

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

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

*As of June 30, 2019 and December 31, 2018 and*  
*For the Three and Six Months Ended June 30, 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		Six Months Ended	
	June 30,		June 30,	
	2019	2018	2019	2018
Revenues	\$ 419	\$ 388	\$ 849	\$ 776
<b>Operating Costs and Expenses</b>				
Operations and maintenance	80	72	145	140
Depreciation and amortization	57	53	113	104
General and administrative	18	17	36	36
Taxes, other than income taxes	25	23	50	41
Other income	(8)	(2)	(8)	(2)
Total Operating Costs and Expenses	172	163	336	319
Operating Income	247	225	513	457
<b>Other Income (Expense)</b>				
Earnings from equity investment	2	3	4	5
Interest, net	(26)	(26)	(54)	(53)
Other, net	1	7	3	15
Total Other Income (Expense)	(23)	(16)	(47)	(33)
Income Before Income Taxes	224	209	466	424
Income Tax Expense	—	—	(1)	(1)
Net Income	\$ 224	\$ 209	\$ 465	\$ 423

**TENNESSEE GAS PIPELINE COMPANY, L.L.C. AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**

(In Millions)  
(Unaudited)

	June 30, 2019	December 31, 2018
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ —	\$ —
Accounts receivable, net	152	161
Inventories	55	54
Regulatory assets	40	55
Natural gas imbalance receivable	17	11
Other current assets	3	3
<b>Total current assets</b>	<b>267</b>	<b>284</b>
Property, plant and equipment, net	5,742	5,760
Goodwill	3,250	3,250
Note receivable from affiliate	3	3
Investment	65	65
Regulatory assets	162	188
Deferred charges and other assets	275	280
<b>Total Assets</b>	<b>\$ 9,764</b>	<b>\$ 9,830</b>
<b>LIABILITIES AND MEMBER'S EQUITY</b>		
Current liabilities		
Accounts payable	\$ 76	\$ 100
Accrued interest	78	69
Accrued taxes, other than income taxes	54	54
Contractual deposits	26	25
Natural gas imbalance payable	16	40
Other current liabilities	14	47
<b>Total current liabilities</b>	<b>264</b>	<b>335</b>
Long-term liabilities and deferred credits		
Long-term debt	1,240	1,240
Debt fair value adjustments	227	235
Notes payable to affiliate	550	550
Other long-term liabilities and deferred credits	122	120
<b>Total long-term liabilities and deferred credits</b>	<b>2,139</b>	<b>2,145</b>
<b>Total Liabilities</b>	<b>2,403</b>	<b>2,480</b>
Member's equity	7,368	7,357
Accumulated other comprehensive loss	(7)	(7)
<b>Total Member's Equity</b>	<b>7,361</b>	<b>7,350</b>
<b>Total Liabilities and Member's Equity</b>	<b>\$ 9,764</b>	<b>\$ 9,830</b>

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

	Six Months Ended June 30,	
	2019	2018
<b>Cash Flows From Operating Activities</b>		
Net income	\$ 465	\$ 423
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	113	104
Earnings from equity investment	(4)	(5)
Other non-cash items	(9)	(13)
Distributions from equity investment earnings	4	4
Changes in components of working capital:		
Accounts receivable	9	9
Accounts payable	1	9
Accrued interest	9	10
Accrued taxes other than income taxes	—	(5)
Other current assets and liabilities	(21)	(33)
Other long-term assets and liabilities	10	(38)
<b>Net Cash Provided by Operating Activities</b>	<b>577</b>	<b>465</b>
<b>Cash Flows From Investing Activities</b>		
Capital expenditures	(115)	(228)
Asset disposal costs, net of sale proceeds	(9)	(5)
Other	1	5
<b>Net Cash Used in Investing Activities</b>	<b>(123)</b>	<b>(228)</b>
<b>Cash Flows From Financing Activities</b>		
Contributions from Member	52	162
Distributions to Member	(506)	(399)
<b>Net Cash Used in Financing Activities</b>	<b>(454)</b>	<b>(237)</b>
<b>Net Change in Cash and Cash Equivalents</b>		
	—	—
<b>Cash and Cash Equivalents, beginning of period</b>		
	—	—
<b>Cash and Cash Equivalents, end of period</b>		
	\$ —	\$ —
<b>Non-cash Investing and Financing Activities</b>		
Right-of-use assets and operating lease obligations recognized	\$ 3	
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid during the period for interest (net of capitalized interest)	45	\$ 43

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

	<b>Six Months Ended June 30,</b>	
	<b>2019</b>	<b>2018</b>
Beginning Balance	\$ 7,350	\$ 7,102
Net income	465	423
Contributions	52	162
Distributions	(506)	(399)
Ending Balance	\$ 7,361	\$ 7,288