

FIRSTENERGY TRANSMISSION, LLC AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2018 AND 2017

FIRSTENERGY TRANSMISSION, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

<i>(In millions)</i>	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2018	2017	2018	2017
REVENUES	\$ 267	\$ 263	\$ 520	\$ 520
OPERATING EXPENSES:				
Operation and maintenance expenses	43	36	80	68
Provision for depreciation	46	40	93	80
Amortization of regulatory assets, net	1	3	5	6
General taxes	46	40	90	81
Total operating expenses	<u>136</u>	<u>119</u>	<u>268</u>	<u>235</u>
OPERATING INCOME	<u>131</u>	<u>144</u>	<u>252</u>	<u>285</u>
OTHER INCOME (EXPENSE):				
Miscellaneous income, net	1	—	3	—
Interest expense	(37)	(32)	(71)	(64)
Capitalized financing costs	11	4	18	8
Total other expense	<u>(25)</u>	<u>(28)</u>	<u>(50)</u>	<u>(56)</u>
INCOME BEFORE INCOME TAXES	106	116	202	229
INCOME TAXES	<u>24</u>	<u>40</u>	<u>43</u>	<u>81</u>
NET INCOME	82	76	159	148
Income attributable to noncontrolling interest	<u>13</u>	<u>6</u>	<u>25</u>	<u>12</u>
EARNINGS AVAILABLE TO PARENT	<u>\$ 69</u>	<u>\$ 70</u>	<u>\$ 134</u>	<u>\$ 136</u>

A consolidated subsidiary of FirstEnergy Transmission, LLC (FET), Mid-Atlantic Interstate Transmission, LLC (MAIT) issued membership interest on January 31, 2017, in exchange for cash and asset contributions from FET, Pennsylvania Electric Company (PN) and Metropolitan Edison Company (ME). In accordance with Generally Accepted Accounting Principles (GAAP), the accompanying financial statements have been retrospectively updated to reflect the formation of MAIT as of the earliest period presented.

FIRSTENERGY TRANSMISSION, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(In millions)</i>	June 30, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 84	\$ 83
Receivables-		
Affiliated companies	29	65
Other	61	60
Notes receivable from affiliated companies	298	434
Prepaid taxes and other	16	17
	<u>488</u>	<u>659</u>
PROPERTY, PLANT AND EQUIPMENT:		
In service	7,873	7,551
Less — Accumulated provision for depreciation	1,531	1,475
	<u>6,342</u>	<u>6,076</u>
Construction work in progress	424	333
	<u>6,766</u>	<u>6,409</u>
OTHER PROPERTY AND INVESTMENTS:		
Investment in non-affiliated companies	17	17
Other	6	6
	<u>23</u>	<u>23</u>
DEFERRED CHARGES AND OTHER ASSETS:		
Goodwill	224	224
Regulatory assets	3	2
Property taxes	86	182
Other	9	11
	<u>322</u>	<u>419</u>
	<u>\$ 7,599</u>	<u>\$ 7,510</u>
LIABILITIES AND CAPITALIZATION		
CURRENT LIABILITIES:		
Short-term borrowings - affiliated companies	\$ 42	\$ 358
Accounts payable - affiliated companies	24	31
Accrued taxes	181	172
Accrued interest	46	44
	<u>293</u>	<u>605</u>
CAPITALIZATION:		
Member's equity	1,049	1,050
Retained earnings	940	956
Total member's equity	1,989	2,006
Noncontrolling interest	776	750
Total equity	2,765	2,756
Long-term debt and other long-term obligations	3,149	2,702
	<u>5,914</u>	<u>5,458</u>
NONCURRENT LIABILITIES:		
Accumulated deferred income taxes	763	735
Property taxes	86	182
Regulatory liabilities	499	482
Other	44	48
	<u>1,392</u>	<u>1,447</u>
	<u>\$ 7,599</u>	<u>\$ 7,510</u>

A consolidated subsidiary of FirstEnergy Transmission, LLC (FET), Mid-Atlantic Interstate Transmission, LLC (MAIT) issued membership interest on January 31, 2017, in exchange for cash and asset contributions from FET, Pennsylvania Electric Company (PN) and Metropolitan Edison Company (ME). In accordance with Generally Accepted Accounting Principles (GAAP), the accompanying financial statements have been retrospectively updated to reflect the formation of MAIT as of the earliest period presented.

