

**TRANS-ALLEGHENY INTERSTATE LINE COMPANY**  
**UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**

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

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2023	2022
<b>REVENUES</b>	\$ 64	\$ 65
<b>OPERATING EXPENSES:</b>		
Other operating expenses	6	5
Provision for depreciation	14	14
General taxes	4	4
Total operating expenses	24	23
<b>OPERATING INCOME</b>	40	42
<b>OTHER INCOME (EXPENSE):</b>		
Miscellaneous income, net	1	—
Interest expense	(6)	(6)
Total other expense	(5)	(6)
<b>INCOME BEFORE INCOME TAXES</b>	35	36
<b>INCOME TAXES</b>	10	10
<b>NET INCOME</b>	\$ 25	\$ 26

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

<i>(In millions)</i>	March 31, 2023	December 31, 2022
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Receivables-		
Affiliated companies	\$ 1	\$ —
Other	19	19
Notes receivable from affiliated companies	79	40
Prepaid taxes and other	23	14
	122	73
<b>PROPERTY, PLANT AND EQUIPMENT:</b>		
In service	2,353	2,350
Less — Accumulated provision for depreciation	382	371
	1,971	1,979
Construction work in progress	22	19
	1,993	1,998
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>		
Property taxes	—	7
Other	8	8
	8	15
<b>TOTAL ASSETS</b>	<b>\$ 2,123</b>	<b>\$ 2,086</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable - affiliated companies	\$ 1	\$ 1
Accrued taxes	56	48
Accrued interest	8	2
	65	51
<b>NONCURRENT LIABILITIES:</b>		
Long-term debt and other long-term obligations	624	623
Accumulated deferred income taxes, net	313	306
Regulatory liabilities	139	142
Property taxes	—	7
Other	1	1
	1,077	1,079
<b>TOTAL LIABILITIES</b>	<b>1,142</b>	<b>1,130</b>
<b>EQUITY:</b>		
Common stockholder's equity-		
Common stock and other paid-in capital, \$1 par value, authorized 5,000 share - 1,000 shares outstanding	943	943
Retained earnings	38	13
<b>TOTAL EQUITY</b>	<b>981</b>	<b>956</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 2,123</b>	<b>\$ 2,086</b>

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

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 25	\$ 26
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation, amortization and impairments	14	15
Deferred income taxes and investment tax credits, net	8	11
Transmission revenue collections, net	(6)	(3)
Changes in current assets and liabilities-		
Receivables	(1)	(3)
Prepaid taxes and other current assets	(9)	(2)
Accounts payable - affiliated companies	—	(21)
Accrued taxes	8	1
Accrued interest	6	6
Net cash provided from operating activities	45	30
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Capital investments	(6)	(7)
Loans to affiliated companies, net	(39)	—
Net cash used for investing activities	(45)	(7)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
New financing-		
Short-term borrowings - affiliated companies, net	—	2
Common stock dividend payments	—	(25)
Net cash used for financing activities	—	(23)
Net change in cash and cash equivalents	—	—
Cash and cash equivalents at beginning of period	—	—
Cash and cash equivalents at end of period	\$ —	\$ —
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Significant non-cash transactions:		
Accrued capital investments	\$ 3	\$ 7