MANAGEMENT'S DISCUSSION AND ANALYSIS

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars unless otherwise indicated.)

This Management's Discussion and Analysis ("MD&A") dated November 4, 2026 is provided to enable readers to assess the results of operations, liquidity and capital resources of TriSummit Utilities Inc. ("TSU" or the "Company") as at and for the three and nine months ended September 30, 2026. This MD&A should be read in conjunction with the accompanying condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2026 (the "Interim Financial Statements"), the Company's audited consolidated financial statements as at and for the year ended December 31, 2025 and the Company's management's discussion and analysis for the year ended December 31, 2025.

The Company's presentation currency is in Canadian dollars. In this MD&A, references to "$" are to Canadian dollars unless otherwise indicated. The Interim Financial Statements and comparative information have been prepared in accordance with United States ("U.S.") generally accepted accounting principles ("U.S. GAAP") as codified by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). Throughout this MD&A, reference to GAAP refers to U.S. GAAP. Any reference to per Common Share measures are presented on a basic basis, unless otherwise indicated.

This MD&A refers to certain terms commonly used in the rate-regulated utility industry, such as "rate-regulated", "rate base" and "return on equity". The terms "rate base" and "return on equity" are key performance indicators but are not considered to be non-GAAP measures. Rate base is an amount that a utility is required to calculate for regulatory purposes, and generally refers to net book value of the utility's assets for regulatory purposes. Return on equity or "ROE" is a percentage that is set or approved by a utility's regulator and represents the rate of return that a regulator allows the utility to earn on the equity component of the utility's rate base. The Company refers to the rate base of its utility businesses because it believes that such term assists in understanding the Company's business and is commonly used by investors to help evaluate the performance of rate-regulated utilities. For a discussion of these terms and other terms commonly used in the rate-regulated utility industry, please see the "*Business of the Company - Utilities Business*" section in the annual information form of TSU dated March 4, 2026 (the "Annual Information Form").

Abbreviations, acronyms, and capitalized terms used in this MD&A that are not otherwise defined herein are used consistently with the definitions in the Annual Information Form.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "should", "believe", "plan", "would", "could", "focus", "forecast", "opportunity" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this MD&A contains forward-looking information and statements pertaining to the following: expected success of financing plans and strategies, including maintenance of TSU's credit ratings; the expected safety and reliability of TSU's operations; timing for the interim and refundable revised and expansion rates for CINGSA (as defined herein) to become permanent; timing of the decision by the Alaska Superior Court on the appeal of the decision of the RCA (as defined herein) on CINGSA's FRMAR (as defined herein); timing of the decision by the RCA on the general rate application by ENSTAR (as defined herein); the acquisition, development, and operation of a natural gas storage facility in Kenai, Alaska, including the expected storage capacity, costs for the acquisition and development of the project, and receipt of approvals and consents; timing for comments and of the decision by the AUC (as defined herein) to establish the 2027 ROE for Alberta utilities; the effective date for 2027 to 2029 rates at EEI (as defined herein); expectations regarding planned expenditures and related investments and capital program from 2027 to 2031 and the expected capital spend in 2026; expected fluctuations in the Company's working capital and the expected funding of the Company's capital program; the Company's objective for managing capital and its effects on rate base and return to investors; the payment of dividends to the Company's shareholder; and expected impact of adopting ASUs (as defined herein) in the future on the Company's consolidated financial statements.

The forward-looking information and statements contained in this MD&A reflect several material factors, expectations and assumptions of the Company including, without limitation: satisfaction of all conditions to the acquisition, development, and

operation of a natural gas storage facility in Kenai, Alaska, including the timely receipt of all necessary approvals and the success of the development of the project; expected commodity supply, demand and pricing; that the Company will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; regulatory approvals and policies; funding operating and capital costs; project completion dates; capacity expectations; that there will be no material defaults by the counterparties to agreements with the Company and such agreements will not be terminated prior to their scheduled expiry; and the Company will continue to have access to wind and water resources in amounts consistent with the amounts expected by the Company. The Company believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable, but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

The forward-looking information and statements included in this MD&A are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information and statements, including, without limitation: changes in the demand for or supply of the Company's services; unanticipated operating results; changes in regulatory matters; limited, unfavourable or a lack of access to capital markets; increased costs; the impact of competitors; attracting and retaining skilled personnel and certain other risks (including, without limitation, those risks identified elsewhere in this MD&A); and the other factors discussed under the heading *"Risk Factors"* in the Annual Information Form and set out in the Company's other continuous disclosure documents.

The Company believes the forward-looking statements in this MD&A are reasonable. However, such statements are not a guarantee that any of the actions, events or results of the forward-looking statements will occur, or if any of them do occur, their timing or what impact they will have on the Company's results of operations or financial condition. Because of these uncertainties, investors should not put undue reliance on any forward-looking statements.

The forward-looking statements included in this MD&A are expressly qualified by this cautionary statement and are made as of the date of this MD&A. The Company does not undertake any obligation to publicly update or revise any forward-looking statements except as required by Canadian securities laws.

Additional information relating to the Company, including the Annual Information Form, is available on SEDAR+ at *www.sedarplus.ca.*

THE COMPANY

TSU is incorporated under the *Canada Business Corporations Act* and its registered office and principal place of business is in Calgary, Alberta. TSU is a wholly owned subsidiary of TriSummit Cycle Inc., a company in which the Public Sector Pension Investment Board indirectly holds a majority economic interest and Alberta Investment Management Corporation indirectly holds a minority economic interest.

The Company owns and operates rate-regulated distribution and transmission utility businesses through its wholly-owned operating subsidiaries ENSTAR Natural Gas Company, LLC and Alaska Pipeline Company, LLC in Alaska (collectively, "ENSTAR"), Apex Utilities Inc. ("AUI") in Alberta, Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (collectively, "PNG") in British Columbia and Eastward Energy Incorporated ("EEI") in Nova Scotia. The Company also owns a 100 percent interest in the Bear Mountain Wind Park in British Columbia, a 65 percent indirect interest in an Alaska regulated storage facility owned by Cook Inlet Natural Gas Storage Alaska, LLC ("CINGSA"), an approximately 10 percent indirect interest in the Northwest Hydro Facilities in British Columbia, and a 33.33 percent equity interest in the utility that delivers natural gas to end-users in Inuvik, Northwest Territories.

THIRD QUARTER FINANCIAL HIGHLIGHTS

(Normalized EBITDA, normalized funds from operations, normalized net income, net debt, and net debt to total capitalization ratio are non-GAAP financial measures. Please see the *"Non-GAAP Financial Measures"* section of this MD&A.)

- Net income attributable to shareholder was $2.1 million compared to $3.1 million in the third quarter of 2025.
- Normalized net income was $2.7 million, compared to $2.1 million in the third quarter of 2025.
- Operating income was $21.6 million, compared to $23.6 million in the third quarter of 2025.
- Normalized EBITDA was $47.5 million, compared to $46.2 million in the third quarter of 2025.
- Cash from operations was $9.1 million, compared to $9.7 million in the third quarter of 2025.
- Normalized funds from operations was $20.3 million, compared to $20.7 million in the third quarter of 2025.
- Net debt was $1,749.4 million as at September 30, 2026, compared to $1,739.6 million as at December 31, 2025.
- Net debt to total capitalization ratio was 55.6 percent as at September 30, 2026, compared to 56.3 percent as at December 31, 2025.
- Rate base as at September 30, 2026 was $2,251 million inclusive of construction work in progress, compared to $2,181 million as at September 30, 2025.
- On August 21, 2026, the RCA issued a decision denying ENSTAR's petition for reconsideration for the development and operation of natural gas storage facility in Kenai, Alaska.
- On August 26, 2026, TSU completed the issuance of $200 million of senior unsecured medium-term notes ("MTN") with a coupon rate of 4.44 percent and a maturity date of August 26, 2033.
- On August 31, 2026, the RCA issued a final order on CINGSA's 2025 initial capacity Formula Rate Mechanism Annual Revision ("FRMAR") and its 2026 initial capacity and expansion service FRMARs.

HIGHLIGHTS SUBSEQUENT TO QUARTER END

- On October 13, 2026, the NSEB approved EEI's general rate application for the 2027 to 2029 test period, including a regulated ROE of 10.7 percent and a deemed capital structure of 45 percent equity.
- On November 2, 2026, the AUC initiated a proceeding to establish the 2027 ROE for Alberta utilities, calculated at 9.21% in accordance with the approved formula. A final decision is expected to be issued in the fourth quarter of 2026.

OVERVIEW OF THE BUSINESS

TSU has three reporting segments:

- Utilities, which owns and operates rate-regulated distribution and transmission assets in Alaska, Alberta, British Columbia and Nova Scotia. TSU also owns an indirect 65 percent interest in a regulated storage utility in Alaska. As at September 30, 2026, the utilities had approximately $2,251 million of rate base inclusive of construction work in progress and served approximately 297,000 customers across Canada and the United States.
- Renewable Energy, which includes the 102 MW Bear Mountain Wind Park and an approximately 10 percent indirect interest in the 303 MW Northwest Hydro Facilities.
- Corporate, which primarily includes the cost of providing shared services, financing and access to capital, and general corporate support as well as the equity investment in the NGIF Cleantech Ventures Limited Partnership ("NGIF").

BUSINESS AND REGULATORY UPDATES

CINGSA Expansion Inception Rates

In 2025, CINGSA completed an expansion project that increased its natural gas storage capacity to 13 Bcf. On February 26, 2026, the RCA issued a decision on the expansion inception rates that reduced the amount of plant in service eligible for inclusion in rate base for purposes of calculating inception rates and directed CINGSA to file revised rates by March 30, 2026. CINGSA subsequently filed a petition for reconsideration, which the RCA denied on April 20, 2026. On May 19, 2026, CINGSA appealed the decision to the Superior Court and expects a determination before the end of the second quarter of 2027.

CINGSA 2025 and 2026 Formula Rate Mechanism Annual Revisions

CINGSA filed its 2025 initial capacity FRMAR in June 2025. On July 29, 2025, the RCA suspended the filing for further investigation while permitting the proposed rates to become effective on an interim and refundable basis on August 1, 2025. Subsequently, in April 2026, CINGSA filed its 2026 FRMARs for initial capacity and expansion service, and the proposed rates became effective on an interim and refundable basis on June 1, 2026. On August 31, 2026, the RCA issued a final order on CINGSA's 2025 initial capacity FRMAR and its 2026 initial capacity and expansion service FRMARs. The order largely affirmed CINGSA's formula rate methodologies but required revisions to the allocation of financing costs between initial capacity and expansion services; and directed CINGSA to file a general rate case based on a 2026 test year by July 1, 2027. On September 30, 2026, CINGSA filed revised revenue requirement schedules, tariff sheets and a refund plan in compliance with the order. CINGSA expects the 2026 initial capacity and expansion service rates to become permanent in the fourth quarter of 2026.

ENSTAR's Rate Application

ENSTAR filed a rate application with the RCA on May 15, 2025 seeking a permanent revenue increase based on a 2024 test year. ENSTAR also requested approval to implement a formula rate mechanism in its tariff. The RCA approved interim and refundable rates effective July 1, 2025. In March 2026, ENSTAR and the intervening parties filed a stipulation intended to resolve all issues in the rate case. However, the RCA did not fully accept the stipulation, and ENSTAR subsequently filed a petition for reconsideration, which was denied. ENSTAR participated in hearings with the intervening parties in September 2026 and a final order is expected in the first quarter of 2027.

ENSTAR's Advance Determination of Prudence Application

In January 2026, ENSTAR filed a petition with the RCA seeking an advance determination of prudence for the acquisition, development, and operation of a natural gas storage facility in Kenai, Alaska. The proposed project would convert a depleted natural gas reservoir into a storage facility with an initial capacity of 17 Bcf. The estimated project cost is approximately US$240 million. On July 8, 2026, the RCA issued an order denying the petition. ENSTAR filed a petition for reconsideration on July 23, 2026; however, the RCA subsequently denied the petition. On October 20, 2026, the RCA issued a written order explaining the basis for its decision. In connection with the proposed project, ENSTAR entered into a purchase and sale agreement in April 2026 with a private seller to acquire a depleted natural gas reservoir and related facilities. Completion of the acquisition remains subject to several closing conditions, including receipt of a favorable regulatory determination, other required governmental approvals, and third-party consents.

AUI's 2027 Return on Equity

On November 2, 2026, the AUC initiated a proceeding to establish the 2027 ROE for Alberta utilities, calculated at 9.21 percent in accordance with the previously approved formula. Stakeholders have until November 6, 2026 to provide comments on the AUC's determination of the 2027 ROE. A decision is expected to be issued in the fourth quarter of 2026.

EEI General Rate Application

On October 13, 2026, the NSEB issued its decision on EEI's 2027 to 2029 general rate application, approving a global settlement as filed. The new rates will come into effect on January 1, 2027. As part of the decision, the NSEB approved a regulated ROE of 10.7 percent and a deemed capital structure of 45 percent equity.

CAPITAL PROGRAM GUIDANCE

Over the 2027 to 2031 time period, TSU expects capital investments of up to $1.3 billion at its Utilities. The expected capital program includes investments in system betterment projects to maintain the safety and reliability of TSU's utility infrastructure, new business opportunities, technology improvements, and energy evolution investments. In 2026, TSU expects capital

investments to be in the range of $185 to $205 million.

TSU's capital guidance does not currently include amounts related to the potential acquisition and related development of a natural gas storage facility in Kenai, Alaska, which is subject to various closing conditions (see Business and Regulatory Updates). If the acquisition and development of the facility proceeds, TSU's capital program would increase by approximately US$240 million.