FIRSTENERGY TRANSMISSION, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

<i>(In millions)</i>	For the Six Months Ended June 30,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 159	\$ 148
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization of regulatory assets, net	98	86
Deferred income taxes and investment tax credits, net	23	77
Transmission revenue collections, net	46	(34)
Allowance for funds used during construction - equity	(16)	(7)
Changes in current assets and liabilities-		
Receivables	36	3
Prepaid taxes and other	1	1
Accounts payable	(7)	20
Accrued taxes	8	9
Accrued interest	2	—
Other	(17)	(9)
Net cash provided from operating activities	333	294
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing - long-term debt	450	—
Short-term borrowings, net	(316)	(86)
Common stock dividend payments	(150)	—
Other	(4)	—
Net cash used for financing activities	(20)	(86)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property additions	(419)	(314)
Loans to affiliated companies, net	136	135
Asset removal costs	(29)	(22)
Other	—	(1)
Net cash used for investing activities	(312)	(202)
Net change in cash, cash equivalents and restricted cash	1	6
Cash, cash equivalents and restricted cash at beginning of period	83	72
Cash, cash equivalents and restricted cash at end of period	\$ 84	\$ 78

A consolidated subsidiary of FirstEnergy Transmission, LLC (FET), Mid-Atlantic Interstate Transmission, LLC (MAIT) issued membership interest on January 31, 2017, in exchange for cash and asset contributions from FET, Pennsylvania Electric Company (PN) and Metropolitan Edison Company (ME). In accordance with Generally Accepted Accounting Principles (GAAP), the accompanying financial statements have been retrospectively updated to reflect the formation of MAIT as of the earliest period presented.

FIRSTENERGY TRANSMISSION, LLC
CONSOLIDATING STATEMENTS OF INCOME
(Unaudited)

For the Three Months Ended June 30, 2018	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
	<i>(In millions)</i>						
REVENUES	\$ —	\$ 169	\$ 64	\$ 35	\$ —	\$ (1)	\$ 267
OPERATING EXPENSES:							
Operation and maintenance expenses	—	28	5	11	—	(1)	43
Provision for depreciation	—	28	12	7	—	(1)	46
Amortization (deferral) of regulatory assets, net	—	1	(1)	1	—	—	1
General taxes	—	43	3	—	—	—	46
Total operating expenses	—	100	19	19	—	(2)	136
OPERATING INCOME	—	69	45	16	—	1	131
OTHER INCOME (EXPENSE):							
Miscellaneous income, including net income from equity investees	75	—	—	—	—	(74)	1
Interest expense	(12)	(15)	(6)	(4)	—	—	(37)
Capitalized financing costs	—	4	1	6	—	—	11
Total other income (expense)	63	(11)	(5)	2	—	(74)	(25)
INCOME BEFORE INCOME TAXES (BENEFITS)	63	58	40	18	—	(73)	106
INCOME TAXES (BENEFITS)	(5)	12	13	4	—	—	24
NET INCOME	68	46	27	14	—	(73)	82
Income attributable to noncontrolling interest	—	—	—	—	—	13	13
EARNINGS AVAILABLE TO PARENT	<u>\$ 68</u>	<u>\$ 46</u>	<u>\$ 27</u>	<u>\$ 14</u>	<u>\$ —</u>	<u>\$ (86)</u>	<u>\$ 69</u>

FIRSTENERGY TRANSMISSION, LLC
CONSOLIDATING STATEMENTS OF INCOME
(Unaudited)

For the Six Months Ended June 30, 2018	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
	<i>(In millions)</i>						
REVENUES	\$ —	\$ 327	\$ 127	\$ 66	\$ —	\$ —	\$ 520
OPERATING EXPENSES:							
Operation and maintenance expenses	—	50	9	22	—	(1)	80
Provision for depreciation	—	56	24	13	—	—	93
Amortization of regulatory assets, net	—	3	—	2	—	—	5
General taxes	(1)	85	6	—	—	—	90
Total operating expenses	(1)	194	39	37	—	(1)	268
OPERATING INCOME	1	133	88	29	—	1	252
OTHER INCOME (EXPENSE):							
Miscellaneous income, including net income from equity investees	147	1	—	1	—	(146)	3
Interest expense	(24)	(29)	(13)	(5)	—	—	(71)
Capitalized financing costs	—	7	1	10	—	—	18
Total other income (expense)	123	(21)	(12)	6	—	(146)	(50)
INCOME BEFORE INCOME TAXES (BENEFITS)	124	112	76	35	—	(145)	202
INCOME TAXES (BENEFITS)	(10)	23	22	8	—	—	43
NET INCOME	134	89	54	27	—	(145)	159
Income attributable to noncontrolling interest	—	—	—	—	—	25	25
EARNINGS AVAILABLE TO PARENT	<u>\$ 134</u>	<u>\$ 89</u>	<u>\$ 54</u>	<u>\$ 27</u>	<u>\$ —</u>	<u>\$ (170)</u>	<u>\$ 134</u>

