

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

**WEST PENN POWER COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**(UNAUDITED)**

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2023	2022
<b>REVENUES:</b>		
Electric sales	\$ 309	\$ 283
Excise tax collections	18	16
Total revenues	327	299
<b>OPERATING EXPENSES:</b>		
Purchased power	140	121
Other operating expenses	83	79
Provision for depreciation	27	26
Amortization of regulatory assets, net	3	—
General taxes	20	19
Total operating expenses	273	245
<b>OPERATING INCOME</b>	<b>54</b>	<b>54</b>
<b>OTHER INCOME (EXPENSE):</b>		
Miscellaneous income, net	4	5
Interest expense	(14)	(11)
Capitalized financing costs	1	1
Total other expense	(9)	(5)
<b>INCOME BEFORE INCOME TAXES</b>	<b>45</b>	<b>49</b>
<b>INCOME TAXES</b>	<b>9</b>	<b>12</b>
<b>NET INCOME</b>	<b>\$ 36</b>	<b>\$ 37</b>
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>		
<b>NET INCOME</b>	<b>\$ 36</b>	<b>\$ 37</b>
<b>OTHER COMPREHENSIVE LOSS:</b>		
Pension and OPEB prior service costs	(1)	—
Other comprehensive loss	(1)	—
Income tax benefits on other comprehensive loss	—	—
Other comprehensive loss, net of tax	(1)	—
<b>COMPREHENSIVE INCOME</b>	<b>\$ 35</b>	<b>\$ 37</b>

**WEST PENN POWER COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

<i>(In millions, except share amounts)</i>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Receivables-		
Customers	\$ 191	\$ 205
Less — Allowance for uncollectible customer receivables	15	18
	176	187
Affiliated companies	49	53
Other	8	8
Prepaid taxes and other	48	12
	281	260
<b>PROPERTY, PLANT AND EQUIPMENT:</b>		
In service	3,110	3,071
Less — Accumulated provision for depreciation	583	565
	2,527	2,506
Construction work in progress	112	99
	2,639	2,605
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>		
Regulatory assets	11	11
Prepaid pension and OPEB costs	65	63
Other	51	50
	127	124
<b>TOTAL ASSETS</b>	<b>\$ 3,047</b>	<b>\$ 2,989</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Short-term borrowings - affiliated companies	\$ 47	\$ 28
Accounts payable-		
Affiliated companies	3	13
Other	82	107
Accrued interest	12	7
Accrued taxes	14	21
Customer deposits	31	30
Collateral	4	17
Other	16	18
	209	241
<b>NONCURRENT LIABILITIES:</b>		
Long-term debt and other long-term obligations	1,168	1,119
Accumulated deferred income taxes, net	471	466
Retirement benefits	22	22
Asset retirement obligations	4	4
Other	65	64
	1,730	1,675
<b>TOTAL LIABILITIES</b>	<b>1,939</b>	<b>1,916</b>
<b>EQUITY:</b>		
Common stockholder's equity-		
Common stock, no par value, 32,000,000 shares authorized - 24,361,586 shares outstanding	690	690
Accumulated other comprehensive income	1	2
Retained earnings	417	381
<b>TOTAL EQUITY</b>	<b>1,108</b>	<b>1,073</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 3,047</b>	<b>\$ 2,989</b>

**WEST PENN POWER COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED 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	\$ 36	\$ 37
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation, amortization and impairments	29	26
Deferred income taxes and investment tax credits, net	2	9
Retirement benefits, net of payments	(4)	(7)
Change in current assets and liabilities-		
Receivables	15	(21)
Prepaid taxes and other current assets	(34)	(36)
Accounts payable	(35)	(10)
Accrued taxes	(7)	(2)
Accrued interest	5	2
Customer deposits	1	1
Other current liabilities	(4)	(6)
Collateral, net	(15)	1
Other	2	2
Net cash used for operating activities	(9)	(4)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Capital investments	(53)	(42)
Asset removal costs	(5)	(4)
Net cash used for investing activities	(58)	(46)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
New financing-		
Long-term debt	50	—
Short-term borrowings - affiliated companies, net	19	—
Redemptions and repayments-		
Short-term borrowings, affiliated companies, net	—	(75)
Equity contribution from parent	—	125
Other	(2)	—
Net cash provided from financing activities	67	50
Net change in cash, cash equivalents, and restricted cash	—	—
Cash, cash equivalents, and restricted cash at beginning of period	—	—
Cash, cash equivalents, and restricted cash at end of period	\$ —	\$ —
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Significant non-cash transactions:		
Accrued capital investments	\$ 11	\$ 5