

SABAL TRAIL TRANSMISSION, LLC

FINANCIAL STATEMENTS

(unaudited)

September 30, 2022

SABAL TRAIL TRANSMISSION, LLC STATEMENTS OF EARNINGS

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|-------------------------------------|--------|------------------------------------|--------|
| | 2022 | 2021 | 2022 | 2021 |
| <i>(unaudited; millions of United States dollars)</i> | | | | |
| Operating revenues | 124.6 | 124.6 | 371.1 | 362.5 |
| Operating expenses | | | | |
| Operating, maintenance and other | 22.8 | 22.1 | 68.0 | 66.4 |
| Depreciation and amortization | 13.2 | 13.2 | 39.6 | 39.5 |
| Property and other taxes | 6.0 | 6.3 | 18.2 | 17.5 |
| Total operating expenses | 42.0 | 41.6 | 125.8 | 123.4 |
| Operating income | 82.6 | 83.0 | 245.3 | 239.1 |
| Other expenses | | | | |
| Interest expense, net | (17.2) | (16.8) | (51.5) | (51.5) |
| Amortization of debt issuance costs | (0.2) | (0.6) | (0.6) | (0.6) |
| Other | (0.2) | — | (0.2) | — |
| Earnings | 65.0 | 65.6 | 193.0 | 187.0 |

The accompanying notes are an integral part of these interim financial statements.

SABAL TRAIL TRANSMISSION, LLC STATEMENTS OF MEMBERS' EQUITY

| | Spectra Energy Partners Sabal Trail Transmission, LLC | US Southeastern Gas Infrastructure, LLC | Duke Energy Sabal Trail, LLC | Total |
|---|---|--|---------------------------------|----------------|
| <i>(unaudited; millions of United States dollars)</i> | | | | |
| Balance at December 31, 2020 | 797.5 | 678.0 | 119.6 | 1,595.1 |
| Earnings | 93.5 | 79.5 | 14.0 | 187.0 |
| Attributed deferred tax expense | (0.2) | (0.1) | — | (0.3) |
| Contributions from members | 1.3 | 1.1 | 0.1 | 2.5 |
| Distributions to members | (120.6) | (102.5) | (18.1) | (241.2) |
| Balance at September 30, 2021 | 771.5 | 656.0 | 115.6 | 1,543.1 |
| Balance at December 31, 2021 | 771.1 | 655.3 | 115.7 | 1,542.1 |
| Earnings | 96.5 | 82.0 | 14.5 | 193.0 |
| Attributed deferred tax expense | (0.4) | (0.3) | (0.1) | (0.8) |
| Distributions to members | (122.9) | (104.5) | (18.4) | (245.8) |
| Balance at September 30, 2022 | 744.3 | 632.5 | 111.7 | 1,488.5 |

The accompanying notes are an integral part of these interim financial statements.

SABAL TRAIL TRANSMISSION, LLC STATEMENTS OF CASH FLOWS

| | Nine months ended September 30, | |
|---|------------------------------------|---------|
| | 2022 | 2021 |
| <i>(unaudited; millions of United States dollars)</i> | | |
| Operating activities | | |
| Earnings | 193.0 | 187.0 |
| Adjustments to reconcile earnings to net cash provided by operating activities: | | |
| Depreciation and amortization | 39.6 | 39.5 |
| Amortization of debt issuance costs | 0.6 | 0.6 |
| Changes in operating assets and liabilities | 37.4 | 25.5 |
| Net cash provided by operating activities | 270.6 | 252.6 |
| Investing activities | | |
| Capital expenditures | (1.7) | (7.3) |
| Net cash used in investing activities | (1.7) | (7.3) |
| Financing activities | | |
| Contributions from members | — | 2.5 |
| Distributions to members | (245.8) | (241.2) |
| Net cash used in financing activities | (245.8) | (238.7) |
| Net change in cash | 23.1 | 6.6 |
| Cash at beginning of period | 13.1 | 19.7 |
| Cash at end of period | 36.2 | 26.3 |

The accompanying notes are an integral part of these interim financial statements.

SABAL TRAIL TRANSMISSION, LLC STATEMENTS OF FINANCIAL POSITION

| | September 30, 2022 | December 31, 2021 |
|---|-----------------------|----------------------|
| <i>(unaudited; millions of United States dollars)</i> | | |
| Assets | | |
| Current assets | | |
| Cash | 36.2 | 13.1 |
| Accounts receivable | 2.7 | 1.8 |
| Accounts receivable from affiliates | 39.1 | 40.1 |
| Other | 12.0 | 7.1 |
| | 90.0 | 62.1 |
| Property, plant and equipment, net | 2,904.9 | 2,942.4 |
| Regulatory assets | 60.8 | 61.6 |
| Total assets | 3,055.7 | 3,066.1 |
| Liabilities and members' equity | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 8.5 | 6.3 |
| Accounts payable to affiliates | 14.2 | 2.6 |
| Interest payable | 28.6 | 11.4 |
| Taxes payable | 18.2 | 1.7 |
| Other | 6.3 | 3.2 |
| | 75.8 | 25.2 |
| Customer deposits | 1.7 | 9.7 |
| Long-term debt | 1,489.7 | 1,489.1 |
| | 1,567.2 | 1,524.0 |
| Contingencies <i>(Note 3)</i> | | |
| Members' equity | 1,488.5 | 1,542.1 |
| Total liabilities and members' equity | 3,055.7 | 3,066.1 |