FIRSTENERGY TRANSMISSION, LLC
CONSOLIDATING STATEMENTS OF INCOME
(Unaudited)

For the Three Months Ended June 30, 2017	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
	<i>(In millions)</i>						
REVENUES	\$ —	\$ 164	\$ 73	\$ 24	\$ 3	\$ (1)	\$ 263
OPERATING EXPENSES:							
Operation and maintenance expenses	—	21	4	12	—	(1)	36
Provision for depreciation	—	26	11	4	—	(1)	40
Amortization of regulatory assets, net	—	—	—	—	3	—	3
General taxes	(1)	38	3	—	—	—	40
Total operating expenses	(1)	85	18	16	3	(2)	119
OPERATING INCOME	1	79	55	8	—	1	144
OTHER INCOME (EXPENSE):							
Miscellaneous income, including net income from equity investees	75	—	—	—	—	(75)	—
Interest expense	(14)	(12)	(6)	—	—	—	(32)
Capitalized financing costs	—	2	1	1	—	—	4
Total other income (expense)	61	(10)	(5)	1	—	(75)	(28)
INCOME BEFORE INCOME TAXES (BENEFITS)	62	69	50	9	—	(74)	116
INCOME TAXES (BENEFITS)	(8)	24	20	3	—	1	40
NET INCOME	70	45	30	6	—	(75)	76
Income attributable to noncontrolling interest	—	—	—	—	—	6	6
EARNINGS AVAILABLE TO PARENT	<u>\$ 70</u>	<u>\$ 45</u>	<u>\$ 30</u>	<u>\$ 6</u>	<u>\$ —</u>	<u>\$ (81)</u>	<u>\$ 70</u>

FIRSTENERGY TRANSMISSION, LLC
CONSOLIDATING STATEMENTS OF INCOME
(Unaudited)

For the Six Months Ended June 30, 2017	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
	<i>(In millions)</i>						
REVENUES	\$ —	\$ 318	\$ 144	\$ 48	\$ 11	\$ (1)	\$ 520
OPERATING EXPENSES:							
Operation and maintenance expenses	—	41	6	22	—	(1)	68
Provision for depreciation	—	50	23	7	—	—	80
Amortization of regulatory assets, net	—	—	—	—	6	—	6
General taxes	—	75	6	—	—	—	81
Total operating expenses	—	166	35	29	6	(1)	235
OPERATING INCOME	—	152	109	19	5	—	285
OTHER INCOME (EXPENSE):							
Miscellaneous income, including net income from equity investees	149	—	—	—	—	(149)	—
Interest expense	(26)	(25)	(13)	—	—	—	(64)
Capitalized financing costs	—	4	2	2	—	—	8
Total other income (expense)	123	(21)	(11)	2	—	(149)	(56)
INCOME BEFORE INCOME TAXES (BENEFITS)	123	131	98	21	5	(149)	229
INCOME TAXES (BENEFITS)	(13)	46	38	8	2	—	81
NET INCOME	136	85	60	13	3	(149)	148
Income attributable to noncontrolling interest	—	—	—	—	—	12	12
EARNINGS AVAILABLE TO PARENT	<u>\$ 136</u>	<u>\$ 85</u>	<u>\$ 60</u>	<u>\$ 13</u>	<u>\$ 3</u>	<u>\$ (161)</u>	<u>\$ 136</u>

FIRSTENERGY TRANSMISSION, LLC
CONSOLIDATING BALANCE SHEETS
(Unaudited)

