

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2020 AND 2019

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC
STATEMENTS OF INCOME
(UNAUDITED)

<i>(In millions)</i>	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
REVENUES	\$ 70	\$ 59	\$ 187	\$ 160
OPERATING EXPENSES:				
Other operating expenses	21	20	41	52
Provision for depreciation	12	9	35	27
Amortization of regulatory liabilities, net	1	2	4	5
Total operating expenses	34	31	80	84
OPERATING INCOME	36	28	107	76
OTHER INCOME (EXPENSE):				
Miscellaneous income, net	—	—	1	—
Pension and OPEB mark-to-market adjustment	—	—	(5)	—
Interest expense	(8)	(6)	(21)	(16)
Capitalized financing costs	5	3	14	11
Total other expense	(3)	(3)	(11)	(5)
INCOME BEFORE INCOME TAXES	33	25	96	71
INCOME TAXES	8	6	24	17
NET INCOME	\$ 25	\$ 19	\$ 72	\$ 54

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC
BALANCE SHEETS
(UNAUDITED)

<i>(In millions)</i>	September 30, 2020	December 31, 2019
ASSETS		
CURRENT ASSETS:		
Receivables-		
Affiliated companies	\$ 1	\$ 16
Other	10	8
Notes receivable from affiliated companies	87	—
Prepaid taxes and other	4	4
	<u>102</u>	<u>28</u>
UTILITY PLANT:		
In service	2,088	1,850
Less — Accumulated provision for depreciation	381	360
	<u>1,707</u>	<u>1,490</u>
Construction work in progress	224	200
	<u>1,931</u>	<u>1,690</u>
DEFERRED CHARGES AND OTHER ASSETS:		
Goodwill	224	224
Other	1	1
	<u>225</u>	<u>225</u>
	<u>\$ 2,258</u>	<u>\$ 1,943</u>
LIABILITIES AND CAPITALIZATION		
CURRENT LIABILITIES:		
Short-term borrowings - affiliated companies	\$ —	\$ 285
Accounts payable - affiliated companies	3	11
Accrued taxes	3	—
Accrued interest	11	2
	<u>17</u>	<u>298</u>
CAPITALIZATION:		
Members' equity-		
Membership Interest A	439	174
Membership Interest B	744	744
Retained earnings	79	7
Total members' equity	<u>1,262</u>	<u>925</u>
Long-term debt and other long-term obligations	695	447
	<u>1,957</u>	<u>1,372</u>
NONCURRENT LIABILITIES:		
Accumulated deferred income taxes	247	221
Regulatory liabilities	35	50
Other	2	2
	<u>284</u>	<u>273</u>
	<u>\$ 2,258</u>	<u>\$ 1,943</u>

MID-ATLANTIC INTERSTATE TRANSMISSION, LLC
STATEMENTS OF CASH FLOWS
(UNAUDITED)

<i>(In millions)</i>	For the Nine Months Ended September 30,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 72	\$ 54
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	39	32
Deferred income taxes and investment tax credits, net	22	21
Transmission revenue collections, net	3	(13)
Pension and OPEB mark-to-market adjustment	5	—
Allowance for funds used during construction - equity	(11)	(9)
Changes in current assets and liabilities-		
Receivables	13	17
Prepaid taxes and other current assets	—	(1)
Accounts payable	(17)	—
Accrued taxes	3	—
Accrued interest	9	5
Other	(3)	(3)
Net cash provided from operating activities	135	103
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Long-term debt	250	—
Short-term borrowings - affiliated companies	—	194
Redemptions and repayments-		
Short-term borrowings - affiliated companies	(285)	—
Parent company equity contribution	265	—
Dividend payments	—	(58)
Other	(2)	—
Net cash provided from financing activities	228	136
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property additions	(260)	(292)
Loans to affiliated companies, net	(87)	86
Asset removal costs	(16)	(25)
Other	—	(8)
Net cash used for investing activities	(363)	(239)
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	\$ —	\$ —