

Gulfstream Natural Gas System, L.L.C.

Condensed Financial Statements

(Unaudited)

September 30, 2019

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2019	2018	2019	2018
Operating Revenues	\$ 71.1	\$ 71.1	\$ 209.9	\$ 211.2
Operating Expenses				
Operating, maintenance and other	4.7	4.7	18.7	14.2
Depreciation and amortization	8.7	8.8	26.4	26.5
Property and other taxes	2.5	2.1	8.8	9.1
Total operating expenses	15.9	15.6	53.9	49.8
Operating Income	55.2	55.5	156.0	161.4
Other Income	0.1	0.6	0.4	0.7
Interest Expense	15.5	15.6	46.6	46.8
Net Income	\$ 39.8	\$ 40.5	\$ 109.8	\$ 115.3

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2019	2018	2019	2018
Net Income	\$ 39.8	\$ 40.5	\$ 109.8	\$ 115.3
Other comprehensive loss:				
Reclassification of cash flow hedges into earnings	(0.2)	(0.1)	(0.4)	(0.3)
Comprehensive Income	<u>\$ 39.6</u>	<u>\$ 40.4</u>	<u>\$ 109.4</u>	<u>\$ 115.0</u>

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

	September 30, 2019	December 31, 2018
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 17.6	\$ 4.0
Accounts receivable	23.3	23.5
Inventory	7.6	8.2
Other	2.8	2.0
Total current assets	51.3	37.7
Property, Plant and Equipment		
Cost	2,028.8	2,061.3
Less accumulated depreciation and amortization	480.3	497.5
Net property, plant and equipment	1,548.5	1,563.8
Regulatory Assets		
	10.5	10.6
Total Assets	\$ 1,610.3	\$ 1,612.1
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 1.6	\$ 1.0
Taxes accrued	9.0	1.7
Interest accrued	17.0	14.2
Regulatory liabilities	0.8	3.7
Other	0.1	0.6
Total current liabilities	28.5	21.2
Long-term Debt		
	1,142.7	1,142.1
Members' Equity		
Members' equity	436.7	446.0
Accumulated other comprehensive income	2.4	2.8
Total members' equity	439.1	448.8
Total Liabilities and Members' Equity	\$ 1,610.3	\$ 1,612.1

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

	Nine Months Ended	
	September 30,	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 109.8	\$ 115.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	27.0	27.1
Other changes in operating assets and liabilities	6.7	8.2
Net cash provided by operating activities	143.5	150.6
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(10.8)	(6.7)
Salvage	—	1.7
Net cash used in investing activities	(10.8)	(5.0)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distributions to members	(125.4)	(148.8)
Contributions from members	6.3	—
Net cash used in financing activities	(119.1)	(148.8)
Net change in cash and cash equivalents	13.6	(3.2)
Cash and cash equivalents at beginning of period	4.0	14.0
Cash and cash equivalents at end of period	\$ 17.6	\$ 10.8

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

	Spectra Energy Partners, LP	Williams Partners, L.P.	Total
Balance December 31, 2018	\$ 224.4	\$ 224.4	\$ 448.8
Net income	54.9	54.9	109.8
Reclassification of cash flow hedges into earnings	(0.2)	(0.2)	(0.4)
Distributions to members	(62.7)	(62.7)	(125.4)
Contributions from members	3.1	3.2	6.3
Balance September 30, 2019	\$ 219.5	\$ 219.6	\$ 439.1
Balance December 31, 2017	\$ 242.5	\$ 242.5	\$ 485.0
Net income	57.6	57.7	115.3
Reclassification of cash flow hedges into earnings	(0.1)	(0.2)	(0.3)
Distributions to members	(74.4)	(74.4)	(148.8)
Attributed deferred tax expense	(0.1)	(0.1)	(0.2)
Balance September 30, 2018	\$ 225.5	\$ 225.5	\$ 451.0