

New York State Electric & Gas Corporation

**Consolidated Financial Statements (Unaudited)
For the Six Months Ended June 30, 2025 and 2024**

New York State Electric & Gas Corporation

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New York State Electric & Gas Corporation
Consolidated Statements of Income (Unaudited)

Periods Ended June 30,	Three Months		Six Months	
	2025	2024	2025	2024
(Thousands)				
Operating Revenues	\$ 605,519	\$ 528,275	\$ 1,416,705	\$ 1,170,884
Operating Expenses				
Electricity purchased	146,150	116,200	412,402	270,988
Natural gas purchased	22,726	10,839	86,567	52,801
Operations and maintenance	236,627	234,334	471,785	474,119
Depreciation and amortization	62,286	59,078	124,370	112,810
Taxes other than income taxes, net	49,216	42,460	99,061	88,550
Total Operating Expenses	517,005	462,911	1,194,185	999,268
Operating Income	88,514	65,364	222,520	171,616
Other income	18,001	16,739	34,330	32,185
Other income (deductions), net	6,676	1,820	13,516	3,734
Interest expense, net of capitalization	(44,338)	(23,508)	(77,336)	(51,777)
Income Before Income Tax	68,853	60,415	193,030	155,758
Income tax expense	13,428	12,838	37,204	32,395
Net Income	\$ 55,425	\$ 47,577	\$ 155,826	\$ 123,363

New York State Electric & Gas Corporation
Consolidated Statements of Comprehensive Income (Unaudited)

Periods Ended June 30,	Three Months		Six Months	
	2025	2024	2025	2024
(Thousands)				
Net Income	\$ 55,425	\$ 47,577	\$ 155,826	\$ 123,363
Other Comprehensive Loss, Net of Tax				
Amortization of pension cost for non-qualified plans, net of income tax	(1,728)	(11)	(1,778)	(27)
Reclassification to net income of loss on settled cash flow treasury hedges, net of income tax	(10)	—	(10)	—
Other Comprehensive Loss, Net of Tax	(1,738)	(11)	(1,788)	(27)
Comprehensive Income	\$ 53,687	\$ 47,566	\$ 154,038	\$ 123,336

New York State Electric & Gas Corporation
Consolidated Balance Sheets (Unaudited)

As of	June 30, 2025	December 31, 2024
(Thousands)		
Assets		
Current Assets		
Cash and cash equivalents	\$ 5,064	\$ 4,444
Accounts receivable and unbilled revenues, net	395,066	375,291
Accounts receivable from affiliates	4,049	2,409
Notes receivable from affiliates	12,600	41,300
Fuel and natural gas in storage, at average cost	11,034	17,045
Materials and supplies	45,959	46,985
Broker margin accounts	6,826	—
Derivative assets	4,920	10,621
Income tax receivable	9,069	—
Prepaid property taxes	29,772	41,500
Other current assets	64,782	28,483
Regulatory assets	274,163	269,166
Total Current Assets	863,304	837,244
Utility plant, at original cost	9,524,511	9,328,326
Less accumulated depreciation	(2,599,217)	(2,552,644)
Net Utility Plant in Service	6,925,294	6,775,682
Construction work in progress	1,043,634	903,915
Total Utility Plant	7,968,928	7,679,597
Operating lease right-of-use assets	7,601	7,305
Other property and investments	9,300	9,316
Regulatory and Other Assets		
Regulatory assets	1,253,906	1,314,623
Other	31,644	33,885
Total Regulatory and Other Assets	1,285,550	1,348,508
Total Assets	\$ 10,134,683	\$ 9,881,970

New York State Electric & Gas Corporation
Consolidated Balance Sheets (Unaudited)