SEASONALITY

Results for the Utilities segment have a high degree of seasonality associated with them as the second and third quarters usually produce lower net income as a result of warmer weather, lower customer demand, and certain expenses such as depreciation, operating and administrative expenses, and interest expense, which generally increase as a result of rate base growth and are more evenly distributed throughout the year. These increased costs are normally more than offset in the first and fourth quarters, which produce higher net income as a result of colder weather and higher customer demand.

SELECTED FINANCIAL INFORMATION

The following tables summarize key financial results:

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Normalized EBITDA[(1)]	**47.5**	46.2	**204.2**	187.5
Operating income	**21.6**	23.6	**130.2**	115.0
Net income attributable to shareholder	**2.1**	3.1	**55.5**	46.5
Normalized net income[(1)]	**2.7**	2.1	**55.0**	47.9
Total assets	**3,941.9**	3,773.5	**3,941.9**	3,773.5
Total long-term liabilities	**2,191.9**	1,899.3	**2,191.9**	1,899.3
Net additions to property, plant and equipment	**64.0**	62.2	**131.2**	140.4
Dividends declared	**13.0**	12.2	**39.0**	36.8
Cash from operations	**9.1**	9.7	**214.1**	112.2
Normalized funds from operations[(1)]	**20.3**	20.7	**127.3**	117.4

	Three Months Ended September 30		Nine Months Ended September 30	
($ per Common Share, except Common Shares outstanding)	**2026**	2025	**2026**	2025
Net income attributable to shareholder - basic and diluted	**0.07**	0.10	**1.85**	1.55
Normalized net income[(1)]	**0.09**	0.07	**1.83**	1.60
Cash from operations	**0.30**	0.32	**7.14**	3.74
Normalized funds from operations[(1)]	**0.68**	0.69	**4.24**	3.91
Weighted average number of Common Shares outstanding - basic and diluted (millions)	**30.0**	30.0	**30.0**	30.0

(1) Non-GAAP financial measure; see discussion in the *"Non-GAAP Financial Measures"* section of this MD&A.

The following table summarizes TSU's consolidated results:

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Revenue	**169.2**	154.3	**840.6**	710.4
Cost of sales	**(75.6)**	(66.8)	**(486.5)**	(382.3)
Operating and administrative expense	**(54.1)**	(49.6)	**(165.0)**	(155.2)
Accretion expense	**(0.1)**	(0.1)	**(0.3)**	(0.2)
Depreciation and amortization expense	**(24.4)**	(22.7)	**(73.3)**	(68.6)
Income from equity investments	**5.3**	5.9	**7.3**	7.8
Unrealized gain (loss) on risk management contracts	**(0.6)**	1.0	**0.3**	(1.7)
Other income	**1.9**	1.6	**5.4**	4.9
Foreign exchange gain (loss)	**—**	—	**1.7**	(0.1)
Operating income	**21.6**	23.6	**130.2**	115.0
Interest expense	**(19.8)**	(19.5)	**(58.3)**	(57.4)
Income tax recovery (expense)	**1.8**	0.5	**(13.6)**	(6.3)
Net income after taxes	**3.6**	4.6	**58.3**	51.3
Net income attributable to non-controlling interests	**(1.5)**	(1.5)	**(2.8)**	(4.8)
Net income attributable to shareholder	**2.1**	3.1	**55.5**	46.5

Three Months Ended September 30

Normalized EBITDA for the three months ended September 30, 2026 was $47.5 million, an increase of $1.3 million relative to the same period in 2025, primarily due to higher approved rates and rate base growth at the Utilities, and colder weather in Alaska, Alberta and Nova Scotia compared to the same period in 2025, partially offset by higher operating and administrative expense, lower generation from the Bear Mountain Wind Park as well as lower normalized EBITDA from equity investments.

Operating income for the three months ended September 30, 2026 was $21.6 million, a decrease of $2.0 million relative to the same period in 2025, primarily due to higher depreciation and amortization expense and an unrealized loss on risk management contracts compared to an unrealized gain in the same period in 2025, partially offset by the same factors that contributed to the increase in normalized EBITDA discussed above.

Operating and administrative expense for the three months ended September 30, 2026 was $54.1 million, an increase of $4.5 million from the same period in 2025, mainly due to higher employee and consulting expenses.

Depreciation and amortization expense for the three months ended September 30, 2026 was $24.4 million, an increase of $1.7 million from the same period in 2025, mainly due to a higher PP&E balance at the Utilities.

Interest expense for the three months ended September 30, 2026 was $19.8 million compared to $19.5 million in the same period in 2025. The increase of $0.3 million was mainly due to a higher average debt balance outstanding.

Income tax recovery for the three months ended September 30, 2026 was $1.8 million compared to $0.5 million for the same period in 2025. The increase in income tax recovery was mainly due to lower taxable income.

Normalized net income for the three months ended September 30, 2026 was $2.7 million, an increase of $0.6 million relative to the same period in 2025, mainly due to the same factors that contributed to the increase in normalized EBITDA discussed above and higher income tax recovery, partially offset by higher depreciation and amortization expense and interest expense.

Net income attributable to shareholder for the three months ended September 30, 2026 was $2.1 million, compared to $3.1 million in the same period in 2025. The decrease of $1.0 million was primarily due to the same factors that contributed to the decrease in operating income discussed above and higher interest expense, partially offset by higher income tax recovery.

Normalized funds from operations for the three months ended September 30, 2026 was $20.3 million, a decrease of $0.4 million relative to the same period in 2025, primarily due to the absence of distributions from equity investments, partially offset by the same factors that contributed to the increase in normalized EBITDA discussed above and higher current income tax recovery.

Please refer to the "*Liquidity and Capital Resources - Liquidity"* section of this MD&A for a discussion of changes in cash from operating activities.

Nine Months Ended September 30

Normalized EBITDA for the nine months ended September 30, 2026 was $204.2 million, an increase of $16.7 million relative to the same period in 2025, primarily due to higher approved rates and rate base growth at the Utilities, and colder weather in Alaska, Alberta, and Nova Scotia compared to the same period in 2025, partially offset by higher operating and administrative expense, lower revenue from the Bear Mountain Wind Park, and the unfavorable impact of the translation of U.S. dollar earnings at a lower average exchange rate.

Operating income for the nine months ended September 30, 2026 was $130.2 million, an increase of $15.2 million relative to the same period in 2025, primarily due to the same factors that contributed to the increase in normalized EBITDA discussed above, a foreign exchange gain compared to a foreign exchange loss in the same period in 2025 and an unrealized gain on risk management contracts compared to an unrealized loss in the same period in 2025, partially offset by higher depreciation and amortization expense and the absence of the gain recognized in 2025 from an increase in the ownership interest in the NGIF investment.

Operating and administrative expense for the nine months ended September 30, 2026 was $165.0 million, an increase of $9.8 million from the same period in 2025, mainly due to higher employee and consulting expenses.

Depreciation and amortization expense for the nine months ended September 30, 2026 was $73.3 million, an increase of $4.7 million from the same period in 2025, mainly due to a higher PP&E balance at the Utilities.

Interest expense for the nine months ended September 30, 2026 was $58.3 million compared to $57.4 million in the same period in 2025. The increase of $0.9 million was mainly due to a higher average debt balance, partially offset by lower average interest rates and higher interest income.

Income tax expense for the nine months ended September 30, 2026 was $13.6 million, compared to $6.3 million in the same period in 2025. The increase in income tax expense was primarily due to higher taxable income.

Normalized net income for the nine months ended September 30, 2026 was $55.0 million, an increase of $7.1 million relative to the same period in 2025, mainly due to the same factors that contributed to the increase in normalized EBITDA discussed above, partially offset by higher depreciation and amortization expense, higher income tax expense and higher interest expense.

Net income attributable to shareholder for the nine months ended September 30, 2026 was $55.5 million, an increase of $9.0 million compared to the same period in 2025. The increase was mainly due to the same factors that contributed to the increase in operating income discussed above, partially offset by higher income tax expense and higher interest expense.

Normalized funds from operations for the nine months ended September 30, 2026 was $127.3 million, an increase of $9.9 million relative to the same period in 2025, primarily due to the same factors that contributed to the increase in normalized EBITDA discussed above, partially offset by higher interest expense, higher current income tax expense and the absence of distributions from equity investments.

Please refer to the "*Liquidity and Capital Resources - Liquidity"* section of this MD&A for a discussion of changes in cash from operating activities.

RESULTS BY REPORTING SEGMENT

Normalized EBITDA by Reporting Segment[1]

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Utilities	**$ 42.1**	$ 38.1	**$ 194.5**	$ 173.1
Renewable Energy	**8.5**	9.0	**18.1**	18.4
Corporate	**(3.1)**	(0.9)	**(8.4)**	(4.0)
	$ 47.5	$ 46.2	**$ 204.2**	$ 187.5

(1) Non-GAAP financial measure; see discussion in the *"Non-GAAP Financial Measures"* section of this MD&A.

Operating Income (Loss) by Reporting Segment

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Utilities	**$ 18.9**	$ 18.4	**$ 127.0**	$ 108.6
Renewable Energy	**5.9**	6.2	**10.2**	10.4
Corporate	**(3.2)**	(1.0)	**(7.0)**	(4.0)
	$ 21.6	$ 23.6	**$ 130.2**	$ 115.0

UTILITIES SEGMENT REVIEW

Financial results

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Revenue[1]	**$ 165.7**	$ 150.4	**$ 828.4**	$ 696.9
Cost of sales	**(75.5)**	(66.7)	**(486.3)**	(382.1)
Operating and administrative expense	**(49.6)**	(47.2)	**(152.8)**	(146.8)
Normalized EBITDA[2] from equity investment	**(0.4)**	—	**(0.5)**	0.2
Other income	**1.9**	1.6	**5.7**	4.9
Normalized EBITDA[2]	**$ 42.1**	$ 38.1	**$ 194.5**	$ 173.1
Unrealized gain (loss) on risk management contracts[1]	**(0.7)**	1.0	**0.3**	(1.7)
Loss on sale of assets	**—**	—	**(0.2)**	—
Depreciation and amortization expense	**(22.5)**	(20.7)	**(67.5)**	(62.8)
Accretion expense	**—**	—	**(0.1)**	—
Operating income	**$ 18.9**	$ 18.4	**$ 127.0**	$ 108.6

(1) Includes the tax impact of unrealized gain (loss) on risk management contracts reflected in the calculation of regulatory deferrals at EEI and recorded in the "Revenue" line item on the Consolidated Statements of Income.

(2) Non-GAAP financial measure; see discussion in the *"Non-GAAP Financial Measures"* section of this MD&A.

Operating statistics

	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Natural gas deliveries - end-use (PJ)	**8.0**	7.4	**52.3**	46.7
Natural gas deliveries - transportation (PJ)	**5.7**	5.5	**19.0**	19.0
Degree day variance from normal - ENSTAR (%)[1]	**21.7**	4.1	**17.2**	(4.6)
Degree day variance from normal - AUI (%)[1]	**(23.9)**	(49.9)	**(2.9)**	(6.5)
Degree day variance from normal - EEI (%)[1]	**30.3**	(31.4)	**0.7**	(2.5)

(1) A degree day for ENSTAR, AUI and EEI is the cumulative extent to which the daily mean temperature falls below 65 degrees Fahrenheit at ENSTAR, 15 degrees Celsius at AUI and 18 degrees Celsius at EEI. Normal degree days are based on a 10-year rolling average at ENSTAR and a 20-year rolling average at AUI and EEI. Positive variances from normal lead to increased delivery volumes from normal expectations. Degree day variances do not materially affect the results of PNG, as the BCUC has approved a rate stabilization mechanism for its residential and small commercial customers.

Three Months Ended September 30

Revenue increased by $15.3 million for the three months ended September 30, 2026 compared to the same period in 2025, primarily due to higher approved rates and rate base growth, colder weather in Alaska, Alberta and Nova Scotia compared to the same period in 2025, and the flow through of higher gas supply costs to customers.

Normalized EBITDA increased by $4.0 million for the three months ended September 30, 2026 compared to the same period in 2025, primarily due to higher approved rates and rate base growth, and colder weather in Alaska, Alberta and Nova Scotia compared to the same period in 2025, partially offset by higher operating and administrative expense and lower normalized EBITDA from equity investment.

Operating income increased by $0.5 million for the three months ended September 30, 2026 compared to the same period in 2025, primarily due to the same factors that contributed to the increase in normalized EBITDA discussed above, partially offset by higher depreciation and amortization expense resulting from capital additions and an unrealized loss on risk management contracts compared to an unrealized gain in the same period in 2025.

Nine Months Ended September 30

Revenue increased by $131.5 million for the nine months ended September 30, 2026 compared to the same period in 2025, primarily due to higher approved rates and rate base growth, colder weather in Alaska, Alberta and Nova Scotia compared to the same period in 2025, and the flow through of higher gas supply costs to customers, partially offset by the unfavorable impact of the translation of U.S. dollar revenue at a lower average exchange rate.

Normalized EBITDA increased by $21.4 million for the nine months ended September 30, 2026 compared to the same period in 2025, primarily due to higher approved rates and rate base growth, and colder weather in Alaska, Alberta and Nova Scotia compared to the same period in 2025, partially offset by higher operating and administrative expense, the unfavorable impact of the translation of U.S. dollar earnings at a lower average exchange rate, and lower normalized EBITDA from equity investment.

