

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

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

<i>(In millions)</i>	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>REVENUES</b>	\$ 78	\$ 61	\$ 209	\$ 182
<b>OPERATING EXPENSES:</b>				
Other operating expenses	31	4	43	10
Provision for depreciation	12	13	39	39
General taxes	3	3	10	11
Total operating expenses	46	20	92	60
<b>OPERATING INCOME</b>	32	41	117	122
<b>OTHER INCOME (EXPENSE):</b>				
Miscellaneous expense, net	2	—	2	(1)
Interest expense	(6)	(7)	(19)	(20)
Capitalized financing costs	1	3	1	7
Total other expense	(3)	(4)	(16)	(14)
<b>INCOME BEFORE INCOME TAXES</b>	29	37	101	108
<b>INCOME TAXES</b>	9	9	29	28
<b>NET INCOME</b>	\$ 20	\$ 28	\$ 72	\$ 80

**TRANS-ALLEGHENY INTERSTATE LINE COMPANY**  
**BALANCE SHEETS**  
**(UNAUDITED)**

<i>(In millions)</i>	<b>September 30, 2022</b>	<b>December 31, 2021</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Receivables-		
Affiliated companies	\$ 1	\$ 25
Other	19	20
Notes receivable from affiliated companies	44	—
Prepaid taxes and other	10	13
	74	58
<b>UTILITY PLANT:</b>		
In service	2,336	2,353
Less — Accumulated provision for depreciation	360	334
	1,976	2,019
Construction work in progress	19	8
	1,995	2,027
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>		
Property taxes	—	6
Other	7	7
	7	13
	\$ 2,076	\$ 2,098
<b>LIABILITIES AND CAPITALIZATION</b>		
<b>CURRENT LIABILITIES:</b>		
Short-term borrowings - affiliated companies	\$ —	\$ 8
Accounts payable - affiliated companies	1	21
Accrued taxes	17	17
Accrued interest	8	2
	26	48
<b>CAPITALIZATION:</b>		
Common stockholder's equity-		
Common stock and other paid-in capital, \$1 par value, authorized 5,000 share - 1,000 shares outstanding	941	932
Retained earnings	7	10
Total common stockholder's equity	948	942
Long-term debt and other long-term obligations	623	623
	1,571	1,565
<b>NONCURRENT LIABILITIES:</b>		
Accumulated deferred income taxes	327	322
Regulatory liabilities	151	156
Property taxes	—	6
Other	1	1
	479	485
	\$ 2,076	\$ 2,098

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

<i>(In millions)</i>	For the Nine Months Ended September 30,	
	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 72	\$ 80
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation, amortization and impairments	39	38
Deferred income taxes and investment tax credits, net	23	27
Transmission revenue collections, net	(5)	12
Allowance for funds used during construction - equity	—	(5)
Changes in current assets and liabilities-		
Receivables	34	7
Prepaid taxes and other current assets	3	4
Accounts payable	(20)	(6)
Accrued taxes	—	18
Accrued interest	6	6
Other	2	1
Net cash provided from operating activities	154	182
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Redemptions and repayments-		
Short-term borrowings - affiliated companies, net	(8)	(60)
Common stock dividend payments	(75)	(70)
Other	—	(1)
Net cash used for financing activities	(83)	(131)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Property additions	(27)	(44)
Loans to affiliated companies, net	(44)	(7)
Net cash used for investing activities	(71)	(51)
Net change in cash and cash equivalents	—	—
Cash and cash equivalents at beginning of period	—	—
Cash and cash equivalents at end of period	\$ —	\$ —