

MONONGAHELA POWER COMPANY AND SUBSIDIARIES
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

MONONGAHELA POWER COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2023	2022
REVENUES:		
Electric sales	\$ 405	\$ 408
Excise and gross receipts tax collections	2	2
Total revenues	407	410
OPERATING EXPENSES:		
Fuel	132	140
Purchased power	64	89
Other operating expenses	101	113
Provision for depreciation	41	39
Deferral of regulatory assets, net	(6)	(42)
General taxes	14	14
Total operating expenses	346	353
OPERATING INCOME	61	57
OTHER INCOME (EXPENSE):		
Miscellaneous income, net	3	6
Interest expense	(21)	(21)
Capitalized financing costs	2	2
Total other expense	(16)	(13)
INCOME BEFORE INCOME TAXES	45	44
INCOME TAXES	9	9
NET INCOME	\$ 36	\$ 35

MONONGAHELA POWER COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

<i>(In millions, except share amounts)</i>	March 31, 2023	December 31, 2022
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 20	\$ 20
Restricted cash	13	20
Receivables-		
Customers	127	131
Less — Allowance for uncollectible customer receivables	8	9
	119	122
Affiliated companies	47	66
Other	15	13
Materials and supplies, at average cost	199	187
Prepaid taxes and other	47	48
	460	476
PROPERTY, PLANT AND EQUIPMENT:		
In service	5,284	5,263
Less — Accumulated provision for depreciation	896	886
	4,388	4,377
Construction work in progress	177	160
	4,565	4,537
DEFERRED CHARGES AND OTHER ASSETS:		
Intangible assets	62	63
Other	54	64
	116	127
TOTAL ASSETS	\$ 5,141	\$ 5,140
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Currently payable long-term debt	\$ 23	\$ 22
Short-term borrowings - affiliated companies	63	43
Accounts payable-		
Affiliated companies	36	42
Other	89	118
Accrued taxes	39	33
Accrued interest	28	12
Emission allowance compliance obligation	46	46
Other	41	45
	365	361
NONCURRENT LIABILITIES:		
Long-term debt and other long-term obligations	1,856	1,867
Accumulated deferred income taxes, net	630	621
Regulatory liabilities	367	387
Retirement benefits	5	5
Asset retirement obligations	76	73
Purchased power liability	49	51
Other	146	164
	3,129	3,168
TOTAL LIABILITIES	3,494	3,529
EQUITY:		
Common stockholder's equity-		
Common stock, \$50 par value, 7,000,000 shares authorized and 5,891,000 shares outstanding	295	295
Other paid-in capital	1,064	1,064
Retained earnings	288	252
TOTAL EQUITY	1,647	1,611
TOTAL LIABILITIES AND EQUITY	\$ 5,141	\$ 5,140

MONONGAHELA POWER COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 36	\$ 35
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	36	(1)
Deferred income taxes and investment tax credits, net	7	12
Retirement benefits, net of payments	(2)	(4)
Change in current assets and liabilities-		
Receivables	20	(14)
Materials and supplies	(12)	(13)
Prepaid taxes and other current assets	(9)	(5)
Accounts payable	(35)	32
Accrued taxes	6	1
Accrued interest	16	16
Other current liabilities	(14)	(11)
Other	4	8
Net cash provided from operating activities	53	56
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital investments	(63)	(55)
Loans to affiliated companies, net	—	(25)
Asset removal costs	(6)	(4)
Other	—	(1)
Net cash used for investing activities	(69)	(85)
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Short-term borrowings - affiliated companies, net	20	—
Redemptions and repayments-		
Long-term debt	(11)	(10)
Short-term borrowings - affiliated companies, net	—	(43)
Net cash provided from (used for) financing activities	9	(53)
Net change in cash, cash equivalents, and restricted cash	(7)	(82)
Cash, cash equivalents, and restricted cash at beginning of period	40	134
Cash, cash equivalents, and restricted cash at end of period	\$ 33	\$ 52
SUPPLEMENTAL CASH FLOW INFORMATION:		
Significant non-cash transactions:		
Accrued capital investments	\$ 12	\$ 8