Operating income increased by $18.4 million for the nine months ended September 30, 2026 compared to the same period in 2025, primarily due to the same factors that contributed to the increase in normalized EBITDA as well as an unrealized gain on risk management contracts compared to an unrealized loss in the same period in 2025, partially offset by higher depreciation and amortization expense.

RENEWABLE ENERGY SEGMENT REVIEW

Financial results

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Revenue	**$ 3.6**	$ 3.9	**$ 12.2**	$ 13.5
Cost of sales	**(0.1)**	(0.1)	**(0.2)**	(0.2)
Operating and administrative expense	**(1.5)**	(1.5)	**(4.0)**	(4.4)
Normalized EBITDA[(1)] from equity investment	**6.5**	6.7	**10.1**	9.5
Normalized EBITDA[(1)]	**$ 8.5**	$ 9.0	**$ 18.1**	$ 18.4
Depreciation and amortization expense	**(1.8)**	(1.9)	**(5.5)**	(5.5)
Accretion expense	**(0.1)**	(0.1)	**(0.2)**	(0.2)
Accretion and depreciation and amortization expense from equity investment	**(0.7)**	(0.8)	**(2.2)**	(2.3)
Operating income	**$ 5.9**	$ 6.2	**$ 10.2**	$ 10.4

(1) Non-GAAP financial measure; see discussion in the *"Non-GAAP Financial Measures"* section of this MD&A.

Operating statistics

	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Bear Mountain Wind Park power sold (GWh)	**32.3**	34.0	**113.3**	117.6
Northwest Hydro Facilities power sold (GWh)[1][2]	**58.9**	58.4	**112.1**	103.0

(1) Representing 10 percent of the total power sold by the Northwest Hydro Facilities.

(2) Inclusive of 5.9 GWh of deemed energy for the three and nine months ended September 30, 2026 (three and nine months ended September 30, 2025 – nil and 2.9 GWh) related to BC Hydro's curtailment.

Three Months Ended September 30

Revenue decreased by $0.3 million for the three months ended September 30, 2026 compared to the same period in 2025, primarily due to lower generation at the Bear Mountain Wind Park and lower sales of renewable energy certificates ("RECs").

Normalized EBITDA decreased by $0.5 million for the three months ended September 30, 2026 compared to the same period in 2025, primarily due to lower revenue from the Bear Mountain Wind Park and lower normalized EBITDA from the Northwest Hydro Facilities.

Operating income decreased by $0.3 million for the three months ended September 30, 2026 compared to the same period in 2025, primarily due to the same factors as the decrease in normalized EBITDA.

During the three months ended September 30, 2026, TSU recorded $5.8 million of income from its investment in the Northwest Hydro Facilities compared to $5.9 million of income in the same period in 2025. The decrease in equity income was primarily due to lower revenues at the Northwest Hydro Facilities.

Nine Months Ended September 30

Revenue decreased by $1.3 million for the nine months ended September 30, 2026 compared to the same period in 2025, primarily due to lower sales of RECs and lower generation at the Bear Mountain Wind Park.

Normalized EBITDA decreased by $0.3 million for the nine months ended September 30, 2026 compared to the same period in 2025, primarily due to lower revenue from the Bear Mountain Wind Park, partially offset by higher normalized EBITDA from the Northwest Hydro Facilities, and lower operating and administrative expense at the Bear Mountain Wind Park.

Operating income decreased by $0.2 million for the nine months ended September 30, 2026 compared to the same period in 2025, primarily due to the same factors as the decrease in normalized EBITDA.

During the nine months ended September 30, 2026, TSU recorded $7.9 million of income from its investment in the Northwest Hydro Facilities compared to $7.2 million in the same period in 2025. The increase in equity income was primarily due to higher generation at the Northwest Hydro Facilities.

CORPORATE SEGMENT REVIEW

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Operating and administrative expense	**$ (3.0)**	$ (0.9)	**$ (8.2)**	$ (3.9)
Normalized EBITDA[(1)] from equity investment	**(0.1)**	—	**(0.1)**	(0.1)
Other loss	**—**	—	**(0.1)**	—
Normalized EBITDA[(1)]	**$ (3.1)**	$ (0.9)	**$ (8.4)**	$ (4.0)
Depreciation and amortization	**(0.1)**	(0.1)	**(0.3)**	(0.3)
Gain recognized from increased ownership interest in NGIF investment[(2)]	**—**	—	**—**	0.5
Foreign exchange gain (loss)	**—**	—	**1.7**	(0.1)
Transaction costs	**—**	—	**—**	(0.1)
Operating loss	**$ (3.2)**	$ (1.0)	**$ (7.0)**	$ (4.0)

(1) Non-GAAP financial measure; see discussion in the *"Non-GAAP Financial Measures"* section of this MD&A.

(2) Recorded in the line item "Income from equity investments" on the Consolidated Statements of Income.

Expenses incurred by the Corporate segment are primarily associated with providing corporate shared services and business development. For the three and nine months ended September 30, 2026, normalized EBITDA was a loss of $3.1 million and $8.4 million, respectively (2025 - $0.9 million and $4.0 million, respectively). The decrease in normalized EBITDA for the three and nine months ended September 30, 2026 compared to the same periods in 2025 was primarily due to higher salaries and wages, as well as higher professional and consulting expenses related to business development activities. For the three and nine months ended September 30, 2026, corporate costs of $3.3 million and $10.0 million, respectively, were allocated to TSU's operating segments compared to $3.4 million and $9.5 million, respectively, for the same periods in 2025.

For the three and nine months ended September 30, 2026, operating loss was $3.2 million and $7.0 million, respectively (2025 - operating loss of $1.0 million and $4.0 million, respectively). The increase in operating loss for the three months ended September 30, 2026 compared to the same period in 2025 was due to the same factors as the decrease in normalized EBITDA. The increase in operating loss for the nine months ended September 30, 2026 compared to the same period in 2025 was due to the same factors that contributed to the variance in normalized EBITDA discussed above and the absence of the gain recognized in 2025 from an increase in ownership interest in the NGIF investment, partially offset by a foreign exchange gain compared to a foreign exchange loss in the same period in 2025.

SUMMARY OF SELECTED QUARTERLY RESULTS[(1)]

The following table sets forth unaudited quarterly information for each of the eight quarters from the quarter ended December 31, 2024 to the quarter ended September 30, 2026.

($ millions, except per Common Share amounts)	**Q3-26**	Q2-26	Q1-26	Q4-25
Revenue	**169.2**	224.1	447.3	374.1
Normalized net income[(2)]	**2.7**	7.7	44.5	30.5
Net income attributable to shareholder	**2.1**	6.7	46.7	30.6
Net income attributable to shareholder per Common Share - basic and diluted ($)	**0.07**	0.22	1.56	1.02
Dividends declared per Common Share ($)[(3)]	**0.4333**	0.4333	0.4333	0.4333

($ millions, except per Common Share amounts)	Q3-25	Q2-25	Q1-25	Q4-24
Revenue	154.3	198.9	357.2	328.5
Normalized net income[(2)]	2.1	4.6	41.2	26.4
Net income attributable to shareholder	3.1	3.3	40.1	28.2
Net income attributable to shareholder per Common Share - basic and diluted ($)	0.10	0.11	1.34	0.94
Dividends declared per Common Share ($)[(3)]	0.4083	0.4083	0.4083	0.4083

(1) Amounts may not add up due to rounding.

(2) Non-GAAP financial measure; see discussion in the *"Non-GAAP Financial Measures"* section of this MD&A.

(3) TSU declares and pays a quarterly dividend on its Common Shares. Dividends are at the discretion of the board of directors and dividend levels are reviewed periodically, giving consideration to the ongoing sustainable cash flow from operating activities, maintenance and growth capital expenditures, and debt repayment requirements of TSU.

Quarter-over-quarter financial results are impacted by seasonality, weather, planned and unplanned outages, and timing and recognition of regulatory decisions.

Revenue for the Utilities segment is generally the highest in the first and fourth quarters of any given year as the majority of natural gas demand occurs during the winter heating season, which typically extends from November to March.

Net income attributable to shareholder is affected by non-cash items such as deferred income tax, depreciation and amortization expense, accretion expense, and gains and losses on risk management contracts. For these reasons, net income may not necessarily reflect the same trends as revenue. In addition, the equity investment in the Northwest Hydro Facilities is impacted by seasonal precipitation, which creates periods of high river flow, typically during May through October of any given year.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

The Company's primary sources of liquidity are cash flow from operations and debt additions. The Company's cash requirements include funding for capital expenditures and working capital, servicing and repaying long-term debt, and dividend payments. The Company's sources and uses of cash are further discussed below:

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Cash from operations	**$ 9.1**	$ 9.7	**$ 214.1**	$ 112.2
Cash used in investing activities	**(61.9)**	(57.3)	**(130.7)**	(162.2)
Cash from (used in) financing activities	**25.7**	49.2	**(96.6)**	41.7
Increase (decrease) in cash and cash equivalents and restricted cash	**$ (27.1)**	$ 1.6	**$ (13.2)**	$ (8.3)

Cash from operations

During the three months ended September 30, 2026, cash from operations decreased by $0.6 million as compared to the same period in 2025, primarily due to the absence of distributions from equity investments and an unfavorable variance from changes in operating assets and liabilities, partially offset by higher cash earnings. During the nine months ended September 30, 2026, cash from operations increased by $101.9 million compared to the same period in 2025, primarily due to a favourable variance from changes in operating assets and liabilities and higher cash earnings, partially offset by the absence of distributions from equity investments. The favourable variance in changes in operating assets and liabilities was mainly due to the timing of supplier and customer payments.

Investing activities

During the three months ended September 30, 2026, cash used in investing activities increased by $4.6 million compared to the same period in 2025, primarily due to higher capital expenditures, partially offset by lower contributions to equity investments. During the nine months ended September 30, 2026, cash used in investing activities decreased by $31.5 million compared to the same period in 2025. The decrease was primarily due to lower capital expenditures.

See also the "*Capital Expenditures"* section of this MD&A.

Financing activities

During the three months ended September 30, 2026, cash from financing activities decreased by $23.5 million compared to the same period in 2025, primarily due to the lower net debt borrowings and higher dividends paid. During the nine months ended September 30, 2026, cash used in financing activities increased by $138.3 million compared to the same period in 2025, primarily due to higher net debt repayments and higher dividends paid.

Working Capital

($ millions except current ratio)	**September 30, 2026**	December 31, 2025
Current assets	**$ 289.9**	$ 434.2
Current liabilities	**281.2**	474.1
Working capital (deficiency)	**$ 8.7**	$ (39.9)
Working capital ratio	**1.03**	0.92

The improvement in working capital was primarily due to decreases in the current portion of long-term debt and accounts payable and accrued liabilities, as well as an increase in restricted cash, partially offset by decreases in accounts receivable, cash and cash equivalents, and inventory. TSU's working capital will fluctuate in the normal course of business, and any working capital deficiency will be funded using cash flow from operations and available credit facilities as required.

Capital Resources

The Company's objective for managing capital is to maintain its investment grade credit ratings, ensure adequate liquidity, maximize the profitability of its existing assets and grow its business through prudent capital investments which ultimately add to the utilities' rate base, and enhance returns to its shareholder. The Company's capital resources are comprised of shareholder's equity, short-term and long-term debt (including the current portion) less cash and cash equivalents.

The use of debt or equity funding is based on TSU's capital structure, which is determined by considering the norms and risks associated with operations and cash flow stability and sustainability.

($ millions, except where noted)	**September 30, 2026**	December 31, 2025
Current portion of long-term debt	**$ 108.0**	$ 257.8
Long-term debt[1]	**1,662.3**	1,557.2
Total debt	**1,770.3**	1,815.0
Less: cash and cash equivalents	**(20.9)**	(75.4)
Net debt[2]	**$ 1,749.4**	$ 1,739.6
Total shareholder's equity	**1,398.3**	1,350.6
Total capitalization	**$ 3,147.7**	$ 3,090.2
Net debt-to-total capitalization[2] (%)	**55.6**	56.3

(1) Net of debt issuance costs of $7.9 million as of September 30, 2026 (December 31, 2025 - $7.7 million).

(2) Non-GAAP financial measure; see discussion in the *"Non-GAAP Financial Measures"* section of this MD&A.

As at September 30, 2026, TSU's total debt primarily consisted of outstanding MTNs of $1.40 billion (December 31, 2025 - $1.45 billion), AUHI Notes of US$165 million (December 31, 2025 - US$165 million), CINGSA long-term debt of US$25.8 million (December 31, 2025 - US$30.5 million), PNG debentures of $10.0 million (December 31, 2025 - $10.0 million) and $95.1 million drawn under other bank credit facilities (December 31, 2025 - $91.8 million). In addition, TSU had $13.4 million of letters of credit issued (December 31, 2025 - $7.9 million).

On August 26, 2026, TSU completed the issuance of $200 million of MTNs with a coupon rate of 4.44 percent and a maturity date of August 26, 2033. Of the net proceeds, approximately $176 million was used to repay borrowings under the Canadian tranche of TSU's syndicated revolving credit facility and its Canadian operating credit facility. These borrowings had been used, in part, to repay approximately $169 million of the Company's 3.15 percent MTNs that matured on April 6, 2026 and, in the normal course of business, to fund TSU's working capital requirements. The remaining net proceeds were used for general corporate purposes.

TSU's earnings interest coverage for the rolling 12 months ended September 30, 2026 was 2.4 times (12 months ended September 30, 2025 - 2.2 times).

