions and repayments-		
Short-term borrowings - affiliated companies, net	—	(1,700)
Common stock dividend payments	(5,000)	(22,000)
Net cash used for financing activities	(4,964)	(23,700)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Property additions	(637)	(293)
Net cash used for investing activities	(637)	(293)
Net change in cash, cash equivalents, and restricted cash	—	(18,500)
Cash, cash equivalents, and restricted cash at beginning of period	—	25,000
Cash, cash equivalents, and restricted cash at end of period	\$ —	\$ 6,500