

TRANS-ALLEGHENY INTERSTATE LINE COMPANY
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2022 AND 2021

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

<i>(In millions)</i>	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
REVENUES	\$ 66	\$ 60	\$ 131	\$ 121
OPERATING EXPENSES:				
Other operating expenses	7	3	12	6
Provision for depreciation	13	13	27	26
General taxes	3	4	7	8
Total operating expenses	23	20	46	40
OPERATING INCOME	43	40	85	81
OTHER INCOME (EXPENSE):				
Miscellaneous expense, net	—	(1)	—	(1)
Interest expense	(7)	(7)	(13)	(13)
Capitalized financing costs	—	2	—	4
Total other expense	(7)	(6)	(13)	(10)
INCOME BEFORE INCOME TAXES	36	34	72	71
INCOME TAXES	10	9	20	19
NET INCOME	\$ 26	\$ 25	\$ 52	\$ 52

TRANS-ALLEGHENY INTERSTATE LINE COMPANY
BALANCE SHEETS
(UNAUDITED)

<i>(In millions)</i>	June 30, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Receivables-		
Affiliated companies	\$ 25	\$ 25
Other	19	20
Notes receivable from affiliated companies	31	—
Prepaid taxes and other	12	13
	87	58
UTILITY PLANT:		
In service	2,357	2,353
Less — Accumulated provision for depreciation	357	334
	2,000	2,019
Construction work in progress	15	8
	2,015	2,027
DEFERRED CHARGES AND OTHER ASSETS:		
Property taxes	—	6
Other	7	7
	7	13
	\$ 2,109	\$ 2,098
LIABILITIES AND CAPITALIZATION		
CURRENT LIABILITIES:		
Short-term borrowings - affiliated companies	\$ —	\$ 8
Accounts payable - affiliated companies	—	21
Accrued taxes	18	17
Accrued interest	2	2
	20	48
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	37	10
Total common stockholder's equity	969	942
Long-term debt and other long-term obligations	623	623
	1,592	1,565
NONCURRENT LIABILITIES:		
Accumulated deferred income taxes	343	322
Regulatory liabilities	154	156
Property taxes	—	6
Other	—	1
	497	485
	\$ 2,109	\$ 2,098

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

<i>(In millions)</i>	For the Six Months Ended June 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 52	\$ 52
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	27	25
Deferred income taxes and investment tax credits, net	21	34
Transmission revenue collections, net	(8)	11
Allowance for funds used during construction - equity	—	(3)
Changes in current assets and liabilities-		
Receivables	1	4
Prepaid taxes and other current assets	1	1
Accounts payable	(21)	(6)
Accrued taxes	1	—
Other	2	1
Net cash provided from operating activities	76	119
CASH FLOWS FROM FINANCING ACTIVITIES:		
Redemptions and repayments-		
Short-term borrowings - affiliated companies, net	(8)	(60)
Common stock dividend payments	(25)	—
Net cash used for financing activities	(33)	(60)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property additions	(12)	(25)
Loans to affiliated companies, net	(31)	(34)
Net cash used for investing activities	(43)	(59)
Net change in cash and cash equivalents	—	—
Cash and cash equivalents at beginning of period	—	—
Cash and cash equivalents at end of period	\$ —	\$ —