Credit Facilities

The Company funds its long- and short-term borrowing requirements with credit facilities as follows:

($ millions)	Borrowing capacity	Drawn at September 30, 2026	Drawn at December 31, 2025
Canadian syndicated revolving credit facility[1]	**$ —**	**$ —**	$ —
U.S. syndicated revolving credit facility[1]	**—**	**—**	91.8
Canadian and U.S syndicated revolving credit facility[1]	**450.0**	**100.3**	—
Operating credit facility[2]	**60.0**	**2.3**	2.3
PNG operating credit facility[3]	**25.0**	**5.9**	5.6
	$ 535.0	**$ 108.5**	$ 99.7

(1) On May 28, 2026, the Company's $235 million Canadian syndicated revolving credit facility was terminated, and its US$150 million U.S. syndicated revolving credit facility was amended into a $450 million unsecured revolving credit facility maturing on May 28, 2030. Borrowing options under the $450 million credit facility include Canadian prime rate-based loans, U.S. base rate loans, SOFR loans, term CORRA loans and daily compounded CORRA loans. Borrowings against this credit facility bear interest at rates relevant to the nature of the draw made and the Company's credit rating. There are no mandatory repayments prior to maturity under this facility. The facility has covenants customary for these types of facilities, which must be met at each quarter end. The Company has complied with all financial covenants each quarter since the establishment of this facility. As at September 30, 2026, a total of $5.2 million (December 31, 2025 – $nil) in letters of credit were issued and outstanding.

(2) Borrowings under this facility are due on demand. Borrowing options under this facility include overdraft, letters of credit, Canadian prime rate-based loans, U.S. base rate loans, SOFR loans, term CORRA loans and daily compounded CORRA loans. Borrowings on this credit facility bear fees and interest at rates relevant to the nature of the draw made and the Company's credit rating. As at September 30, 2026, a total of $2.3 million (December 31, 2025 - $2.3 million) in letters of credit were issued and are outstanding. This facility has covenants customary for these types of facilities, which must be met at each quarter end. The Company has complied with all financial covenants each quarter since the establishment of this facility.

(3) PNG has a $25 million operating credit facility with a Canadian chartered bank. The operating line is available for working capital purposes through cash draws in the form of prime-rate advances, term CORRA loans, or daily compounded CORRA loans and the issuance of letters of credit and is collateralized by a charge on PNG's accounts receivable and inventories. As at September 30, 2026, $5.9 million (December 31, 2025 - $5.6 million) of letters of credit were issued and outstanding under this facility.

The following table summarizes the Company's primary financial covenants as defined by the credit facility agreements:

Ratios	Debt covenant Requirements	As at September 30, 2026
Bank debt-to-capitalization[1][2]	not greater than 65 percent	**54.5%**

(1) Calculated in accordance with the Company's credit facility agreements, which are available on SEDAR+ at *www.sedarplus.ca*.

(2) Estimated, subject to final adjustments.

Base Shelf Prospectus

On April 3, 2025, the Company filed a $1.0 billion base shelf prospectus. The purpose of the base shelf prospectus is to facilitate timely offerings of certain types of future public debt and/or equity issuances during the 25-months period that the base shelf prospectus remains effective. As at September 30, 2026, $300 million was available under the base shelf prospectus.

CAPITAL EXPENDITURES

	Three Months Ended September 30, 2026				Three Months Ended September 30, 2025			
($ millions)	Renewable Energy	Utilities	Corporate	Total	Renewable Energy	Utilities	Corporate	Total
Capital expenditures:								
PP&E	**$ —**	**$ 63.7**	**$ —**	**$ 63.7**	$ 1.5	$ 60.6	$ 0.1	$ 62.2
Intangible assets	**—**	**0.6**	**—**	**0.6**	—	0.6	—	0.6
Capital expenditures	**—**	**64.3**	**—**	**64.3**	1.5	61.2	0.1	62.8
Disposals:								
PP&E[1]	**—**	**0.3**	**—**	**0.3**	—	—	—	—
Net capital expenditures	**$ —**	**$ 64.6**	**$ —**	**$ 64.6**	$ 1.5	$ 61.2	$ 0.1	$ 62.8

(1) Includes utility asset costs of removal, net of proceeds and salvage value. For the three months ended September 30, 2026, removal costs exceeded proceeds and salvage value.

($ millions)	Nine Months Ended September 30, 2026 Renewable Energy	Utilities	Corporate	Total	Nine Months Ended September 30, 2025 Renewable Energy	Utilities	Corporate	Total
Capital expenditures:								
PP&E	**$ —**	**$ 131.1**	**$ —**	**$ 131.1**	$ 1.5	$ 139.1	$ 0.1	$ 140.7
Intangible assets	**—**	**1.0**	**—**	**1.0**	—	1.7	—	1.7
Capital expenditures	**—**	**132.1**	**—**	**132.1**	1.5	140.8	0.1	142.4
Disposals:								
PP&E[1]	**—**	**0.1**	**—**	**0.1**	—	(0.3)	—	(0.3)
Net capital expenditures	**$ —**	**$ 132.2**	**$ —**	**$ 132.2**	$ 1.5	$ 140.5	$ 0.1	$ 142.1

(1) Includes utility asset costs of removal, net of proceeds and salvage value. For the nine months ended September 30, 2026, removal costs exceeded proceeds and salvage value.

Capital expenditures for the three and nine months ended September 30, 2026 were $64.3 million and $132.1 million respectively, compared to $62.8 million and $142.4 million, respectively for the three and nine months ended September 30, 2025. The increase in capital expenditure for the three months ended September 30, 2026 was primarily due to higher investment in system betterment projects at the Utilities, partially offset by lower capital expenditures at the Bear Mountain Wind Park, primarily due to turbine hub replacement incurred in 2025 that did not recur in 2026. The decrease in capital expenditure for the nine months ended September 30, 2026 primarily reflects the completion of the CINGSA storage expansion project in 2025 and the non-recurrence of turbine hub replacement incurred at the Bear Mountain Wind Park in 2025, partially offset by lower contributions in aid of construction at ENSTAR and higher investment in system betterment projects at the Utilities.

RISK MANAGEMENT

TSU is exposed to various market risks in the normal course of operations that could impact earnings and cash flows. The Board of Directors provides oversight of the Company's risk management activities. There have been no significant changes during the nine months ended September 30, 2026 to the Company's business risks that were disclosed in the 2025 annual MD&A.

Please also see note 11 to the Interim Financial Statements for further details on the Company's financial instruments.

SHARE INFORMATION

	As at November 4, 2026
Issued and outstanding	
Common Shares	30,000,000

ADOPTION OF NEW ACCOUNTING STANDARDS

In July 2025, the FASB issued Accounting Standards Update ("ASU") No. 2025-05 "Financial Instruments – Credit Losses", which provides all entities with a practical expedient to assume that the current conditions as of the balance sheet date will not change for the remaining life of the asset when estimating credit losses for current accounts receivable and current contract assets. TSU adopted this ASU prospectively effective January 1, 2026, and the adoption did not have a material impact on its financial statements.

FUTURE CHANGES IN ACCOUNTING PRINCIPLES

In November 2024, the FASB issued ASU No. 2024-03 "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures", which requires additional disclosure and disaggregation of specific expense categories in the notes to the financial statements. The ASU is effective for annual reporting periods beginning after December 15, 2026 and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The ASU will be applied

prospectively with the option for retrospective application. TSU is currently assessing the impact of the ASU on its financial statements.

In September 2025, the FASB issued ASU No. 2025-06 “Intangibles – Goodwill and Other – Internal-Use Software”, which eliminates accounting consideration of software development stages. Instead, cost capitalization will begin when (1) management has authorized and committed to funding the software project, and (2) it is probable the project will be completed and the software used to perform its intended function. The ASU is effective January 1, 2028 with early adoption permitted. TSU is currently assessing the impact of the ASU on its financial statements.

In December 2025, the FASB issued ASU No. 2025-10, “Accounting for Government Grants Received by Business Entities”, which establishes the accounting, presentation and disclosure requirements for government grants. The ASU is effective for annual periods beginning after December 15, 2028, with early adoption permitted. TSU is currently assessing the impact of this ASU.

In December 2025, the FASB issued ASU No. 2025-11, “Interim Reporting - Narrow Scope Improvements”, which provides additional guidance on interim disclosure requirements and establishes a principle requiring entities to disclose material events occurring since the most recent annual reporting period. The ASU is effective January 1, 2028 with early adoption permitted. TSU is currently assessing the impact of the ASU on its financial statements.

In May 2026, the FASB issued ASU No. 2026-02, “Environmental Credits and Environmental Credit Obligations”, which provides guidance on recognition and measurement of environmental credits and environmental credit obligations as well as the disclosure requirements. The ASU is effective for annual reporting periods beginning after December 15, 2028, with early adoption permitted. TSU is currently assessing the impact of the ASU on its financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has guaranteed payment for certain commitments on behalf of its subsidiaries as further described below. The primary obligations guaranteed by the Company have been included in the Company’s balance sheet and commitments note in the Interim Financial Statements.

In October 2014, EEI entered into a throughput service contract with Enbridge Inc. for the use of the expansion of its Algonquin Gas Transmission and Maritimes & Northeast Pipeline systems. The contract commenced on October 1, 2020 and will expire 15 years thereafter. The Company issued two guarantees with an aggregate maximum liability of US$91.7 million, guaranteeing EEI’s payment obligations under the throughput service contract with Enbridge Inc.

The Company, through EEI and AUI, has other agreements in place with natural gas distributors, transportation service providers, wholesale gas marketers and financial institutions for the purchase and transportation of natural gas and by-products thereof including forward or other financially settled contracts. As at September 30, 2026, the Company had guarantees with an aggregate maximum of US$70 million and $17.4 million guaranteeing EEI and AUI’s payments under those agreements.

NON-GAAP FINANCIAL MEASURES

This MD&A contains references to certain financial measures used by the Company that do not have a standardized meaning prescribed by U.S. GAAP and may not be comparable to similar measures presented by other entities. Readers are cautioned that these non-GAAP measures should not be construed as alternatives to other measures of financial performance calculated in accordance with U.S. GAAP. The non-GAAP measures and their reconciliation to U.S. GAAP financial measures are shown below. These non-GAAP measures provide additional information that management believes is meaningful in describing the Company’s operational performance, liquidity and capacity to fund dividends, capital expenditures, and other investing activities. The specific rationale for, and incremental information associated with, each non-GAAP measure is discussed below.

References to normalized EBITDA, normalized net income, normalized net income per share, normalized funds from operations, normalized funds from operations per share, net debt and net debt to total capitalization throughout this MD&A have the meanings as set out in this section.

Normalized EBITDA

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Normalized EBITDA	**$ 47.5**	$ 46.2	**$ 204.2**	$ 187.5
Add (deduct):				
Foreign exchange gain (loss)	**—**	—	**1.7**	(0.1)
Unrealized gain (loss) on risk management contracts[1]	**(0.7)**	1.0	**0.3**	(1.7)
Accretion expense	**(0.1)**	(0.1)	**(0.3)**	(0.2)
Depreciation and amortization expense	**(24.4)**	(22.7)	**(73.3)**	(68.6)
Accretion and depreciation and amortization expense from equity investment	**(0.7)**	(0.8)	**(2.2)**	(2.3)
Transaction costs	**—**	—	**—**	(0.1)
Gain recognized from increased ownership interest in NGIF investment[2]	**—**	—	**—**	0.5
Loss on sale of assets	**—**	—	**(0.2)**	—
Operating income	**$ 21.6**	$ 23.6	**$ 130.2**	$ 115.0

(1) Includes the tax impact of unrealized gain (loss) on risk management contracts reflected in the calculation of regulatory deferrals at EEI and recorded in the "Revenue" line item on the Consolidated Statements of Income.

(2) Recorded in the line item "Income from equity investments" on the Consolidated Statements of Income.

Normalized EBITDA is a measure of the Company's operating profitability prior to how business activities are financed, assets are amortized, or earnings are taxed. Normalized EBITDA is calculated using operating income adjusted for depreciation and amortization expense, accretion expenses, foreign exchange gain and loss, unrealized gain and loss on risk management contracts, and other typically non-recurring items. Normalized EBITDA is frequently used by investors in the evaluation of entities within the industry as it excludes items that can vary substantially between entities depending on the accounting policies chosen, the book value of assets and the capital structure.

Normalized EBITDA as presented should not be viewed as an alternative to operating income or other measures of income calculated in accordance with U.S. GAAP as an indicator of performance.

Normalized Net Income and Normalized Net Income per Share

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Normalized net income	**$ 2.7**	$ 2.1	**$ 55.0**	$ 47.9
Add (deduct) after-tax:				
Unrealized gain (loss) on risk management contracts[1]	**(0.6)**	1.0	**0.3**	(1.7)
Unrealized foreign exchange gain on intercompany balances[2]	**—**	—	**0.4**	—
Transaction costs	**—**	—	**—**	(0.1)
Gain recognized from increased ownership interest in NGIF investment[3]	**—**	—	**—**	0.4
Loss on sale of assets	**—**	—	**(0.2)**	—
Net income attributable to shareholder	**$ 2.1**	$ 3.1	**$ 55.5**	$ 46.5

(1) Includes the tax impact of unrealized gain (loss) on risk management contracts reflected in the calculation of regulatory deferrals at EEI and recorded in the "Revenue" line item on the Consolidated Statements of Income.

