

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

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

<i>(In thousands)</i>	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
<b>REVENUES</b>	\$ 5,976	\$ 6,848	\$ 18,239	\$ 18,223
<b>OPERATING EXPENSES:</b>				
Other operating expenses	1,727	2,373	5,487	4,999
Provision for depreciation	1,303	1,286	3,883	3,857
General taxes	327	324	981	971
Total operating expenses	3,357	3,983	10,351	9,827
<b>OPERATING INCOME</b>	2,619	2,865	7,888	8,396
<b>OTHER INCOME (EXPENSE):</b>				
Miscellaneous income, net	3	10	44	88
Interest expense	(569)	(568)	(1,705)	(1,706)
Total other expense	(566)	(558)	(1,661)	(1,618)
<b>INCOME BEFORE INCOME TAXES (BENEFITS)</b>	2,053	2,307	6,227	6,778
<b>INCOME TAXES (BENEFITS)</b>	(12)	76	111	299
<b>NET INCOME</b>	\$ 2,065	\$ 2,231	\$ 6,116	\$ 6,479

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

<i>(In thousands, except share amounts)</i>	September 30, 2021	December 31, 2020
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 15,000	\$ —
Receivables - affiliated companies	4,333	10,287
Materials and supplies, at average cost	1,403	1,351
Prepaid taxes and other	760	728
	<u>21,496</u>	<u>12,366</u>
<b>UTILITY PLANT:</b>		
In service	203,523	201,026
Less — Accumulated provision for depreciation	50,900	47,400
	<u>152,623</u>	<u>153,626</u>
Construction work in progress	962	3,047
	<u>153,585</u>	<u>156,673</u>
	<u>\$ 175,081</u>	<u>\$ 169,039</u>
<b>LIABILITIES AND CAPITALIZATION</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable-		
Affiliated companies	\$ 1,940	\$ 302
Other	732	533
Short-term borrowings - affiliated companies	2,902	576
Accrued taxes	349	28
Accrued interest	658	99
Other	13	82
	<u>6,594</u>	<u>1,620</u>
<b>CAPITALIZATION:</b>		
Common stockholder's equity-		
Common stock, \$1 par value, 5,000 shares authorized - 451 shares outstanding	1	1
Other paid-in capital	42,279	41,196
Retained earnings	5,896	4,780
Total common stockholder's equity	<u>48,176</u>	<u>45,977</u>
Long-term debt and other long-term obligations	<u>49,710</u>	<u>49,682</u>
	<u>97,886</u>	<u>95,659</u>
<b>NONCURRENT LIABILITIES:</b>		
Accumulated deferred income taxes	18,998	18,810
Accumulated deferred investment tax credits	16,483	17,474
Regulatory liabilities	35,109	35,467
Other	11	9
	<u>70,601</u>	<u>71,760</u>
	<u>\$ 175,081</u>	<u>\$ 169,039</u>

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

<i>(In thousands)</i>	<b>For the Nine Months Ended September 30,</b>	
	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 6,116	\$ 6,479
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	4,546	4,318
Deferred income taxes and investment tax credits, net	(1,824)	(1,265)
Changes in current assets and liabilities-		
Receivables	6,197	(4,498)
Materials and supplies	(52)	4
Prepaid taxes and other current assets	(32)	311
Accounts payable	1,837	(1,886)
Accrued taxes	321	(389)
Accrued interest	559	559
Other current liabilities	(68)	(69)
Other	868	27
Net cash provided from operating activities	18,468	3,591
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
New financing-		
Short-term borrowings - affiliated companies, net	2,326	—
Redemptions and repayments-		
Short-term borrowings - affiliated companies, net	—	(2,029)
Common stock dividend payments	(5,000)	(26,000)
Net cash used for financing activities	(2,674)	(28,029)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Property additions	(794)	(562)
Net cash used for investing activities	(794)	(562)
Net change in cash, cash equivalents, and restricted cash	15,000	(25,000)
Cash, cash equivalents, and restricted cash at beginning of period	—	25,000
Cash, cash equivalents, and restricted cash at end of period	\$ 15,000	\$ —