As of June 30, 2018	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
ASSETS							
CURRENT ASSETS:							
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —	\$ 84	\$ —	\$ 84
Receivables-							
Affiliated companies	26	1	4	—	—	(2)	29
Other	—	34	19	8	—	—	61
Notes receivable from affiliated companies	130	—	24	144	—	—	298
Prepaid taxes and other	2	1	11	1	1	—	16
	<u>158</u>	<u>36</u>	<u>58</u>	<u>153</u>	<u>85</u>	<u>(2)</u>	<u>488</u>
PROPERTY, PLANT AND EQUIPMENT:							
In service	—	4,451	2,137	1,285	—	—	7,873
Less — Accumulated provision for depreciation	—	978	195	358	—	—	1,531
	<u>—</u>	<u>3,473</u>	<u>1,942</u>	<u>927</u>	<u>—</u>	<u>—</u>	<u>6,342</u>
Construction work in progress	—	187	19	218	—	—	424
	<u>—</u>	<u>3,660</u>	<u>1,961</u>	<u>1,145</u>	<u>—</u>	<u>—</u>	<u>6,766</u>
OTHER PROPERTY AND INVESTMENTS:							
Investment in affiliated companies	2,832	—	—	—	—	(2,832)	—
Investment in non-affiliated companies	—	—	—	—	17	—	17
Other	—	—	6	—	—	—	6
	<u>2,832</u>	<u>—</u>	<u>6</u>	<u>—</u>	<u>17</u>	<u>(2,832)</u>	<u>23</u>
DEFERRED CHARGES AND OTHER ASSETS:							
Goodwill	—	—	—	224	—	—	224
Accumulated deferred income tax benefits	13	—	—	—	5	(18)	—
Regulatory assets	—	—	—	—	3	—	3
Property taxes	—	86	—	—	—	—	86
Other	—	7	1	1	—	—	9
	<u>13</u>	<u>93</u>	<u>1</u>	<u>225</u>	<u>8</u>	<u>(18)</u>	<u>322</u>
	<u>\$ 3,003</u>	<u>\$ 3,789</u>	<u>\$ 2,026</u>	<u>\$ 1,523</u>	<u>\$ 110</u>	<u>\$ (2,852)</u>	<u>\$ 7,599</u>
LIABILITIES AND CAPITALIZATION							
CURRENT LIABILITIES:							
Short-term borrowings - affiliated companies	\$ —	\$ 40	\$ —	\$ —	\$ 2	\$ —	\$ 42
Accounts payable - affiliated companies	—	6	1	3	15	(1)	24
Accrued taxes	—	163	17	—	2	(1)	181
Accrued interest	22	20	2	2	—	—	46
	<u>22</u>	<u>229</u>	<u>20</u>	<u>5</u>	<u>19</u>	<u>(2)</u>	<u>293</u>
CAPITALIZATION:							
Member's equity	1,049	1,266	921	783	89	(3,059)	1,049
Retained earnings	940	437	79	34	(1)	(549)	940
Total member's equity	1,989	1,703	1,000	817	88	(3,608)	1,989
Noncontrolling interest	—	—	—	—	—	776	776
Total equity	1,989	1,703	1,000	817	88	(2,832)	2,765
Long-term debt and other long-term obligations	992	1,090	621	446	—	—	3,149
	<u>2,981</u>	<u>2,793</u>	<u>1,621</u>	<u>1,263</u>	<u>88</u>	<u>(2,832)</u>	<u>5,914</u>
NONCURRENT LIABILITIES:							
Accumulated deferred income taxes	—	386	253	142	—	(18)	763
Property taxes	—	86	—	—	—	—	86
Regulatory liabilities	—	259	126	111	3	—	499
Other	—	36	6	2	—	—	44
	<u>—</u>	<u>767</u>	<u>385</u>	<u>255</u>	<u>3</u>	<u>(18)</u>	<u>1,392</u>
	<u>\$ 3,003</u>	<u>\$ 3,789</u>	<u>\$ 2,026</u>	<u>\$ 1,523</u>	<u>\$ 110</u>	<u>\$ (2,852)</u>	<u>\$ 7,599</u>

FIRSTENERGY TRANSMISSION, LLC
CONSOLIDATING BALANCE SHEETS
(Unaudited)