(2) Relates to unrealized foreign exchange gain on intercompany balances between TSU and its U.S. subsidiaries. For the U.S. subsidiaries, the translation of intercompany balances to TSU's reporting currency is recorded in equity as a foreign currency translation adjustment, while for TSU, the translation is recognized in the "foreign exchange gain (loss)" line item on the Consolidated Statements of Income.

(3) Recorded in the line item "Income from equity investments" on the Consolidated Statements of Income.

Normalized net income represents net income attributable to shareholder adjusted for the after tax impact of unrealized gain and loss on risk management contracts, unrealized foreign exchange gain and loss on intercompany balances, and other typically non-recurring items. Normalized net income per share is calculated by dividing normalized net income by the weighted average number of common shares. This measure is presented in order to enhance the comparability of results, as it reflects the underlying performance of the Company.

Normalized net income and normalized net income per share as presented should not be viewed as an alternative to net income attributable to shareholder or other measures of income calculated in accordance with U.S. GAAP as an indicator of performance.

Normalized Funds from Operations and Normalized Funds from Operations per Share

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions)	**2026**	2025	**2026**	2025
Normalized funds from operations	**$ 20.3**	$ 20.7	**$ 127.3**	$ 117.4
Add (deduct):				
Transaction costs	**—**	—	**—**	(0.1)
Changes in operating assets and liabilities	**(11.2)**	(11.0)	**86.8**	(5.1)
Cash from operations	**$ 9.1**	$ 9.7	**$ 214.1**	$ 112.2

Normalized funds from operations is used to assist management and investors in analyzing the liquidity of the Company without regard to changes in operating assets and liabilities in the period as well as other non-operating related income and expenses. Management uses this measure to understand the ability to generate funds for use in investing and financing activities.

Normalized funds from operations per share is calculated by dividing normalized funds from operations by the weighted average number of common shares.

Normalized funds from operations and normalized funds from operations per share as presented should not be viewed as an alternative to cash from operations or other cash flow measures calculated in accordance with U.S. GAAP as an indicator of liquidity.

Net Debt and Net Debt to Total Capitalization

Net debt and net debt to total capitalization are used by the Company to monitor its capital structure and financing requirements. It is also used as a measure of the Company's overall financial strength. Net debt is defined as short-term debt, plus current and long-term portions of long-term debt, less cash and cash equivalents. Total capitalization is defined as net debt plus shareholders' equity. Additional information regarding these non-GAAP measures can be found under the *"Liquidity and Capital Resources – Capital Resources"* section of this MD&A.

DEFINITIONS

AUC	Alberta Utilities Commission
Bcf	Billions of cubic feet
BCUC	British Columbia Utilities Commission
GWh	Gigawatt hour
MTN	Medium-term note
MW	Megawatt
NSEB	Nova Scotia Energy Board
PJ	Petajoule; one million gigajoules
PP&E	Property, plant and equipment
RCA	Regulatory Commission of Alaska
ROE	Return on Equity

ABOUT TSU

TSU is a North American company with natural gas distribution, transmission and storage utilities and renewable power generation assets. TSU serves approximately 297,000 customers across Canada and the United States, delivering energy, safely and reliably. For more information visit: www.trisummit.ca

Condensed Interim Consolidated Balance Sheets *(unaudited)*

As at *($ millions)*	**September 30, 2026**	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents *(note 14)*	**$ 20.9**	$ 75.4
Accounts receivable, net of allowances	**78.9**	214.5
Inventory *(note 4)*	**91.6**	95.2
Restricted cash holdings from customers *(note 14)*	**50.7**	11.3
Regulatory assets	**28.8**	22.4
Risk management contract assets *(note 11)*	**1.3**	0.6
Prepaid expenses and other current assets	**17.7**	14.8
	289.9	434.2
Property, plant and equipment	**2,346.5**	2,253.0
Intangible assets	**49.2**	48.9
Goodwill *(note 5)*	**691.0**	671.6
Regulatory assets	**369.4**	367.9
Deferred income taxes *(note 10)*	**—**	0.1
Other long-term assets	**75.1**	70.7
Investments accounted for by the equity method	**120.8**	111.8
	$ 3,941.9	$ 3,958.2
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 126.5**	$ 184.3
Current portion of long-term debt *(note 7)*	**108.0**	257.8
Customer deposits	**9.3**	12.9
Regulatory liabilities	**19.3**	8.3
Risk management contract liabilities *(note 11)*	**13.9**	6.9
Other current liabilities	**4.2**	3.9
	281.2	474.1
Long-term debt *(note 7)*	**1,662.3**	1,557.2
Asset retirement obligations	**11.2**	10.6
Deferred income taxes *(note 10)*	**224.6**	219.9
Regulatory liabilities	**212.0**	203.8
Risk management contract liabilities *(note 11)*	**—**	7.8
Lease liabilities	**10.1**	11.3
Future employee obligations *(note 12)*	**18.7**	17.8
Other long-term liabilities	**53.0**	37.4
	$ 2,473.1	$ 2,539.9

As at *($ millions)*	**September 30, 2026**	December 31, 2025
Shareholder's equity		
Common shares, no par value, unlimited shares authorized; September 30, 2026 and December 31, 2025 - 30 million shares issued and outstanding	**$ 321.0**	$ 321.0
Contributed surplus	**731.2**	731.2
Retained earnings	**307.5**	291.0
Accumulated other comprehensive income *(note 8)*	**38.6**	7.4
Total shareholder's equity	**$ 1,398.3**	$ 1,350.6
Non-controlling interests	**70.5**	67.7
Total equity	**1,468.8**	1,418.3
	$ 3,941.9	$ 3,958.2

Commitments, contingencies and guarantees *(note 13)*

Subsequent events *(note 17)*

See accompanying notes to the condensed interim consolidated financial statements.

Condensed Interim Consolidated Statements of Income *(unaudited)*

($ millions)	Three months ended September 30 **2026**	2025	Nine months ended September 30 **2026**	2025
REVENUE *(note 9)*	**$ 169.2**	$ 154.3	**$ 840.6**	$ 710.4
EXPENSES				
Cost of sales, exclusive of items shown separately	**75.6**	66.8	**486.5**	382.3
Operating and administrative	**54.1**	49.6	**165.0**	155.2
Accretion	**0.1**	0.1	**0.3**	0.2
Depreciation and amortization	**24.4**	22.7	**73.3**	68.6
	154.2	139.2	**725.1**	606.3
Income from equity investments	**5.3**	5.9	**7.3**	7.8
Unrealized gain (loss) on risk management contracts *(note 11)*	**(0.6)**	1.0	**0.3**	(1.7)
Other income	**1.9**	1.6	**5.4**	4.9
Foreign exchange gain (loss)	**—**	—	**1.7**	(0.1)
Operating income	**21.6**	23.6	**130.2**	115.0
Interest expense				
Short-term	**(0.4)**	(0.5)	**(0.5)**	(1.1)
Long-term	**(19.4)**	(19.0)	**(57.8)**	(56.3)
Income before income taxes	**1.8**	4.1	**71.9**	57.6
Income tax recovery (expense) *(note 10)*				
Current	**1.0**	(0.5)	**(8.6)**	(4.5)
Deferred	**0.8**	1.0	**(5.0)**	(1.8)
Net income after taxes	**$ 3.6**	$ 4.6	**$ 58.3**	$ 51.3
Net income attributable to non-controlling interests	**(1.5)**	(1.5)	**(2.8)**	(4.8)
Net income attributable to shareholder	**$ 2.1**	$ 3.1	**$ 55.5**	$ 46.5

See accompanying notes to the condensed interim consolidated financial statements.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss) *(unaudited)*

($ millions)	Three months ended September 30 **2026**	2025	Nine months ended September 30 **2026**	2025
Net income after taxes	**$ 3.6**	$ 4.6	**$ 58.3**	$ 51.3
Other comprehensive income (loss) ("OCI"), net of taxes				
Foreign currency translation adjustment *(note 8)*	**(1.7)**	19.3	**37.5**	(32.0)
Unrealized gain (loss) on net investment hedge *(notes 8 and 11)*	**(1.2)**	(2.2)	**(6.3)**	4.5
Other comprehensive income (loss), net of taxes	**(2.9)**	17.1	**31.2**	(27.5)
Comprehensive income attributable to non-controlling interests	**(1.5)**	(1.5)	**(2.8)**	(4.8)
Comprehensive income (loss) attributable to shareholder	**$ (0.8)**	$ 20.2	**$ 86.7**	$ 19.0

See accompanying notes to the condensed interim consolidated financial statements.

Condensed Interim Consolidated Statements of Changes in Equity

(unaudited)

($ millions)	Three months ended September 30		Nine months ended September 30	
	2026	2025	**2026**	2025
Common shares				
Balance, beginning of period	**$ 321.0**	$ 321.0	**$ 321.0**	$ 321.0
Balance, end of period	**$ 321.0**	$ 321.0	**$ 321.0**	$ 321.0
Contributed surplus				
Balance, beginning of period	**$ 731.2**	$ 731.2	**$ 731.2**	$ 731.2
Balance, end of period	**$ 731.2**	$ 731.2	**$ 731.2**	$ 731.2
Retained earnings				
Balance, beginning of period	**$ 318.4**	$ 282.4	**$ 291.0**	$ 263.6
Net income attributable to shareholder	**2.1**	3.1	**55.5**	46.5
Common share dividends	**(13.0)**	(12.2)	**(39.0)**	(36.8)
Balance, end of period	**$ 307.5**	$ 273.3	**$ 307.5**	$ 273.3
Accumulated other comprehensive income ("AOCI")				
Balance, beginning of period	**$ 41.5**	$ 8.2	**$ 7.4**	$ 52.8
Other comprehensive income (loss)	**(2.9)**	17.1	**31.2**	(27.5)
Balance, end of period	**$ 38.6**	$ 25.3	**$ 38.6**	$ 25.3
Total shareholder's equity	**$ 1,398.3**	$ 1,350.8	**$ 1,398.3**	$ 1,350.8
Non-controlling interests				
Balance, beginning of period	**$ 69.0**	$ 67.5	**$ 67.7**	$ 66.6
Distributions to non-controlling interests	**—**	—	**—**	(2.4)
Net income attributable to non-controlling interests	**1.5**	1.5	**2.8**	4.8
Balance, end of period	**$ 70.5**	$ 69.0	**$ 70.5**	$ 69.0
Total equity	**$ 1,468.8**	$ 1,419.8	**$ 1,468.8**	$ 1,419.8

See accompanying notes to the condensed interim consolidated financial statements.

Condensed Interim Consolidated Statements of Cash Flows *(unaudited)*

($ millions)	Three months ended September 30 **2026**	2025	Nine months ended September 30 **2026**	2025
Cash from operations				
Net income after taxes	**$ 3.6**	$ 4.6	**$ 58.3**	$ 51.3
Items not involving cash:				
Depreciation and amortization expense	**24.4**	22.7	**73.3**	68.6
Accretion expense	**0.1**	0.1	**0.3**	0.2
Deferred income tax expense (recovery) *(note 10)*	**(0.8)**	(1.0)	**5.0**	1.8
Loss on sale of assets	**—**	—	**0.2**	—
Income from equity investments	**(5.3)**	(5.9)	**(7.3)**	(7.8)
Unrealized loss (gain) on risk management contracts *(note 11)*	**0.6**	(1.0)	**(0.3)**	1.7
Other	**(2.3)**	(0.7)	**(2.2)**	(0.4)
Distributions from equity investments	**—**	1.9	**—**	1.9
Changes in operating assets and liabilities *(note 14)*	**(11.2)**	(11.0)	**86.8**	(5.1)
	$ 9.1	$ 9.7	**$ 214.1**	$ 112.2
Investing activities				
Additions to property, plant and equipment	**$ (60.2)**	$ (55.0)	**$ (122.8)**	$ (158.5)
Additions to intangible assets	**(0.5)**	(0.5)	**(6.2)**	(2.1)
Cost of removal, net of proceeds	**(0.4)**	—	**(0.1)**	0.3
Contributions to equity investments	**(0.8)**	(1.8)	**(1.6)**	(1.9)
	$ (61.9)	$ (57.3)	**$ (130.7)**	$ (162.2)
Financing activities				
Net proceeds from (repayment of) short-term debt	**$ (47.5)**	$ (3.5)	**$ —**	$ 3.4
Net borrowings (repayment) under credit facilities	**(109.5)**	77.6	**—**	(54.1)
Issuance of long-term debt, net of debt issuance costs	**198.1**	—	**198.1**	148.4
Repayment of long-term debt	**(3.3)**	(12.8)	**(256.6)**	(16.0)
Distributions to non-controlling interests	**—**	(0.1)	**—**	(2.4)
Finance lease principal repayment	**(0.2)**	(0.3)	**(0.7)**	(0.7)
Common share dividends	**(13.0)**	(12.2)	**(39.0)**	(36.8)
Other	**1.1**	0.5	**1.6**	(0.1)
	$ 25.7	$ 49.2	**$ (96.6)**	$ 41.7
Change in cash and cash equivalents and restricted cash	**(27.1)**	1.6	**(13.2)**	(8.3)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	**0.1**	(0.7)	**(1.9)**	1.2
Cash and cash equivalents and restricted cash, beginning of period	**98.6**	31.6	**86.7**	39.6
Cash and cash equivalents and restricted cash, end of period *(note 14)*	**$ 71.6**	$ 32.5	**$ 71.6**	$ 32.5

See accompanying notes to the condensed interim consolidated financial statements.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated.)

