

CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(excluding footnotes)

TENNESSEE GAS PIPELINE COMPANY, L.L.C.

As of March 31, 2019 and December 31, 2018 and
For the Three Months Ended March 31, 2019 and 2018

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)

	Three Months Ended March 31,	
	2019	2018
Revenues	\$ 430	\$ 388
Operating Costs and Expenses		
Operations and maintenance	65	68
Depreciation and amortization	56	51
General and administrative	18	19
Taxes, other than income taxes	25	18
Total Operating Costs and Expenses	164	156
Operating Income	266	232
Other Income (Expense)		
Earnings from equity investment	2	2
Interest, net	(28)	(27)
Other, net	2	8
Total Other Income (Expense)	(24)	(17)
Income Before Income Taxes	242	215
Income Tax Expense	(1)	(1)
Net Income	\$ 241	\$ 214

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

	March 31, 2019	December 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ —	\$ —
Accounts receivable, net	156	161
Inventories	58	54
Regulatory assets	46	55
Natural gas imbalance receivable	11	11
Other current assets	2	3
Total current assets	273	284
Property, plant and equipment, net	5,740	5,760
Goodwill	3,250	3,250
Note receivable from affiliate	3	3
Investment	64	65
Regulatory assets	185	188
Deferred charges and other assets	280	280
Total Assets	\$ 9,795	\$ 9,830
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Accounts payable	\$ 65	\$ 100
Accrued interest	87	69
Accrued taxes, other than income taxes	34	54
Contractual deposits	31	25
Natural gas imbalance payable	29	40
Other current liabilities	46	47
Total current liabilities	292	335
Long-term liabilities and deferred credits		
Long-term debt	1,240	1,240
Debt fair value adjustments	231	235
Notes payable to affiliate	550	550
Other long-term liabilities and deferred credits	126	120
Total long-term liabilities and deferred credits	2,147	2,145
Total Liabilities	2,439	2,480
Member's Equity		
Member's equity	7,363	7,357
Accumulated other comprehensive loss	(7)	(7)
Total Member's Equity	7,356	7,350
Total Liabilities and Member's Equity	\$ 9,795	\$ 9,830

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

	Three Months Ended March 31,	
	2019	2018
Cash Flows From Operating Activities		
Net income	\$ 241	\$ 214
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	56	51
Earnings from equity investment	(2)	(2)
Other non-cash items	(1)	(7)
Distributions from equity investment earnings	3	2
Changes in components of working capital:		
Accounts receivable	5	9
Accounts payable	(14)	(1)
Accrued interest	18	18
Accrued taxes, other than income taxes	(20)	(19)
Other current assets and liabilities	(3)	(23)
Other long-term assets and liabilities	3	(11)
Net Cash Provided by Operating Activities	286	231
Cash Flows From Investing Activities		
Capital expenditures	(53)	(117)
Other	2	—
Net Cash Used in Investing Activities	(51)	(117)
Cash Flows From Financing Activities		
Contributions from Member	28	90
Distributions to Member	(263)	(204)
Net Cash Used in Financing Activities	(235)	(114)
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	\$ 3	\$ —

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

	Three Months Ended March 31,	
	2019	2018
Beginning Balance	\$ 7,350	\$ 7,102
Net income	241	214
Contributions	28	90
Distributions	(263)	(204)
Ending Balance	\$ 7,356	\$ 7,202