As of December 31, 2017	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
<i>(In millions)</i>							
ASSETS							
CURRENT ASSETS:							
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —	\$ 83	\$ —	\$ 83
Receivables-							
Affiliated companies	7	33	30	2	—	(7)	65
Other	—	29	23	7	1	—	60
Notes receivable from affiliated companies	434	—	—	—	—	—	434
Prepaid taxes and other	3	3	11	—	—	—	17
	<u>444</u>	<u>65</u>	<u>64</u>	<u>9</u>	<u>84</u>	<u>(7)</u>	<u>659</u>
PROPERTY, PLANT AND EQUIPMENT:							
In service	—	4,284	2,124	1,143	—	—	7,551
Less — Accumulated provision for depreciation	—	933	177	365	—	—	1,475
	—	<u>3,351</u>	<u>1,947</u>	<u>778</u>	—	—	<u>6,076</u>
Construction work in progress	—	160	18	155	—	—	333
	—	<u>3,511</u>	<u>1,965</u>	<u>933</u>	—	—	<u>6,409</u>
OTHER PROPERTY AND INVESTMENTS:							
Investment in affiliated companies	2,568	—	—	—	—	(2,568)	—
Investment in non-affiliated companies	—	—	—	—	17	—	17
Other	—	—	6	—	—	—	6
	<u>2,568</u>	—	<u>6</u>	—	<u>17</u>	<u>(2,568)</u>	<u>23</u>
DEFERRED CHARGES AND OTHER ASSETS:							
Goodwill	—	—	—	224	—	—	224
Accumulated deferred income tax benefits	7	—	—	—	5	(12)	—
Regulatory assets	—	—	—	—	2	—	2
Property taxes	—	177	5	—	—	—	182
Other	—	7	3	1	—	—	11
	<u>7</u>	<u>184</u>	<u>8</u>	<u>225</u>	<u>7</u>	<u>(12)</u>	<u>419</u>
	<u>\$ 3,019</u>	<u>\$ 3,760</u>	<u>\$ 2,043</u>	<u>\$ 1,167</u>	<u>\$ 108</u>	<u>\$ (2,587)</u>	<u>\$ 7,510</u>
LIABILITIES AND CAPITALIZATION							
CURRENT LIABILITIES:							
Short-term borrowings - affiliated companies	\$ —	\$ 113	\$ 106	\$ 137	\$ 2	\$ —	\$ 358
Accounts payable - affiliated companies	—	15	1	3	12	—	31
Accrued taxes	—	155	17	7	—	(7)	172
Accrued interest	22	20	2	—	—	—	44
	<u>22</u>	<u>303</u>	<u>126</u>	<u>147</u>	<u>14</u>	<u>(7)</u>	<u>605</u>
CAPITALIZATION:							
Member's equity	1,050	1,166	900	783	90	(2,939)	1,050
Retained earnings	956	348	25	7	(1)	(379)	956
Total member's equity	2,006	1,514	925	790	89	(3,318)	2,006
Noncontrolling interest	—	—	—	—	—	750	750
Total equity	2,006	1,514	925	790	89	(2,568)	2,756
Long-term debt and other long-term obligations	991	1,090	621	—	—	—	2,702
	<u>2,997</u>	<u>2,604</u>	<u>1,546</u>	<u>790</u>	<u>89</u>	<u>(2,568)</u>	<u>5,458</u>
NONCURRENT LIABILITIES:							
Accumulated deferred income taxes	—	368	248	131	—	(12)	735
Property taxes	—	177	5	—	—	—	182
Regulatory liabilities	—	271	110	96	5	—	482
Other	—	37	8	3	—	—	48
	—	<u>853</u>	<u>371</u>	<u>230</u>	<u>5</u>	<u>(12)</u>	<u>1,447</u>
	<u>\$ 3,019</u>	<u>\$ 3,760</u>	<u>\$ 2,043</u>	<u>\$ 1,167</u>	<u>\$ 108</u>	<u>\$ (2,587)</u>	<u>\$ 7,510</u>

FIRSTENERGY TRANSMISSION, LLC
CONSOLIDATING STATEMENTS OF CASH FLOWS
(Unaudited)

