

CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(excluding footnotes)

SOUTHERN NATURAL GAS COMPANY, L.L.C.

As of June 30, 2021 and December 31, 2020 and
For the Three and Six Months Ended June 30, 2021 and 2020

SOUTHERN NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARY
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SOUTHERN NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME
(In millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Revenues	\$ 147	\$ 147	\$ 307	\$ 307
Operating Costs and Expenses				
Operations and maintenance	39	38	68	69
Depreciation and amortization	20	20	41	41
General and administrative	8	9	17	18
Taxes, other than income taxes	10	9	20	19
Total Operating Costs and Expenses	77	76	146	147
Operating Income	70	71	161	160
Other Income (Expense)				
Earnings from equity investment	2	2	4	4
Interest, net	(17)	(18)	(34)	(35)
Other, net	1	1	2	2
Total Other Expense	(14)	(15)	(28)	(29)
Net Income	\$ 56	\$ 56	\$ 133	\$ 131

SOUTHERN NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
(In millions, unaudited)

	June 30, 2021	December 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 16	\$ 5
Accounts receivable	31	35
Accounts receivable from affiliates	18	19
Inventories	19	19
Regulatory assets	6	22
Other current assets	7	2
Total current assets	97	102
Property, plant and equipment, net	2,506	2,518
Investment	68	68
Regulatory assets	18	19
Deferred charges and other assets	77	74
Total Assets	\$ 2,766	\$ 2,781
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities		
Current portion of debt	\$ —	\$ 300
Accounts payable	16	11
Accounts payable to affiliates	14	14
Accrued interest	19	19
Accrued taxes, other than income taxes	20	20
Other current liabilities	17	14
Total current liabilities	86	378
Long-term liabilities and deferred credits		
Long-term debt, net of debt issuance costs	1,213	914
Regulatory liabilities	71	73
Other long-term liabilities and deferred credits	12	12
Total long-term liabilities and deferred credits	1,296	999
Total Liabilities	1,382	1,377
Members' Equity	1,384	1,404
Total Liabilities and Members' Equity	\$ 2,766	\$ 2,781

SOUTHERN NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions, unaudited)

	Six Months Ended June 30,	
	2021	2020
Cash Flows From Operating Activities		
Net income	\$ 133	\$ 131
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	41	41
Earnings from equity investment	(4)	(4)
Distributions from equity investment earnings	4	4
Changes in components of working capital:		
Accounts receivable	5	(3)
Regulatory assets	16	(1)
Accounts payable	2	(1)
Other current assets and liabilities	(4)	(5)
Other long-term assets and liabilities	(13)	1
Net Cash Provided by Operating Activities	180	163
Cash Flows From Investing Activities		
Capital expenditures	(14)	(159)
Other, net	—	(2)
Net Cash Used in Investing Activities	(14)	(161)
Cash Flows From Financing Activities		
Issuances of debt	385	74
Payments of debt	(385)	(74)
Debt issuance costs	(2)	—
Contributions from Members	4	143
Distributions to Members	(157)	(140)
Net Cash (Used in) Provided by Financing Activities	(155)	3
Net Increase in Cash and Cash Equivalents	11	5
Cash and Cash Equivalents, beginning of period	5	1
Cash and Cash Equivalents, end of period	\$ 16	\$ 6
Non-cash Investing and Financing Activities		
Net increase in property, plant and equipment accruals	\$ 2	\$ —
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for interest (net of capitalized interest)	33	35

SOUTHERN NATURAL GAS COMPANY, L.L.C. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY
(In millions, unaudited)

	Six Months Ended June 30,	
	2021	2020
Beginning Balance	\$ 1,404	\$ 1,286
Net income	133	131
Contributions	4	143
Distributions	(157)	(140)
Ending Balance	\$ 1,384	\$ 1,420