

CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(excluding footnotes)

EL PASO NATURAL GAS COMPANY, L.L.C.

As of March 31, 2020 and December 31, 2019 and
For the Three Months Ended March 31, 2020 and 2019

EL PASO NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARIES
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EL PASO NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(In Millions, Unaudited)

	Three Months Ended March 31,	
	2020	2019
Revenues	\$ 205	\$ 198
Operating Costs and Expenses		
Operations and maintenance	42	37
Depreciation and amortization	23	23
General and administrative	10	11
Taxes, other than income taxes	9	9
Total Operating Costs and Expenses	84	80
Operating Income	121	118
Other Income (Expense)		
Interest, net	(16)	(16)
Other, net	5	2
Total Other Expense	(11)	(14)
Net Income	110	104
Other Comprehensive Loss		
Adjustments to postretirement benefit plan	(1)	(1)
Comprehensive Income	\$ 109	\$ 103

EL PASO NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Millions, Unaudited)

	March 31, 2020	December 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents	\$ —	\$ —
Accounts receivable	72	75
Inventories	41	41
Prepayments	16	20
Other current assets	3	7
Total current assets	132	143
Property, plant and equipment, net	2,201	2,165
Goodwill	565	565
Notes receivable from affiliates	26	26
Deferred charges and other assets	297	300
Total Assets	\$ 3,221	\$ 3,199
LIABILITIES AND MEMBER'S EQUITY		
Current Liabilities		
Accounts payable	\$ 69	\$ 68
Accrued interest	18	13
Accrued taxes, other than income taxes	22	19
Contractual deposits	30	24
Rate liabilities	2	2
Other current liabilities	26	33
Total current liabilities	167	159
Long-term liabilities and deferred credits		
Long-term debt	760	760
Debt fair value adjustments	106	110
Other long-term liabilities and deferred credits	102	102
Total long-term liabilities and deferred credits	968	972
Total Liabilities	1,135	1,131
Member's Equity		
Member's equity	2,056	2,037
Accumulated other comprehensive income	30	31
Total Member's Equity	2,086	2,068
Total Liabilities and Member's Equity	\$ 3,221	\$ 3,199

EL PASO NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions, Unaudited)

	Three Months Ended March 31,	
	2020	2019
Cash Flows From Operating Activities		
Net income	\$ 110	\$ 104
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	23	23
Other non-cash items	(1)	—
Changes in components of working capital:		
Accounts receivable	3	—
Prepayments	3	3
Accounts payable	(3)	2
Accrued interest	5	5
Accrued taxes, other than income taxes	3	3
Rate liabilities	—	13
Other current assets and liabilities	—	(3)
Other long-term assets and liabilities	5	4
Net Cash Provided by Operating Activities	148	154
Cash Flows From Investing Activities		
Capital expenditures	(57)	(17)
Other, net	—	(4)
Net Cash Used in Investing Activities	(57)	(21)
Cash Flows From Financing Activities		
Contributions from Member	48	12
Distributions to Member	(139)	(145)
Net Cash Used in Financing Activities	(91)	(133)
Net Change in Cash and Cash Equivalents	—	—
Cash and Cash Equivalents, beginning of period	—	—
Cash and Cash Equivalents, end of period	\$ —	\$ —
Non-cash Investing and Financing Activities		
Right-of-use assets and operating lease obligations recognized	\$ —	\$ 1
Increase in property, plant and equipment accruals	5	
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for interest (net of capitalized interest)	11	11

EL PASO NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY
(In Millions, Unaudited)

	Three Months Ended March 31,	
	2020	2019
Beginning Balance	\$ 2,068	\$ 2,004
Net income	110	104
Contributions	48	12
Distributions	(139)	(145)
Other comprehensive loss	(1)	(1)
Ending Balance	\$ 2,086	\$ 1,974