

CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(excluding footnotes)

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

As of March 31, 2021 and December 31, 2020 and
For the Three Months Ended March 31, 2021 and 2020

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,	
	2021	2020
Revenues	\$ 211	\$ 205
Operating Costs and Expenses		
Operations and maintenance	44	42
Depreciation and amortization	24	23
General and administrative	11	10
Taxes, other than income taxes	10	9
Other income, net	(1)	—
Total Operating Costs and Expenses	88	84
Operating Income	123	121
Other Income (Expense)		
Interest, net	(16)	(16)
Other, net	3	5
Total Other Expense	(13)	(11)
Net Income	110	110
Other Comprehensive Loss		
Adjustments to postretirement benefit plan	(1)	(1)
Comprehensive Income	\$ 109	\$ 109

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

	March 31, 2021	December 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ —	\$ —
Accounts receivable	247	70
Inventories	41	40
Prepayments	15	18
Other current assets	12	10
Total current assets	315	138
Property, plant and equipment, net	2,231	2,241
Goodwill	565	565
Notes receivable from affiliates	25	25
Deferred charges and other assets	302	307
Total Assets	\$ 3,438	\$ 3,276
LIABILITIES AND MEMBER'S EQUITY		
Current Liabilities		
Current portion of debt	\$ 260	\$ —
Accounts payable	39	53
Accrued interest	18	13
Accrued taxes, other than income taxes	24	22
Regulatory liabilities	198	7
Contractual deposits	14	16
Other current liabilities	25	25
Total current liabilities	578	136
Long-term liabilities and deferred credits		
Long-term debt	500	760
Debt fair value adjustments	91	95
Other long-term liabilities and deferred credits	98	99
Total long-term liabilities and deferred credits	689	954
Total Liabilities	1,267	1,090
Member's Equity		
Member's equity	2,131	2,145
Accumulated other comprehensive income	40	41
Total Member's Equity	2,171	2,186
Total Liabilities and Member's Equity	\$ 3,438	\$ 3,276

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

	Three Months Ended March 31,	
	2021	2020
Cash Flows From Operating Activities		
Net income	\$ 110	\$ 110
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	24	23
Other non-cash items	(1)	(1)
Changes in components of working capital:		
Accounts receivable	(177)	3
Prepayments	3	3
Accounts payable	(9)	(3)
Accrued interest	5	5
Accrued taxes, other than income taxes	2	3
Regulatory liabilities	191	(1)
Other current assets and liabilities	(5)	1
Other long-term assets and liabilities	—	5
Net Cash Provided by Operating Activities	143	148
Cash Flows From Investing Activities		
Capital expenditures	(19)	(57)
Net Cash Used in Investing Activities	(19)	(57)
Cash Flows From Financing Activities		
Contributions from Member	5	48
Distributions to Member	(129)	(139)
Net Cash Used in Financing Activities	(124)	(91)
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		
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,	
	2021	2020
Beginning Balance	\$ 2,186	\$ 2,068
Net income	110	110
Contributions	5	48
Distributions	(129)	(139)
Other comprehensive loss	(1)	(1)
Ending Balance	\$ 2,171	\$ 2,086