

TRANS-ALLEGHENY INTERSTATE LINE COMPANY
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

TRANS-ALLEGHENY INTERSTATE LINE COMPANY
STATEMENTS OF INCOME
(UNAUDITED)

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2022	2021
REVENUES	\$ 65	\$ 61
OPERATING EXPENSES:		
Other operating expenses	5	3
Provision for depreciation	14	13
General taxes	4	4
Total operating expenses	23	20
OPERATING INCOME	42	41
OTHER INCOME (EXPENSE):		
Interest expense	(6)	(6)
Capitalized financing costs	—	2
Total other expense	(6)	(4)
INCOME BEFORE INCOME TAXES	36	37
INCOME TAXES	10	10
NET INCOME	\$ 26	\$ 27

TRANS-ALLEGHENY INTERSTATE LINE COMPANY
BALANCE SHEETS
(UNAUDITED)

<i>(In millions)</i>	March 31, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Receivables-		
Affiliated companies	\$ 28	\$ 25
Other	20	20
Prepaid taxes and other	15	13
	<u>63</u>	<u>58</u>
UTILITY PLANT:		
In service	2,356	2,353
Less — Accumulated provision for depreciation	345	334
	<u>2,011</u>	<u>2,019</u>
Construction work in progress	9	8
	<u>2,020</u>	<u>2,027</u>
DEFERRED CHARGES AND OTHER ASSETS:		
Property taxes	—	6
Other	8	7
	<u>8</u>	<u>13</u>
	<u>\$ 2,091</u>	<u>\$ 2,098</u>
LIABILITIES AND CAPITALIZATION		
CURRENT LIABILITIES:		
Short-term borrowings - affiliated companies	\$ 10	\$ 8
Accounts payable - affiliated companies	—	21
Accrued taxes	18	17
Accrued interest	8	2
	<u>36</u>	<u>48</u>
CAPITALIZATION:		
Common stockholder's equity-		
Common stock and other paid-in capital, \$1 par value, authorized 5,000 share - 1,000 shares outstanding	932	932
Retained earnings	11	10
Total common stockholder's equity	943	942
Long-term debt and other long-term obligations	623	623
	<u>1,566</u>	<u>1,565</u>
NONCURRENT LIABILITIES:		
Accumulated deferred income taxes	333	322
Regulatory liabilities	156	156
Property taxes	—	6
Other	—	1
	<u>489</u>	<u>485</u>
	<u>\$ 2,091</u>	<u>\$ 2,098</u>

TRANS-ALLEGHENY INTERSTATE LINE COMPANY
STATEMENTS OF CASH FLOWS
(UNAUDITED)

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 26	\$ 27
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	14	13
Deferred income taxes and investment tax credits, net	11	16
Transmission revenue collections, net	(3)	5
Allowance for funds used during construction - equity	—	(2)
Changes in current assets and liabilities-		
Receivables	(3)	(4)
Prepaid taxes and other current assets	(2)	(2)
Accounts payable	(21)	—
Accrued taxes	1	—
Accrued interest	6	6
Other	1	—
Net cash provided from operating activities	30	59
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Short-term borrowings - affiliated companies, net	2	—
Redemptions and repayments-		
Short-term borrowings - affiliated companies, net	—	(42)
Common stock dividend payments	(25)	—
Net cash used for financing activities	(23)	(42)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property additions	(7)	(17)
Net cash used for investing activities	(7)	(17)
Net change in cash and cash equivalents	—	—
Cash and cash equivalents at beginning of period	—	—
Cash and cash equivalents at end of period	\$ —	\$ —