The accompanying notes are an integral part of these interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(unaudited)

1. BASIS OF PRESENTATION

The accompanying unaudited interim financial statements of Sabal Trail Transmission, LLC ("we", "our", "us" and "Sabal Trail") have been prepared in accordance with generally accepted accounting principles in the United States of America (US GAAP) for interim financial information. They do not include all of the information and notes required by US GAAP for annual financial statements and should therefore be read in conjunction with our audited financial statements and notes for the year ended December 31, 2021. In the opinion of management, the interim financial statements contain all normal recurring adjustments necessary to present fairly our financial position, results of operations and cash flows for the interim periods reported. These interim financial statements follow the same significant accounting policies as those included in our audited financial statements for the year ended December 31, 2021. Amounts are stated in United States (US) dollars unless otherwise noted.

Certain comparative figures in our interim financial statements have been reclassified to conform to the current year's presentation.

2. REVENUE

REVENUE FROM CONTRACTS WITH CUSTOMERS

Major Services

All operating revenues for the nine months ended September 30, 2022 and 2021 were earned from contracts with customers for the transportation of natural gas.

Contract Balances

| | Contract Receivables |
|--|-------------------------|
| <i>(millions of United States dollars)</i> | |
| Balance as at September 30, 2022 | 38.6 |
| Balance as at December 31, 2021 | 42.0 |

Contract receivables represent the amount of receivables derived from contracts with customers. Payments are received monthly from customers under long-term transportation and commodity sales contracts. There were no contract assets or liabilities as at September 30, 2022 or December 31, 2021.

Performance Obligations

There were no material revenues recognized in the three and nine months ended September 30, 2022 from performance obligations satisfied in previous periods.

Revenues to be Recognized from Unfulfilled Performance Obligations

Total revenues from performance obligations expected to be fulfilled in future periods are \$9.4 billion, of which \$122 million and \$470 million are expected to be recognized during the remaining three months ending December 31, 2022 and year ending December 31, 2023, respectively.

The performance obligations above reflect revenues expected to be recognized in future periods from unfulfilled performance obligations pursuant to contracts with customers for the transportation of natural gas. Excluded from these amounts are variable consideration, the effects of escalation on certain tolls, contracts that have a duration of one year or less pursuant to the practical expedient provision of the standard and interruptible contracts not enforceable until volumes are nominated by customers for transportation, all of which could represent a significant portion of our overall revenue.

Long-Term Transportation Agreements

For long-term transportation agreements, significant judgment is required to determine the period over which revenue is recognized. Transportation revenue earned from firm contracted capacity arrangements is recognized ratably over the contract period. Transportation revenue earned from interruptible or volumetric-based arrangements is recognized when services are performed.

Estimates of Variable Consideration

Revenue from arrangements subject to variable consideration is recognized only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Uncertainties associated with variable consideration relate principally to differences between estimated and actual volumes and prices. These uncertainties are resolved each month when actual volumes are sold or transported and actual tolls and prices are determined.

Performance Obligations Satisfied Over Time

For arrangements where transportation services or commodities are simultaneously received and consumed by the customer, revenue is recognized over time using the output method. Outputs are determined based on the volumes of commodities delivered or transported and correspond directly to the benefits received by the customer during that period. All operating revenues earned by us for the nine months ended September 30, 2022 and 2021 were generated from services transferred over time.

Determination of Transaction Prices

Prices for transportation services are determined based on the capital cost of the facilities, pipelines and associated infrastructure required to provide such services plus a rate of return on invested capital that is determined either through negotiations with customers or through regulatory processes for those operations that are subject to rate regulation.

3. CONTINGENCIES

GENERAL INSURANCE

We maintain, either independently, or through inclusion in the corporate insurance programs maintained by our respective owners in proportion to their respective interest in our company, insurance coverage in types and amounts, and with terms and conditions, that are generally consistent with coverage considered customary for our industry.

ENVIRONMENTAL

We are subject to various US federal, state and local laws relating to the protection of the environment. These laws and regulations can change from time to time, imposing new obligations on us.

Environmental risk is inherent to natural gas pipeline operations and, at times, we are subject to environmental remediation obligations at our various operating sites. We manage this environmental risk through appropriate environmental policies, programs and practices to minimize any impact our operations may have on the environment. To the extent that we are unable to recover payment for environmental liabilities from insurance or other potentially responsible parties, we will be responsible for payment of costs arising from environmental incidents associated with the operating activities of our natural gas business.

LITIGATION AND LEGAL PROCEEDINGS

We are involved in various legal and regulatory actions and proceedings which arise in the normal course of business, including interventions in regulatory proceedings and challenges to regulatory approvals and permits. While the final outcome of such actions and proceedings cannot be predicted with certainty, management believes that the resolution of such actions and proceedings will not have a material impact on our financial position or results of operations.

Legal costs related to the defense of loss contingencies are expensed as incurred. We had no material reserves for legal matters recorded at either September 30, 2022 or December 31, 2021, related to litigation.

4. SUBSEQUENT EVENTS

We have evaluated significant events and transactions that occurred from October 1, 2022 through November 29, 2022, the date the financial statements were issued, and have identified no subsequent events for disclosure.