

*CONSOLIDATED FINANCIAL STATEMENTS*  
*(Unaudited)*  
*(excluding footnotes)*

*TENNESSEE GAS PIPELINE COMPANY, L.L.C.*

*As of March 31, 2018 and December 31, 2017 and*  
*For the Three Months Ended March 31, 2018 and 2017*

**TENNESSEE GAS PIPELINE COMPANY, L.L.C. AND SUBSIDIARY**  
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**TENNESSEE GAS PIPELINE COMPANY, L.L.C. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(In Millions)  
(Unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2018</b>	<b>2017</b>
Revenues	\$ 388	\$ 390
Operating Costs and Expenses		
Operations and maintenance	68	57
Depreciation and amortization	51	48
General and administrative	19	18
Taxes, other than income taxes	18	20
Total Operating Costs and Expenses	156	143
Operating Income	232	247
Other Income (Expense)		
Earnings from equity investment	2	2
Interest, net	(27)	(30)
Other, net	8	5
Total Other Income (Expense)	(17)	(23)
Income Before Income Taxes	215	224
Income Tax Expense	(1)	(1)
Net Income	\$ 214	\$ 223

**TENNESSEE GAS PIPELINE COMPANY, L.L.C. AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**  
(In Millions)

	March 31, 2018	December 31, 2017
<b>ASSETS</b>		
(Unaudited)		
<b>Current assets</b>		
Cash and cash equivalents	\$ —	\$ —
Accounts receivable, net	141	149
Inventories	50	50
Regulatory assets	52	48
Natural gas imbalance receivable	23	25
Other current assets	1	2
Total current assets	267	274
Property, plant and equipment, net	5,605	5,540
Goodwill	3,250	3,250
Note receivable from affiliate	3	3
Investment	63	63
Regulatory assets	197	201
Deferred charges and other assets	289	294
Total Assets	\$ 9,674	\$ 9,625
<b>LIABILITIES AND MEMBER'S EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 124	\$ 152
Accrued interest	66	48
Accrued taxes, other than income taxes	36	55
Contractual deposits	22	47
Natural gas imbalance payable	31	22
Other current liabilities	46	50
Total current liabilities	325	374
<b>Long-term liabilities and deferred credits</b>		
Long-term debt	1,240	1,240
Debt fair value adjustments	245	249
Notes payable to affiliate	550	550
Other long-term liabilities and deferred credits	112	110
Total long-term liabilities and deferred credits	2,147	2,149
Total Liabilities	2,472	2,523
<b>Member's Equity</b>		
Member's equity	7,205	7,105
Accumulated other comprehensive loss	(3)	(3)
Total Member's Equity	7,202	7,102
Total Liabilities and Member's Equity	\$ 9,674	\$ 9,625

**TENNESSEE GAS PIPELINE COMPANY, L.L.C. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In Millions)  
(Unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2018</b>	<b>2017</b>
<b>Cash Flows From Operating Activities</b>		
Net income	\$ 214	\$ 223
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	51	48
Earnings from equity investment	(2)	(2)
Other non-cash items	(7)	(5)
Distributions from equity investment earnings	2	2
Changes in components of working capital:		
Accounts receivable	9	(1)
Accounts payable	(1)	(13)
Accrued interest	18	21
Accrued taxes, other than income taxes	(19)	(21)
Other current assets and liabilities	(23)	13
Other long-term assets and liabilities	(11)	(17)
<b>Net Cash Provided by Operating Activities</b>	<b>231</b>	<b>248</b>
<b>Cash Flows From Investing Activities</b>		
Capital expenditures	(117)	(86)
Other	—	(3)
<b>Net Cash Used in Investing Activities</b>	<b>(117)</b>	<b>(89)</b>
<b>Cash Flows From Financing Activities</b>		
Contributions from Member	90	92
Distributions to Member	(204)	(251)
<b>Net Cash Used in Financing Activities</b>	<b>(114)</b>	<b>(159)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>—</b>	<b>—</b>
Cash and Cash Equivalents, beginning of period	—	—
<b>Cash and Cash Equivalents, end of period</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Non-cash Investing Activities</b>		
Net increases in property, plant and equipment accruals	\$ —	\$ 6

**TENNESSEE GAS PIPELINE COMPANY, L.L.C. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY**  
(In Millions)  
(Unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2018</b>	<b>2017</b>
Beginning Balance	\$ 7,102	\$ 6,769
Net income	214	223
Contributions	90	92
Distributions	(204)	(251)
Ending Balance	\$ 7,202	\$ 6,833