1. OVERVIEW OF THE COMPANY

TriSummit Utilities Inc. ("TSU" or the "Company") is incorporated under the *Canada Business Corporations Act* and its registered office and principal place of business is in Calgary, Alberta. TSU is a wholly owned subsidiary of TriSummit Cycle Inc., a company in which the Public Sector Pension Investment Board indirectly holds a majority economic interest and Alberta Investment Management Corporation holds a minority economic interest.

The Company owns and operates rate-regulated distribution and transmission utility businesses through its wholly owned subsidiaries ENSTAR Natural Gas Company, LLC and Alaska Pipeline Company, LLC, in Alaska (collectively, "ENSTAR"), Apex Utilities Inc. ("AUI") in Alberta, Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd. (collectively, "PNG") in British Columbia and Eastward Energy Incorporated ("EEI") in Nova Scotia. The Company also owns a 100 percent direct interest in the Bear Mountain Wind Park in British Columbia, a 65 percent indirect interest in an Alaska regulated storage facility owned by Cook Inlet Natural Gas Storage Alaska, LLC ("CINGSA"), an approximately 10 percent indirect interest in the Northwest Hydro Facilities in British Columbia, and a 33.33 percent equity interest in the utility that delivers natural gas to end-users in Inuvik, Northwest Territories.

2. BASIS OF PRESENTATION

Basis of Preparation

These condensed interim consolidated financial statements ("Financial Statements") have been prepared by management in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP") as codified by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification.

Pursuant to National Instrument 52-107, "Acceptable Accounting Principles and Auditing Standards" ("NI 52-107"), U.S. GAAP reporting is permitted by Canadian securities laws for companies subject to reporting obligations under U.S. securities laws. However, given that the Company is not subject to such reporting obligations and could not therefore rely on the provisions of NI 52-107 to that effect, the Company sought and obtained exemptive relief from the securities regulators in Alberta and Ontario to permit it to prepare its financial statements in accordance with U.S. GAAP. The exemption will terminate on the earlier of (a) January 1, 2032; (b) the date upon which the Company ceases to have activities subject to rate regulation, and (c) the first day of the Company's financial year that commences on or following the later of (i) the effective date prescribed by the International Accounting Standards Board ("IASB") for the mandatory application of a standard within International Financial Reporting Standards ("IFRS") specific to entities with activities subject to rate regulation and (ii) four years after the IASB publishes the final version of a mandatory rate regulated standard.

On May 27, 2026, the IASB issued IFRS 20 Regulatory Assets and Regulatory Liabilities. IFRS 20 sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense. The standard is effective for reporting periods beginning on or after January 1, 2029. An entity has the option to adopt IFRS 20 on a modified retrospective approach or a full retrospective approach, with earlier adoption permitted. The Company continues to assess the impact of IFRS 20 and the broader implications of a potential transition from U.S. GAAP to IFRS, including the impact on accounting policies, financial reporting processes, systems, controls and disclosures. Under the current exemptive relief granted by the Canadian Securities Administrators, the Company has until January 1, 2031 to transition to IFRS.

Principles of Consolidation

The Financial Statements include the accounts of the Company and its direct and indirect majority-owned subsidiaries, including, without limitation: TSU USA Holdings Inc. ("TSUH"), Alaska Utility Holdings Inc. ("AUHI"), TriSummit Utility Group Inc., Bear Mountain Wind Limited Partnership, TriSummit Canadian Energy Holdings Ltd., ENSTAR, PNG, AUI, EEI and CINGSA. To the extent there are interests owned by other parties, these interests are included in non-controlling interests. The Financial Statements also include investments in Northwest Hydro Limited Partnership ("Coast LP"), Inuvik Gas Ltd., and NGIF Cleantech Ventures Limited Partnership ("NGIF"), which are accounted for using the equity method. Investments in unconsolidated companies that the Company has significant influence, but not control, over, are accounted for using the equity method. In addition, the Company uses the equity method of accounting for investments in limited partnership interests in which it has more than a minor interest or influence over the partnership's operating and financial policies. Intercompany transactions and balances are eliminated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

USE OF ESTIMATES AND MEASUREMENT UNCERTAINTY

The preparation of these Financial Statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities during the period. Key areas where management has made complex or subjective judgments, when matters are inherently uncertain, include but are not limited to: revenue recognition, credit loss estimates, depreciation and amortization rates, determination of the classification, term and incremental borrowing rate for leases, fair value of asset retirement obligations, fair value of property, plant and equipment and goodwill for impairment assessments, fair value of financial instruments, provisions for income taxes, assumptions used to measure employee future benefits, provisions for contingencies, purchase price allocations, and carrying value of regulatory assets and liabilities. Certain estimates are necessary for the regulatory environment in which the Company operates, which often require amounts to be recorded at estimated values until these amounts are finalized pursuant to regulatory decisions or other regulatory proceedings. By their nature, these estimates are subject to measurement uncertainty and may impact the consolidated financial statements of future periods.

SIGNIFICANT ACCOUNTING POLICIES

Except as noted below, these condensed interim consolidated financial statements have been prepared following the same accounting policies and methods as those used in preparing the Company's 2025 annual audited consolidated financial statements.

ADOPTION OF NEW ACCOUNTING STANDARDS

In July 2025, the FASB issued Accounting Standards Update ("ASU") No. 2025-05 "Financial Instruments – Credit Losses", which provides all entities with a practical expedient to assume that the current conditions as of the balance sheet date will not change for the remaining life of the asset when estimating credit losses for current accounts receivable and current contract assets. TSU adopted this ASU prospectively effective January 1, 2026, and the adoption did not have a material impact on its financial statements.

FUTURE CHANGES IN ACCOUNTING PRINCIPLES

In November 2024, the FASB issued ASU No. 2024-03 "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures", which requires additional disclosure and disaggregation of specific expense categories in the notes to the financial statements. The ASU is effective for annual reporting periods beginning after December 15, 2026 and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The ASU will be applied prospectively with the option for retrospective application. TSU is currently assessing the impact of the ASU on its financial statements.

In September 2025, the FASB issued ASU No. 2025-06 “Intangibles – Goodwill and Other – Internal-Use Software”, which eliminates accounting consideration of software development stages. Instead, cost capitalization will begin when (1) management has authorized and committed to funding the software project, and (2) it is probable the project will be completed and the software used to perform its intended function. The ASU is effective January 1, 2028 with early adoption permitted. TSU is currently assessing the impact of the ASU on its financial statements.

In December 2025, the FASB issued ASU No. 2025-10, “Accounting for Government Grants Received by Business Entities”, which establishes the accounting, presentation and disclosure requirements for government grants. The ASU is effective for annual periods beginning after December 15, 2028, with early adoption permitted. TSU is currently assessing the impact of this ASU.

In December 2025, the FASB issued ASU No. 2025-11, “Interim Reporting - Narrow-Scope Improvements", which provides additional guidance on interim disclosure requirements and establishes a principle requiring entities to disclose material events occurring since the most recent annual reporting period. The ASU is effective January 1, 2028 with early adoption permitted. TSU is currently assessing the impact of the ASU on its financial statements.

In May 2026, the FASB issued ASU No. 2026-02, “Environmental Credits and Environmental Credit Obligations”, which provides guidance on recognition and measurement of environmental credits and environmental credit obligations as well as the disclosure requirements. The ASU is effective for annual reporting periods beginning after December 15, 2028, with early adoption permitted. TSU is currently assessing the impact of the ASU on its financial statements.

4. INVENTORY

As at	**September 30, 2026**	December 31, 2025
Natural gas	**$ 66.7**	$ 70.5
Materials and supplies	**24.9**	24.7
	$ 91.6	$ 95.2

5. GOODWILL

As at	**September 30, 2026**	December 31, 2025
Balance, beginning of period	**$ 671.6**	$ 699.1
Foreign exchange translation	**19.4**	(27.5)
Balance, end of period	**$ 691.0**	$ 671.6

6. SHORT-TERM DEBT

As at September 30, 2026, the Company held a $60.0 million (December 31, 2025 - $60.0 million) revolving operating credit facility with a Canadian chartered bank. Borrowings under this facility are due on demand. Draws on this facility are by way of overdraft, Canadian prime rate loans, U.S. base-rate loans, letters of credit, Secured Overnight Financing Rate (“SOFR”) loans, term Canadian Overnight Repo Rate Average (“CORRA”) loans and daily compounded CORRA loans. As at September 30, 2026, the outstanding borrowings under this facility were $nil (December 31, 2025 - $nil). Letters of credit outstanding under this facility as at September 30, 2026 were $2.3 million (December 31, 2025 - $2.3 million).

As at September 30, 2026, the Company held a $25.0 million (December 31, 2025 - $25.0 million) bank operating facility which is available for PNG’s working capital purposes. Draws on this facility are by way of prime-rate advances, term CORRA loans and daily compounded CORRA loans or letters of credit at the bank’s prime rate or for a fee. As at September 30, 2026, the outstanding borrowings under the operating facility were $nil (December 31, 2025 - $nil). Letters of credit outstanding under this facility as at September 30, 2026 were $5.9 million (December 31, 2025 - $5.6 million).

7. LONG-TERM DEBT

As at	Maturity date	**September 30, 2026**	December 31, 2025
Credit facilities			
$235 million unsecured revolving credit facility[(a)]	—	**$ —**	$ —
US$150 million U.S. unsecured revolving credit facility[(a)]	—	**—**	91.8
$450 million unsecured revolving credit facility[(b)]	28-May-2030	**95.1**	—
AUHI notes			
US$50 million series A senior unsecured notes – 5.34 percent	15-Dec-2027	**70.9**	68.5
US$25 million series B senior unsecured notes – 5.38 percent	31-Mar-2030	**35.5**	34.3
US$90 million series C senior unsecured notes – 5.41 percent	31-Mar-2033	**127.7**	123.4
Debenture notes			
PNG 2027 series debenture – 6.90 percent[(c)]	2-Dec-2027	**10.0**	10.0
Medium term notes			
$300 million senior unsecured – 4.26 percent	5-Dec-2028	**300.0**	300.0
$250 million senior unsecured – 3.15 percent	6-Apr-2026	**—**	250.0
$100 million senior unsecured – 3.13 percent	7-Apr-2027	**100.0**	100.0
$100 million senior unsecured – 5.28 percent	15-Aug-2052	**100.0**	100.0
$200 million senior unsecured – 5.02 percent	11-Jan-2030	**200.0**	200.0
$150 million senior unsecured – 4.48 percent	24-Apr-2032	**150.0**	150.0
$175 million senior unsecured – 3.71 percent	14-Feb-2031	**175.0**	175.0
$175 million senior unsecured – 4.40 percent	14-Nov-2035	**175.0**	175.0
$200 million senior unsecured – 4.44 percent	26-Aug-2033	**200.0**	—
CINGSA senior secured notes – 4.48 percent[(d)]	2-Mar-2032	**36.6**	41.7
Finance lease liabilities		**2.4**	3.0
		$ 1,778.2	$ 1,822.7
Less debt issuance costs and discount		**(7.9)**	(7.7)
		$ 1,770.3	$ 1,815.0
Less current portion		**(108.0)**	(257.8)
		$ 1,662.3	$ 1,557.2

(a) On May 28, 2026, the $235 million credit facility was terminated, and the US$150 million facility was amended into a $450 million unsecured revolving credit facility.

(b) Borrowings on the credit facility can be by way of Canadian prime rate based loans, U.S. base rate loans, SOFR loans, term CORRA loans and daily compounded CORRA loans. The credit facility matures on May 28, 2030. As at September 30, 2026, a total of $5.2 million (December 31, 2025 – $nil) in letters of credit were issued and outstanding under this facility.

(c) Collateral for the Secured Debentures consists of a specific first mortgage on substantially all of PNG's property, plant & equipment and gas purchase and gas sales contracts, and a first floating charge on other property, assets and undertakings.

(d) Collateral for the CINGSA Senior secured loan is certain CINGSA assets, Alaska Storage Holding Company, LLC, a subsidiary in which the Company has a controlling interest, is the non-recourse guarantor of this loan.

8. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

	Translation of foreign operations	Net Investment Hedge	Defined benefit pension and post-retirement benefit plans	Total
Opening balance, January 1, 2026	**$ 12.3**	**$ (5.7)**	**$ 0.8**	**$ 7.4**
OCI before reclassification	**37.5**	**(7.2)**	**—**	**30.3**
Current period OCI (pre-tax)	**$ 37.5**	**$ (7.2)**	**$ —**	**$ 30.3**
Income tax on amounts retained in AOCI	**—**	**0.9**	**—**	**0.9**
Net current period OCI	**$ 37.5**	**$ (6.3)**	**$ —**	**$ 31.2**
Ending balance, September 30, 2026	**$ 49.8**	**$ (12.0)**	**$ 0.8**	**$ 38.6**
Opening balance, January 1, 2025	$ 63.3	$ (11.2)	$ 0.7	$ 52.8
OCI before reclassification	(51.0)	5.8	0.1	(45.1)
Current period OCI (pre-tax)	$ (51.0)	$ 5.8	$ 0.1	$ (45.1)
Income tax on amounts retained in AOCI	—	(0.3)	—	(0.3)
Net current period OCI	$ (51.0)	$ 5.5	$ 0.1	$ (45.4)
Ending balance, December 31, 2025	$ 12.3	$ (5.7)	$ 0.8	$ 7.4

9. REVENUE

The following table disaggregates revenue by major sources:

	Three months ended September 30, 2026			
	Renewable Energy	Utilities	Corporate	Total
Revenue from contracts with customers				
Gas sales and transportation services	**$ —**	**$ 157.1**	**$ —**	**$ 157.1**
Storage services	**—**	**1.7**	**—**	**1.7**
Other	**0.2**	**0.1**	**—**	**0.3**
Total revenue from contracts with customers	**$ 0.2**	**$ 158.9**	**$ —**	**$ 159.1**
Other sources of revenue				
Revenue from alternative revenue programs[(a)]	**$ —**	**$ 5.3**	**$ —**	**$ 5.3**
Leasing revenue[(b)]	**3.4**	**—**	**—**	**3.4**
Other	**—**	**1.4**	**—**	**1.4**
Total revenue from other sources	**$ 3.4**	**$ 6.7**	**$ —**	**$ 10.1**
Total revenue	**$ 3.6**	**$ 165.6**	**$ —**	**$ 169.2**

(a) A large portion of revenue generated from the Utilities segment is subject to rate regulation and accordingly there are circumstances where the revenue recognized is mandated by the applicable regulators in accordance with ASC 980.