As of	June 30, 2025	December 31, 2024
(Thousands, except share information)		
Liabilities		
Current Liabilities		
Current portion of long-term debt	\$ 67,706	\$ —
Notes payable to affiliates	180	—
Accounts payable and accrued liabilities	460,266	635,943
Accounts payable to affiliates	57,254	54,229
Interest accrued	52,264	39,348
Taxes accrued	6,647	11,102
Operating lease liabilities	1,390	1,318
Environmental remediation costs	15,483	5,914
Customer deposits	11,085	11,342
Regulatory liabilities	51,299	64,233
Other	98,753	111,328
Total Current Liabilities	822,327	934,757
Regulatory and Other Liabilities		
Regulatory liabilities	841,936	872,039
Other Non-current Liabilities		
Deferred income taxes	1,037,842	975,293
Pension and other postretirement	65,263	73,144
Operating lease liabilities	7,480	7,167
Asset retirement obligation	11,046	10,767
Environmental remediation costs	53,680	51,108
Other	21,065	24,762
Total Regulatory and Other Liabilities	2,038,312	2,014,280
Non-current debt	4,035,539	3,398,466
Total Liabilities	6,896,178	6,347,503
Commitments and Contingencies		
Common Stock Equity		
Common stock (\$6.66 2/3 par value, 90,000,000 shares authorized and 64,508,477 shares outstanding at June 30, 2025 and December 31, 2024)	430,057	430,057
Additional paid-in capital	2,378,630	2,378,630
Retained earnings	432,283	726,457
Accumulated other comprehensive loss	(2,465)	(677)
Total Common Stock Equity	3,238,505	3,534,467
Total Liabilities and Equity	\$ 10,134,683	\$ 9,881,970

New York State Electric & Gas Corporation
Consolidated Statements of Cash Flows (Unaudited)

Periods Ended June 30,	2025	2024
(Thousands)		
Cash Flow from Operating Activities:		
Net income	\$ 155,826	\$ 123,363
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	124,370	112,810
Regulatory assets/liabilities amortization	56,570	15,478
Regulatory assets/liabilities carrying cost	(1,733)	(11,169)
Amortization of debt issuance costs	2,059	1,344
Deferred taxes	46,822	53,264
Pension cost	(11,491)	(4,205)
Stock-based compensation	—	190
Accretion expenses	279	287
Gain on disposal of assets	(21)	(13)
Other non-cash items	(27,254)	(32,031)
Changes in operating assets and liabilities:		
Accounts receivable, from affiliates, and unbilled revenues	(21,415)	31,826
Inventories	7,037	(312)
Accounts payable, to affiliates, and accrued liabilities	(90,527)	(67,392)
Taxes accrued	(13,524)	(4,440)
Other assets/liabilities	30,932	(13,660)
Regulatory assets/liabilities	(31,487)	(249,315)
Net Cash Provided by (Used in) Operating Activities	226,443	(43,975)
Cash Flow from Investing Activities:		
Capital expenditures	(503,705)	(485,546)
Contributions in aid of construction	32,803	19,487
Proceeds from sale of utility plant	39	2,598
Notes receivable from affiliates	28,700	—
Net Cash Used in Investing Activities	(442,163)	(463,461)
Cash Flow from Financing Activities:		
Non-current debt issuance	705,629	—
Repayments of non-current debt	—	(12,000)
Repayments of finance leases	(115)	(167)
Notes payable to affiliates	180	66,000
Capital contributions	—	450,000
Dividends paid	(450,000)	—
Net Cash Provided by Financing Activities	255,694	503,833
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	39,974	(3,603)
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	4,444	6,101
Cash, Cash Equivalents and Restricted Cash, End of Period	\$ 44,418	\$ 2,498

New York State Electric & Gas Corporation
Consolidated Statements of Changes in Common Stock Equity (Unaudited)

(Thousands, except per share amounts)	Number of Shares (*)	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Common Stock Equity
As of December 31, 2023	64,508,477	\$ 430,057	\$ 1,929,142	\$ 482,395	\$ (569)	\$ 2,841,025
Net income	—	—	—	123,363	—	123,363
Other comprehensive loss, net of tax	—	—	—	—	(27)	(27)
Comprehensive income						123,336
Stock-based compensation	—	—	(54)	—	—	(54)
Capital contributions	—	—	450,000	—	—	450,000
As of June 30, 2024	64,508,477	\$ 430,057	\$ 2,379,088	\$ 605,758	\$ (596)	\$ 3,414,307
As of December 31, 2024	64,508,477	\$ 430,057	\$ 2,378,630	\$ 726,457	\$ (677)	\$ 3,534,467
Net income	—	—	—	155,826	—	155,826
Other comprehensive loss, net of tax	—	—	—	—	(1,788)	(1,788)
Comprehensive income						154,038
Common stock dividends	—	—	—	(450,000)	—	(450,000)
As of June 30, 2025	64,508,477	\$ 430,057	\$ 2,378,630	\$ 432,283	\$ (2,465)	\$ 3,238,505

(*) Par value of share amounts is 6.66 2/3