MICHIGAN GAS UTILITIES CORPORATION

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

FINANCIAL STATEMENTS

For the Quarter Ended March 31, 2024

MICHIGAN GAS UTILITIES CORPORATION

CONDENSED INCOME STATEMENTS (Unaudited)	Three Months Ended March 31	
(in millions)	2024	2023
Operating revenues	**$ 66.0**	$ 79.2
Operating expenses		
Cost of natural gas sold	**30.3**	46.1
Other operation and maintenance	**6.5**	8.9
Depreciation and amortization	**5.1**	4.5
Property and revenue taxes	**2.0**	2.1
Total operating expenses	**43.9**	61.6
Operating income	**22.1**	17.6
Other income, net	**0.1**	0.2
Interest expense	**2.1**	1.9
Other expense	**(2.0)**	(1.7)
Income before income taxes	**20.1**	15.9
Income tax expense	**4.4**	3.5
Net income	**$ 15.7**	$ 12.4

MICHIGAN GAS UTILITIES CORPORATION

CONDENSED BALANCE SHEETS (Unaudited) *(in millions, except share amounts)*	March 31 2024	December 31 2023
Assets		
Current assets		
Cash and cash equivalents	**$ 0.8**	$ —
Accounts receivable and unbilled revenues, net of reserves of $1.1 and $2.8, respectively	**33.2**	31.7
Accounts receivable from related parties	**0.8**	2.2
Materials, supplies, and inventories:		
Natural gas in storage	**17.6**	24.2
Materials and supplies	**1.9**	1.8
Deferred property taxes	**6.6**	8.9
Prepayments	**0.5**	1.8
Amounts recoverable from customers	**5.8**	3.2
Other	**1.5**	2.0
Current assets	**68.7**	75.8
Long-term assets		
Property, plant, and equipment, net of accumulated depreciation and amortization of $212.4 and $210.4, respectively	**457.3**	447.2
Regulatory assets	**37.4**	39.3
Goodwill	**34.5**	34.5
Pension and OPEB assets	**21.1**	20.7
Other	**6.7**	6.5
Long-term assets	**557.0**	548.2
Total assets	**$ 625.7**	$ 624.0
Liabilities and Equity		
Current liabilities		
Short-term debt to parent	**$ 47.9**	$ 33.3
Accounts payable	**13.9**	22.6
Accounts payable to related parties	**3.4**	4.5
Accrued taxes	**9.3**	9.2
Customer credit balances	**10.9**	13.1
Other	**4.4**	5.8
Current liabilities	**89.8**	88.5
Long-term liabilities		
Long-term debt	**149.5**	149.5
Deferred income taxes	**73.9**	69.9
Regulatory liabilities	**76.5**	79.8
Environmental remediation liabilities	**14.2**	14.2
Other	**2.9**	2.9
Long-term liabilities	**317.0**	316.3
Commitments and contingencies		
Common shareholder's equity		
Common stock – without par value, 100 shares authorized; 100 shares issued and outstanding	**181.7**	181.7
Retained earnings	**37.2**	37.5
Common shareholder's equity	**218.9**	219.2
Total liabilities and equity	**$ 625.7**	$ 624.0

MICHIGAN GAS UTILITIES CORPORATION

CONDENSED STATEMENTS OF CASH FLOWS (Unaudited)	Three Months Ended March 31	
(in millions)	**2024**	**2023**
Operating activities		
Net income	**$ 15.7**	$ 12.4
Reconciliation to cash provided by operating activities		
Depreciation and amortization	**5.1**	4.5
Deferred income taxes and ITC's, net	**3.0**	(2.5)
Change in –		
Accounts receivable and unbilled revenues, net	**(0.1)**	4.3
Materials, supplies, and inventories	**6.5**	10.1
Amounts recoverable from customers	**(2.6)**	9.5
Other current assets	**3.7**	1.4
Accounts payable	**(9.9)**	(21.5)
Accrued taxes	**0.1**	6.0
Customer credit balances	**(2.2)**	(1.0)
Other current liabilities	**(1.0)**	(0.8)
Other, net	**(2.4)**	0.1
Net cash provided by operating activities	**15.9**	22.5
Investing activities		
Capital expenditures	**(13.7)**	(9.6)
Other, net	**—**	(0.1)
Net cash used in investing activities	**(13.7)**	(9.7)
Financing activities		
Short-term debt to parent, net	**14.6**	(13.0)
Payment of dividends to parent	**(16.0)**	(14.0)
Equity contribution from parent	**—**	15.0
Net cash used in financing activities	**(1.4)**	(12.0)
Net change in cash and cash equivalents	**0.8**	0.8
Cash and cash equivalents at beginning of period	**—**	—
Cash and cash equivalents at end of period	**$ 0.8**	$ 0.8
Supplemental cash flow information		
Cash paid for interest, net of amount capitalized	**$ 2.1**	$ 2.0