For the Six Months Ended June 30, 2018	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
	<i>(In millions)</i>						
CASH FLOWS FROM OPERATING ACTIVITIES:							
Net income	\$ 134	\$ 89	\$ 54	\$ 26	\$ —	\$ (144)	\$ 159
Adjustments to reconcile net income to net cash from operating activities-							
Depreciation and amortization of regulatory assets, net	—	60	22	15	—	1	98
Deferred income taxes and investment tax credits, net	(5)	15	6	7	—	—	23
Transmission revenue collections, net	—	16	12	18	—	—	46
Allowance for funds used during construction - equity	—	(5)	(1)	(10)	—	—	(16)
Equity earnings of subsidiaries	(144)	—	—	—	—	144	—
Changes in current assets and liabilities-							
Receivables	(19)	27	30	2	1	(5)	36
Prepaid taxes and other	—	2	—	(1)	—	—	1
Accounts payable	—	(9)	—	(1)	3	—	(7)
Accrued taxes	—	8	—	(7)	2	5	8
Accrued interest	—	—	—	2	—	—	2
Other	—	(8)	2	(5)	(5)	(1)	(17)
Net cash provided from (used for) operating activities	(34)	195	125	46	1	—	333
CASH FLOWS FROM FINANCING ACTIVITIES:							
New financing - long-term debt	—	—	—	450	—	—	450
Short-term borrowings, net	—	(73)	(106)	(137)	—	—	(316)
Equity contributions from parent	—	100	20	—	—	(120)	—
Common stock dividend payment	(150)	—	—	—	—	—	(150)
Other	—	—	—	(4)	—	—	(4)
Net cash provided from (used for) financing activities	(150)	27	(86)	309	—	(120)	(20)
CASH FLOWS FROM INVESTING ACTIVITIES:							
Property additions	—	(205)	(15)	(199)	—	—	(419)
Investment in subsidiary	(120)	—	—	—	—	120	—
Loans to affiliated companies, net	304	—	(24)	(144)	—	—	136
Asset removal costs	—	(17)	—	(12)	—	—	(29)
Net cash provided from (used for) investing activities	184	(222)	(39)	(355)	—	120	(312)
Net change in cash, cash equivalents and restricted cash							
	—	—	—	—	1	—	1
Cash, cash equivalents and restricted cash at beginning of period							
	—	—	—	—	83	—	83
Cash, cash equivalents and restricted cash at end of period							
	\$ —	\$ —	\$ —	\$ —	\$ 84	\$ —	\$ 84

FIRSTENERGY TRANSMISSION, LLC
CONSOLIDATING STATEMENTS OF CASH FLOWS
(Unaudited)

For the Six Months Ended June 30, 2017	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
<i>(In millions)</i>							
CASH FLOWS FROM OPERATING ACTIVITIES:							
Net income	\$ 136	\$ 85	\$ 60	\$ 13	\$ 3	\$ (149)	\$ 148
Adjustments to reconcile net income to net cash from operating activities-							
Depreciation and amortization of regulatory assets, net	—	50	23	7	6	—	86
Deferred income taxes and investment tax credits, net	(4)	53	9	21	(1)	(1)	77
Transmission revenue collections, net	—	(25)	(9)	—	—	—	(34)
Allowance for funds used during construction - equity	—	(3)	(2)	(2)	—	—	(7)
Equity earnings of subsidiaries	(149)	—	—	—	—	149	—
Dividends received from equity investees	32	—	—	—	—	(32)	—
Changes in current assets and liabilities-							
Receivables	3	(1)	(2)	(1)	1	3	3
Prepaid taxes and other	1	—	—	—	—	—	1
Accounts payable	(2)	—	—	19	3	—	20
Accrued taxes	—	4	8	—	1	(4)	9
Accrued interest	—	—	—	—	—	—	—
Other	(2)	(3)	2	—	(6)	—	(9)
Net cash provided from operating activities	<u>15</u>	<u>160</u>	<u>89</u>	<u>57</u>	<u>7</u>	<u>(34)</u>	<u>294</u>
CASH FLOWS FROM FINANCING ACTIVITIES:							
Short-term borrowings, net	75	9	(170)	—	—	—	(86)
Parent company equity contribution	—	—	150	—	—	(150)	—
Common stock dividend payment	—	(10)	—	(3)	(19)	32	—
Net cash provided from (used for) financing activities	<u>75</u>	<u>(1)</u>	<u>(20)</u>	<u>(3)</u>	<u>(19)</u>	<u>(118)</u>	<u>(86)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:							
Property additions	—	(200)	(30)	(84)	—	—	(314)
Investment in subsidiary	(150)	—	—	—	—	150	—
Loans to affiliated companies, net	47	62	(38)	32	31	1	135
Asset removal costs	—	(21)	—	(2)	—	1	(22)
Return of capital from subsidiary	13	—	—	—	(13)	—	—
Other	—	—	(1)	—	—	—	(1)
Net cash provided from (used for) investing activities	<u>(90)</u>	<u>(159)</u>	<u>(69)</u>	<u>(54)</u>	<u>18</u>	<u>152</u>	<u>(202)</u>
Net change in cash, cash equivalents and restricted cash							
	—	—	—	—	6	—	6
Cash, cash equivalents and restricted cash at beginning of period							
	—	—	—	—	72	—	72
Cash, cash equivalents and restricted cash at end of period							
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 78</u>	<u>\$ —</u>	<u>\$ 78</u>