

Gulfstream Natural Gas System, L.L.C.

Condensed Financial Statements

(Unaudited)

March 31, 2019

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)
(In millions)

	Three Months Ended	
	March 31,	
	2019	2018
Operating Revenues	\$ 68.5	\$ 69.7
Operating Expenses		
Operating, maintenance and other	5.0	4.4
Depreciation and amortization	8.8	8.8
Property and other taxes	3.1	3.5
Total operating expenses	16.9	16.7
Operating Income	51.6	53.0
Other Income	0.1	0.1
Interest Expense	15.6	15.5
Net Income	\$ 36.1	\$ 37.6

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(In millions)

	Three Months Ended	
	March 31,	
	2019	2018
Net Income	\$ 36.1	\$ 37.6
Other comprehensive loss:		
Reclassification of cash flow hedges into earnings	(0.1)	(0.1)
Comprehensive Income	<u>\$ 36.0</u>	<u>\$ 37.5</u>

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
CONDENSED BALANCE SHEETS
(Unaudited)
(In millions)

	March 31, 2019	December 31, 2018
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 20.0	\$ 4.0
Accounts receivable	23.5	23.5
Inventory	8.4	8.2
Other	1.0	2.0
Total current assets	52.9	37.7
Property, Plant and Equipment		
Cost	2,062.6	2,061.3
Less accumulated depreciation and amortization	504.4	497.5
Net property, plant and equipment	1,558.2	1,563.8
Regulatory Assets		
	10.5	10.6
Total Assets	\$ 1,621.6	\$ 1,612.1
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 7.5	\$ 1.0
Taxes accrued	3.2	1.7
Interest accrued	17.0	14.2
Regulatory liabilities	5.0	3.7
Other	0.2	0.6
Total current liabilities	32.9	21.2
Long-term Debt		
	1,142.3	1,142.1
Members' Equity		
Members' equity	443.7	446.0
Accumulated other comprehensive income	2.7	2.8
Total members' equity	446.4	448.8
Total Liabilities and Members' Equity	\$ 1,621.6	\$ 1,612.1

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)
(In millions)

	Three Months Ended	
	March 31,	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 36.1	\$ 37.6
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	9.0	9.0
Other changes in operating assets and liabilities	8.4	5.1
Net cash provided by operating activities	53.5	51.7
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(2.8)	(0.7)
Net cash used in investing activities	(2.8)	(0.7)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distributions to members	(34.7)	(47.6)
Net cash used in financing activities	(34.7)	(47.6)
Net increase in cash and cash equivalents	16.0	3.4
Cash and cash equivalents at beginning of period	4.0	14.0
Cash and cash equivalents at end of period	\$ 20.0	\$ 17.4

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
CONDENSED STATEMENTS OF MEMBERS' EQUITY
(Unaudited)
(In millions)

	Spectra Energy Partners, LP	Williams Partners, L.P.	Total
Balance December 31, 2018	\$ 224.4	\$ 224.4	\$ 448.8
Net income	18.1	18.0	36.1
Reclassification of cash flow hedges into earnings	(0.1)	—	(0.1)
Distributions to members	(19.1)	(19.2)	(38.3)
Attributed deferred tax expense	(0.1)	—	(0.1)
Balance March 31, 2019	\$ 223.2	\$ 223.2	\$ 446.4
Balance December 31, 2017	\$ 242.5	\$ 242.5	\$ 485.0
Net income	18.8	18.8	37.6
Reclassification of cash flow hedges into earnings	(0.1)	—	(0.1)
Distributions to members	(23.8)	(23.8)	(47.6)
Attributed deferred tax expense	—	(0.1)	(0.1)
Balance March 31, 2018	\$ 237.4	\$ 237.4	\$ 474.8