(b) Relates to power sold to BC Hydro under the power purchase agreement for the Bear Mountain Wind Park, which is accounted for as an operating lease. The lease revenues earned are from variable lease payments that are recorded when actual electricity is generated and delivered.

	Nine months ended September 30, 2026			
	Renewable Energy	**Utilities**	**Corporate**	**Total**
Revenue from contracts with customers				
Gas sales and transportation services	**$ —**	**$ 826.7**	**$ —**	**$ 826.7**
Storage services	**—**	**4.6**	**—**	**4.6**
Other	**0.2**	**0.7**	**—**	**0.9**
Total revenue from contracts with customers	**$ 0.2**	**$ 832.0**	**$ —**	**$ 832.2**
Other sources of revenue				
Revenue from alternative revenue programs[(a)]	**$ —**	**$ (2.7)**	**$ —**	**$ (2.7)**
Leasing revenue[(b)]	**12.0**	**—**	**—**	**12.0**
Other	**—**	**(0.9)**	**—**	**(0.9)**
Total revenue from other sources	**$ 12.0**	**$ (3.6)**	**$ —**	**$ 8.4**
Total revenue	**$ 12.2**	**$ 828.4**	**$ —**	**$ 840.6**

(a) A large portion of revenue generated from the Utilities segment is subject to rate regulation and accordingly there are circumstances where the revenue recognized is mandated by the applicable regulators in accordance with ASC 980.

(b) Relates to power sold to BC Hydro under the power purchase agreement for the Bear Mountain Wind Park, which is accounted for as an operating lease. The lease revenues earned are from variable lease payments that are recorded when actual electricity is generated and delivered.

	Three months ended September 30, 2025			
	Renewable Energy	Utilities	Corporate	Total
Revenue from contracts with customers				
Gas sales and transportation services	$ —	$ 144.3	$ —	$ 144.3
Storage services	—	1.6	—	1.6
Other	0.3	0.1	—	0.4
Total revenue from contracts with customers	$ 0.3	$ 146.0	$ —	$ 146.3
Other sources of revenue				
Revenue from alternative revenue programs [(a)]	$ —	$ 6.6	$ —	$ 6.6
Leasing revenue[(b)]	3.6	—	—	3.6
Other	—	(2.2)	—	(2.2)
Total revenue from other sources	$ 3.6	$ 4.4	$ —	$ 8.0
Total revenue	$ 3.9	$ 150.4	$ —	$ 154.3

(a) A large portion of revenue generated from the Utilities segment is subject to rate regulation and accordingly there are circumstances where the revenue recognized is mandated by the applicable regulators in accordance with ASC 980.

(b) Relates to power sold to BC Hydro under the power purchase agreement for the Bear Mountain Wind Park, which is accounted for as an operating lease. The lease revenues earned are from variable lease payments that are recorded when actual electricity is generated and delivered.

	Nine months ended September 30, 2025			
	Renewable Energy	Utilities	Corporate	Total
Revenue from contracts with customers				
Gas sales and transportation services	$ —	$ 698.0	$ —	$ 698.0
Storage services	—	4.7	—	4.7
Other	1.2	1.1	—	2.3
Total revenue from contracts with customers	$ 1.2	$ 703.8	$ —	$ 705.0
Other sources of revenue				
Revenue from alternative revenue programs[(a)]	$ —	$ (3.3)	$ —	$ (3.3)
Leasing revenue[(b)]	12.3	—	—	12.3
Other	—	(3.6)	—	(3.6)
Total revenue from other sources	$ 12.3	$ (6.9)	$ —	$ 5.4
Total revenue	$ 13.5	$ 696.9	$ —	$ 710.4

(a) A large portion of revenue generated from the Utilities segment is subject to rate regulation and accordingly there are circumstances where the revenue recognized is mandated by the applicable regulators in accordance with ASC 980.

(b) Relates to power sold to BC Hydro under the power purchase agreement for the Bear Mountain Wind Park, which is accounted for as an operating lease. The lease revenues earned are from variable lease payments that are recorded when actual electricity is generated and delivered.

Accounts receivable as at September 30, 2026 include unbilled receivables of $43.7 million (December 31, 2025 - $116.8 million) related to gas sales and transportation services rendered to customers but not billed at period end.

Transaction price allocated to the remaining obligations

The following table includes estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied as at September 30, 2026:

	Remainder of 2026	**2027**	**2028**	**2029**	**2030**	**> 2030**	**Total**
Gas sales and transportation services	$ 4.1	$ 13.0	$ 9.5	$ 8.8	$ 7.7	$ 32.3	**$ 75.4**
Storage services	1.5	6.0	6.0	6.0	6.0	8.2	**33.7**
Other	0.3	1.2	1.1	0.1	—	—	**2.7**
	$ 5.9	$ 20.2	$ 16.6	$ 14.9	$ 13.7	$ 40.5	**$ 111.8**

The Company applies the practical expedient available under ASC 606 and does not disclose information about the remaining performance obligations for (i) contracts with an original expected length of one year or less, (ii) contracts for which revenue is recognized at the amount to which the Company has the right to invoice for performance completed, and (iii) contracts with variable consideration that is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation. In addition, the table above does not include any estimated amounts of variable consideration that are constrained. The majority of gas sales and transportation service contracts and storage service contracts contain variable consideration whereby uncertainty related to the associated variable consideration will be resolved (usually on a daily basis) as gas is delivered or as service is provided.

10. INCOME TAXES

For the three and nine months ended September 30, 2026, the Company recognized an income tax recovery of $1.8 million and income tax expense of $13.6 million, respectively (three and nine months ended September 30, 2025 – recovery of $0.5 million and expense of $6.3 million respectively). The increase in income tax recovery for the three months ended September 30, 2026 was mainly due to lower taxable income. The increase in income tax expense for the nine months ended September 30, 2026 was mainly due to higher taxable income.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts receivable, risk management contract assets (liabilities), accounts payable and accrued liabilities, short-term debt, current portion of long-term debt, and long-term debt. In addition, the Company entered into physical commodity contracts to manage exposure to fluctuations in commodity prices for its customers. Physical commodity contracts that meet the normal purchase and normal sale exemption are not recorded on the balance sheet at fair value and are recognized in the consolidated income statement when the contracts are settled.

Fair Value Hierarchy

The Company categorizes its financial assets and financial liabilities into one of three levels based on fair value measurements and inputs used to determine the fair value.

Level 1 - fair values are based on unadjusted quoted prices in active markets for identical assets or liabilities. Fair values are based on direct observations of transactions involving the same assets or liabilities and no assumptions are used.

Level 2 - fair values are determined based on valuation models and techniques where inputs other than quoted prices included within level 1 are observable for the asset or liability either directly or indirectly. The Company uses derivative instruments to manage fluctuations in foreign exchange rates, natural gas prices and interest rates. The Company estimates forward prices based on observable market prices and rates from published sources.

Level 3 - fair values are based on inputs for the asset or liability that are not based on observable market data. The Company uses valuation techniques when observable market data is not available.

The carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities, and short-term debt approximate fair value because of the short maturity of these instruments.

	September 30, 2026				
	Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Financial assets					
Fair value through net income					
Risk management contract assets - current					
Foreign exchange contracts	$ 1.3	$ —	$ 1.3	$ —	$ 1.3
	$ 1.3	$ —	$ 1.3	$ —	$ 1.3
Financial liabilities					
Fair value through other comprehensive income					
Risk management contract liabilities - current					
Foreign exchange contracts	$ 13.0	$ —	$ 13.0	$ —	$ 13.0
Fair value through net income					
Risk management contract liabilities - current					
Commodity contracts	0.9	—	0.9	—	0.9
Amortized cost					
Current portion of long-term debt[(a)]	108.0	—	108.0	—	108.0
Long-term debt[(a)]	1,670.2	—	1,640.2	—	1,640.2
	$ 1,792.1	$ —	$ 1,762.1	$ —	$ 1,762.1

(a) Excludes deferred financing costs and debt discount.

	December 31, 2025				
	Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Financial assets					
Fair value through net income					
Risk management contract assets - current					
Commodity contracts	$ 0.6	$ —	$ 0.6	$ —	$ 0.6
	$ 0.6	$ —	$ 0.6	$ —	$ 0.6
Financial liabilities					
Fair value through net income					
Risk management contract liabilities - current					
Foreign exchange contracts	$ 0.5	$ —	$ 0.5	$ —	$ 0.5
Fair value through other comprehensive income					
Risk management contract liabilities - current					
Foreign exchange contracts	5.9	—	5.9	—	5.9
Fair value through regulatory assets and liabilities					
Risk management contract liabilities - current					
Commodity contracts	0.5	—	—	0.5	0.5
Risk management contract liabilities - non-current					
Commodity contracts	7.8	—	—	7.8	7.8
Amortized cost					
Current portion of long-term debt[(a)]	257.8	—	257.8	—	257.8
Long-term debt[(a)]	1,564.9	—	1,590.7	—	1,590.7
	$ 1,837.4	$ —	$ 1,854.9	$ 8.3	$ 1,863.2

(a) Excludes deferred financing costs and debt discount.

The following table presents the changes in fair value of risk management contract assets and liabilities classified as Level 3 of the fair value hierarchy:

As at	**September 30, 2026**	December 31, 2025
Balance, beginning of period	**$ (8.3)**	$ (0.6)
Unrealized gain (loss) included in regulatory assets	**8.3**	(7.7)
Balance, end of period	**$ —**	$ (8.3)

In July 2026, PNG terminated its long-term biomethane purchase agreement with no penalty or termination payment payable by PNG. As a result, the remaining fair value liability and the corresponding regulatory asset were derecognized.

Risks Associated with Financial Instruments

The following is an update to the Company's risks associated with financial instruments from those disclosed in the Company's 2025 annual audited consolidated financial statements.

Commodity Price Risk

The Company from time to time may enter into natural gas financial swaps to reduce the customers' exposure to natural gas price volatility. As at September 30, 2026, the Company had outstanding natural gas swaps with notional volumes of approximately 1,360,000 MMBtu that are expected to settle within one year (December 31, 2025 – 675,000 MMBtu). During the three and nine months ended September 30, 2026, the Company recognized an unrealized loss of $1.1 million and $1.5 million, respectively (2025 – unrealized gain of $0.1 million and $nil, respectively).

Foreign Exchange Risk

TSU is exposed to foreign exchange risk through its investments in the United States ("U.S.") and its purchase of supplies and services from foreign suppliers. Changes in foreign exchange rates could impact the Company's earnings, the value of its U.S. investments, and the cash generated from its U.S. operations. TSU may use financial derivatives to hedge specific transactions and earnings exposures and may also use a combination of derivative and non-derivative financial instruments to hedge a portion of its net investment in foreign operations.

A vast majority of EEI's natural gas supply costs are denominated in U.S. dollars. Although all natural gas procurement costs, including any realized foreign exchange gains or losses are passed through to its customers, the Company has entered into foreign exchange forward contracts to manage the risk of fluctuations in gas costs for customers as a result of changes in foreign exchange rates. As at September 30, 2026, the Company had outstanding foreign exchange forward contracts for US$42.4 million at an average rate of $1.38 Canadian per U.S. dollar. These foreign exchange forward contracts have a duration of less than one year. As at December 31, 2025, the Company had outstanding foreign exchange forward contracts for US$32.9 million at an average rate of $1.38 Canadian per U.S. dollar. During the three and nine months ended September 30, 2026, the Company recognized an unrealized gain of $0.5 million and $1.8 million associated with these contracts, respectively (2025 – unrealized gain of $0.9 million and an unrealized loss $1.7 million, respectively).

As at September 30, 2026, the Company designated its outstanding foreign exchange swap contract to sell US$100 million at an exchange rate of 1.27 Canadian per U.S. dollar as a net investment hedge (December 31, 2025 – US$100 million at an exchange rate of 1.31 Canadian per U.S. dollar). During the three and nine months ended September 30, 2026, the Company recorded an after-tax loss of $1.2 million and $6.3 million associated with its foreign exchange swap contracts in other comprehensive income, respectively (2025 – loss of $3.1 million and gain of $2.2 million, respectively). As at September 30, 2026, the Company did not designate any U.S. dollar denominated debt as a net investment hedge (December 31, 2025 - $nil).

Credit Risk

Credit risk results from the possibility that a counterparty to a financial instrument fails to fulfill its obligations in accordance with the terms of the contract. The Company's maximum credit exposure consists primarily of the carrying value of accounts receivable and the fair value of derivative financial assets. The Company's utilities business generally has a large and diversified customer base, which minimizes the concentration of credit risk. To minimize credit risk, the utilities business will request a security deposit which is eligible for refund after an observable period of compliance with payment terms. A credit report may also be requested. For the Company's renewable generation assets, all power generated is sold under the electricity purchase agreement with BC Hydro, an investment grade counterparty.

