THE PEOPLES GAS LIGHT AND COKE COMPANY

(An Indirect Wholly Owned Subsidiary of WEC Energy Group, Inc.)

FINANCIAL STATEMENTS

For the Quarter Ended September 30, 2023

THE PEOPLES GAS LIGHT AND COKE COMPANY

CONDENSED CONSOLIDATED INCOME STATEMENTS (Unaudited)	Three Months Ended September 30		Nine Months Ended September 30	
(in millions)	2023	2022	2023	2022
Operating revenues	**$ 216.3**	$ 204.8	**$ 973.5**	$ 1,164.4
Operating expenses				
Cost of natural gas	**28.6**	22.0	**254.2**	457.2
Other operation and maintenance	**76.6**	88.1	**268.8**	250.9
Depreciation and amortization	**54.1**	52.9	**161.0**	156.9
Property and revenue taxes	**5.9**	6.2	**25.1**	24.8
Total operating expenses	**165.2**	169.2	**709.1**	889.8
Operating income	**51.1**	35.6	**264.4**	274.6
Other income, net	**1.5**	2.3	**4.5**	9.8
Interest expense	**20.5**	16.6	**60.2**	49.3
Other expense	**(19.0)**	(14.3)	**(55.7)**	(39.5)
Income before income taxes	**32.1**	21.3	**208.7**	235.1
Income tax expense	**8.5**	6.0	**56.2**	64.1
Net income	**$ 23.6**	$ 15.3	**$ 152.5**	$ 171.0

THE PEOPLES GAS LIGHT AND COKE COMPANY

CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited) *(in millions, except share amounts)*	September 30 2023	December 31 2022
Assets		
Current assets		
Accounts receivable and unbilled revenues, net of reserves of $98.3 and $108.0 respectively	**$ 236.5**	$ 454.9
Accounts receivable from related parties	**12.7**	24.8
Notes receivable from related party	**38.7**	46.4
Materials, supplies, and inventories:		
Natural gas in storage, at LIFO	**117.3**	94.9
Materials and supplies	**33.1**	30.3
Prepayments	**11.8**	7.5
Collateral on deposit	**34.8**	28.8
Other	**10.0**	32.8
Current assets	**494.9**	720.4
Long-term assets		
Property, plant, and equipment, net of accumulated depreciation and amortization of $1,801.1 and $1,759.2, respectively	**5,299.8**	5,138.7
Regulatory assets	**678.5**	691.5
Pension and other postretirement employee benefit assets	**140.5**	135.1
Other	**11.8**	11.4
Long-term assets	**6,130.6**	5,976.7
Total assets	**$ 6,625.5**	$ 6,697.1
Liabilities and Shareholder's Equity		
Current liabilities		
Short-term debt	**$ 292.9**	$ 300.3
Accounts payable	**168.1**	261.8
Accounts payable to related parties	**26.6**	50.7
Accrued taxes	**27.4**	59.3
Customer credit balances	**85.9**	75.5
Other	**119.5**	111.6
Current liabilities	**720.4**	859.2
Long-term liabilities		
Long-term debt	**1,958.4**	1,957.5
Deferred income taxes	**657.5**	619.7
Deferred investment tax credits	**26.1**	27.1
Regulatory liabilities	**426.8**	450.3
Environmental remediation liabilities	**297.3**	305.9
Asset retirement obligations	**268.0**	260.9
Other	**76.4**	79.4
Long-term liabilities	**3,710.5**	3,700.8
Commitments and contingencies		
Shareholder's equity		
Common stock - without par value, 40,000,000 shares authorized; 25,357,566 shares issued and outstanding	**1,317.9**	1,147.8
Retained earnings	**876.7**	989.3
Shareholder's equity	**2,194.6**	2,137.1
Total liabilities and shareholder's equity	**$ 6,625.5**	$ 6,697.1

THE PEOPLES GAS LIGHT AND COKE COMPANY

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)	Nine Months Ended September 30	
(in millions)	**2023**	**2022**
Operating activities		
Net income	**$ 152.5**	$ 171.0
Reconciliation to cash provided by operating activities		
Depreciation and amortization	**161.0**	156.9
Deferred income taxes and investment tax credits, net	**32.2**	20.3
Settlement of asset retirement obligations	**(7.9)**	(7.4)
Manufactured gas plant remediation costs	**(9.7)**	(28.9)
Change in –		
Accounts receivable and unbilled revenues, net	**230.5**	68.6
Materials, supplies, and inventories	**(25.2)**	(30.1)
Amounts recoverable from customers	**11.4**	15.6
Prepayments	**(4.3)**	4.7
Collateral on deposit	**(6.0)**	—
Accounts payable	**(92.9)**	20.2
Collateral received	**—**	5.0
Accrued taxes	**(31.9)**	(25.3)
Customer credit balances	**10.4**	27.4
Amounts refundable to customers	**(2.3)**	(2.1)
Other current liabilities	**10.4**	11.0
Other, net	**(15.9)**	29.8
Net cash provided by operating activities	**412.3**	436.7
Investing activities		
Capital expenditures	**(318.0)**	(343.3)
Notes receivable from related party, net	**7.7**	16.7
Proceeds from the sale of assets	**—**	59.2
Other, net	**0.4**	(2.1)
Net cash used in investing activities	**(309.9)**	(269.5)
Financing activities		
Change in short-term debt	**(7.4)**	(154.0)
Equity contribution from parent	**170.0**	200.0
Payment of dividends to parent	**(265.0)**	(215.0)
Net cash used in financing activities	**(102.4)**	(169.0)
Net change in cash and cash equivalents	**—**	(1.8)
Cash and cash equivalents at beginning of period	**—**	1.9
Cash and cash equivalents at end of period	**$ —**	$ 0.1
Supplemental cash flow information		
Cash paid for interest	**$ 50.7**	$ 41.7
Cash paid for income taxes, net	**$ 43.6**	$ 51.2