Expected credit losses on accounts receivable are estimated based on historical experience adjusted to reflect current and/or future conditions for receivables with similar risk characteristics. Accounts receivable are written-off against the allowance for credit losses when it is probable that the receivable is not collectible.

Allowance for credit losses		**September 30, 2026**		December 31, 2025
Balance, beginning of period	**$**	**2.4**	$	2.2
New allowance		**1.5**		1.7
Recovery of allowance		**0.1**		0.2
Allowance applied to uncollectible customer accounts		**(1.2)**		(1.7)
Balance, end of period	**$**	**2.8**	$	2.4

12. PENSION PLANS AND RETIREE BENEFITS

The costs of the defined benefit and post-retirement benefit plans are based on management's estimate of the future rate of return on the fair value of plan assets, salary escalations, mortality rates and other factors affecting the payment of future benefits.

The net pension expense by plan for the period was as follows:

Three months ended September 30, 2026	Defined Benefit	Post-Retirement Benefits	Total
Current service cost[(a)]	**$ 1.9**	**$ 0.2**	**$ 2.1**
Interest cost[(b)]	**2.7**	**0.3**	**3.0**
Expected return on plan assets[(b)]	**(4.4)**	**(0.2)**	**(4.6)**
Amortization of regulatory asset[(b)]	**—**	**(0.1)**	**(0.1)**
Net benefit cost recognized	**$ 0.2**	**$ 0.2**	**$ 0.4**

(a) Recorded under the line item "Operating and administrative" expenses on the Condensed Interim Consolidated Statements of Income.

(b) Recorded under the line item "Other income" on the Condensed Interim Consolidated Statements of Income.

Nine months ended September 30, 2026	Defined Benefit	Post-Retirement Benefits	Total
Current service cost[(a)]	**$ 5.5**	**$ 0.6**	**$ 6.1**
Interest cost[(b)]	**7.7**	**0.7**	**8.4**
Expected return on plan assets[(b)]	**(12.7)**	**(0.5)**	**(13.2)**
Amortization of regulatory asset[(b)]	**(0.1)**	**(0.2)**	**(0.3)**
Net benefit cost recognized	**$ 0.4**	**$ 0.6**	**$ 1.0**

(a) Recorded under the line item "Operating and administrative" expenses on the Condensed Interim Consolidated Statements of Income.

(b) Recorded under the line item "Other income" on the Condensed Interim Consolidated Statements of Income.

Three months ended September 30, 2025	Defined Benefit	Post-Retirement Benefits	Total
Current service cost[(a)]	$ 2.0	$ 0.2	$ 2.2
Interest cost[(b)]	2.7	0.2	2.9
Expected return on plan assets[(b)]	(4.2)	(0.2)	(4.4)
Amortization of regulatory asset[(b)]	—	(0.1)	(0.1)
Net benefit cost recognized	$ 0.5	$ 0.1	$ 0.6

(a) Recorded under the line item "Operating and administrative" expenses on the Condensed Interim Consolidated Statements of Income.

(b) Recorded under the line item "Other income" on the Condensed Interim Consolidated Statements of Income.

Nine months ended September 30, 2025	Defined Benefit	Post-Retirement Benefits	Total
Current service cost[(a)]	$ 6.0	$ 0.6	$ 6.6
Interest cost[(b)]	7.8	0.7	8.5
Expected return on plan assets[(b)]	(12.2)	(0.5)	(12.7)
Amortization of net actuarial loss[(b)]	0.1	—	0.1
Amortization of regulatory asset[(b)]	—	(0.3)	(0.3)
Net benefit cost recognized	$ 1.7	$ 0.5	$ 2.2

(a) Recorded under the line item "Operating and administrative" expenses on the Condensed Interim Consolidated Statements of Income.

(b) Recorded under the line item "Other income" on the Condensed Interim Consolidated Statements of Income.

13. COMMITMENTS, CONTINGENCIES AND GUARANTEES

Commitments

The Company has long-term natural gas purchase and transportation arrangements, service agreements, and operating and finance leases, all of which are transacted at market prices and in the normal course of business.

Guarantees

The Company has guaranteed payment for certain commitments on behalf of its subsidiaries as further described below. The primary obligations guaranteed by the Company have been included in the Company's balance sheet and commitments note. Please refer to note 20 of the 2025 audited annual consolidated financial statements for details regarding the Company's commitments.

In October 2014, EEI entered into a throughput service contract with Enbridge Inc. for the use of the expansion of its Algonquin Gas Transmission and Maritimes & Northeast Pipeline systems. The contract commenced on October 1, 2020 and will expire 15 years thereafter. The Company issued two guarantees with an aggregate maximum liability of US$91.7 million, guaranteeing EEI's payment obligations under the throughput service contract with Enbridge Inc.

The Company, through EEI and AUI, has other agreements in place with natural gas distributors, transportation service providers, wholesale gas marketers and financial institutions for the purchase and transportation of natural gas and by-products thereof including forward or other financially settled contracts. As at September 30, 2026, the Company had guarantees with an aggregate maximum of US$70 million and $17.4 million guaranteeing EEI and AUI's payments under those agreements.

Contingencies

The Company is subject to various legal claims and actions arising in the normal course of business. While the final outcome of such legal claims and actions cannot be predicted with certainty, the Company does not believe that the resolution of such claims and actions will have a material impact on the Company's consolidated financial position or results of operations.

14. SUPPLEMENTAL CASH FLOW INFORMATION

The following table details the changes in operating assets and liabilities:

	Three months ended September 30		Nine months ended September 30	
	2026	2025	**2026**	2025
Source (use) of cash:				
Accounts receivable	**$ 20.7**	$ 14.3	**$ 141.7**	$ 97.0
Inventory	**(21.7)**	(26.7)	**7.2**	(31.7)
Other current assets	**3.4**	4.9	**(2.6)**	(3.5)
Regulatory assets (current)	**(4.5)**	(9.3)	**(5.7)**	(25.1)
Accounts payable and accrued liabilities	**0.4**	5.8	**(63.9)**	(56.8)
Customer deposits	**0.4**	2.5	**(3.7)**	0.8
Regulatory liabilities (current)	**(2.8)**	(2.6)	**10.9**	(1.0)
Other current liabilities	**0.9**	0.4	**0.2**	(1.1)
Net change in regulatory assets and liabilities (long-term)[(a)]	**(7.7)**	(3.5)	**(9.9)**	12.1
Other long-term assets and liabilities	**(0.3)**	3.2	**12.6**	4.2
Changes in operating assets and liabilities	**$ (11.2)**	$ (11.0)	**$ 86.8**	$ (5.1)

(a) Inclusive of an increase in the revenue deficiency account (use of cash) of $3.5 million during the three months ended September 30, 2026 and a decrease in the revenue deficiency account (source of cash) of $2.6 million during the nine months ended September 30, 2026 (three and nine months ended September 30, 2025 – an increase in the revenue deficiency account (use of cash) of $4.8 million and a decrease in the revenue deficiency (source of cash) of $3.7 million, respectively).

The following cash payments have been included in the determination of net income after taxes:

	Three months ended September 30		Nine months ended September 30	
	2026	2025	**2026**	2025
Interest paid	**$ 20.4**	$ 19.2	**$ 60.4**	$ 57.4
Income taxes paid (net of refunds)				
Canada - Federal	**$ (0.1)**	$ 0.9	**$ 4.8**	$ 4.6
Canada - Provincial				
Alberta	**(0.4)**	0.5	**0.3**	1.9
British Columbia	**0.3**	0.2	**1.9**	0.9
Nova Scotia	**0.2**	—	**1.8**	—
Total income taxes paid (net of refunds)	**$ —**	$ 1.6	**$ 8.8**	$ 7.4

As at	**September 30, 2026**	September 30, 2025
Cash and cash equivalents	**$ 20.9**	$ 28.0
Restricted cash holdings from customers	**50.7**	4.5
Cash, cash equivalents and restricted cash per consolidated statement of cash flow	**$ 71.6**	$ 32.5

15. SEGMENTED INFORMATION

The Chief Operating Decision Maker ("CODM") of the Company consists of the members of the executive committee. The Company is primarily organized based on the asset types it owns and the following describes the Company's three reporting segments:

The following describes the Company's three reporting segments:

Utilities	–	Includes the rate-regulated natural gas distribution assets in Alaska, Alberta, British Columbia and Nova Scotia, a 65 percent indirect interest in a rate-regulated storage facility in Alaska, as well as an approximately 33.33 percent equity investment in Inuvik Gas Ltd.
Renewable Energy	–	Includes the 102 MW Bear Mountain Wind Park, and an approximately 10 percent indirect equity investment in Coast LP, which indirectly owns and operates three run-of-river hydroelectric power generation assets in northwest British Columbia (the "Northwest Hydro Facilities").
Corporate	–	Includes the cost of providing shared services, financial and general corporate support and corporate assets as well as the equity investment in the NGIF.

The CODM uses earnings before interest, taxes, depreciation and amortization ("EBITDA") and operating income to evaluate performance and allocate resources to the segments. Performance is assessed by comparing the actual results to budget by segment.

The following tables show the composition by segment:

	Three months ended September 30, 2026				
	Utilities	Renewable Energy	Corporate	Intersegment Elimination	Total
Revenue	$ 165.6	$ 3.6	$ —	$ —	$ 169.2
Cost of sales	(75.5)	(0.1)	—	—	(75.6)
Operating and administrative	(49.6)	(1.5)	(3.0)	—	(54.1)
Accretion expense	—	(0.1)	—	—	(0.1)
Income (loss) from equity investments	(0.4)	5.8	(0.1)	—	5.3
Unrealized loss on risk management contracts	(0.6)	—	—	—	(0.6)
Other income	1.9	—	—	—	1.9
EBITDA	41.4	7.7	(3.1)	—	46.0
Depreciation and amortization	(22.5)	(1.8)	(0.1)	—	(24.4)
Operating income (loss)	$ 18.9	$ 5.9	$ (3.2)	$ —	$ 21.6
Interest expense	(14.8)	—	(5.0)	—	(19.8)
Income (loss) before income taxes	$ 4.1	$ 5.9	$ (8.2)	$ —	$ 1.8
Net additions to:					
Property, plant and equipment[(a)]	$ 64.0	$ —	$ —	$ —	$ 64.0
Intangible assets[(a)]	$ 0.6	$ —	$ —	$ —	$ 0.6

(a) Net additions to property, plant, and equipment, and intangible assets may not agree to changes reflected in the Consolidated Statement of Cash Flows due to classification differences.

	Nine months ended September 30, 2026				
	Utilities	Renewable Energy	Corporate	Intersegment Elimination	Total
Revenue	$ 828.4	$ 12.2	$ —	$ —	$ 840.6
Cost of sales	(486.3)	(0.2)	—	—	(486.5)
Operating and administrative	(152.8)	(4.0)	(8.2)	—	(165.0)
Accretion expense	(0.1)	(0.2)	—	—	(0.3)
Income (loss) from equity investments	(0.5)	7.9	(0.1)	—	7.3
Unrealized gain on risk management contracts	0.3	—	—	—	0.3
Other income (loss)	5.5	—	(0.1)	—	5.4
Foreign exchange gain	—	—	1.7	—	1.7
EBITDA	194.5	15.7	(6.7)	—	203.5
Depreciation and amortization	(67.5)	(5.5)	(0.3)	—	(73.3)
Operating income (loss)	$ 127.0	$ 10.2	$ (7.0)	$ —	$ 130.2
Interest expense	(44.5)	—	(13.8)	—	(58.3)
Income (loss) before income taxes	$ 82.5	$ 10.2	$ (20.8)	$ —	$ 71.9
Net additions to:					
Property, plant and equipment[(a)]	$ 131.2	$ —	$ —	$ —	$ 131.2
Intangible assets[(a)]	$ 1.0	$ —	$ —	$ —	$ 1.0

(a) Net additions to property, plant, and equipment, and intangible assets may not agree to changes reflected in the Consolidated Statement of Cash Flows due to classification differences.

	Three months ended September 30, 2025				
	Utilities	Renewable Energy	Corporate	Intersegment Elimination	Total
Revenue	$ 150.4	$ 3.9	$ —	$ —	$ 154.3
Cost of sales	(66.7)	(0.1)	—	—	(66.8)
Operating and administrative	(47.2)	(1.5)	(0.9)	—	(49.6)
Accretion expenses	—	(0.1)	—	—	(0.1)
Income from equity investment	—	5.9	—	—	5.9
Unrealized gain on risk management contracts	1.0	—	—	—	1.0
Other income	1.6	—	—	—	1.6
EBITDA	39.1	8.1	(0.9)	—	46.3
Depreciation and amortization	(20.7)	(1.9)	(0.1)	—	(22.7)
Operating income (loss)	$ 18.4	$ 6.2	$ (1.0)	$ —	$ 23.6
Interest expense	(14.8)	—	(4.7)	—	(19.5)
Income (loss) before income taxes	$ 3.6	$ 6.2	$ (5.7)	$ —	$ 4.1
Net additions to:					
Property, plant and equipment[(a)]	$ 60.6	$ 1.5	$ 0.1	$ —	$ 62.2
Intangible assets[(a)]	$ 0.6	$ —	$ —	$ —	$ 0.6

(a) Net additions to property, plant, and equipment, and intangible assets may not agree to changes reflected in the Consolidated Statement of Cash Flows due to classification differences.

	Nine months ended September 30, 2025				
	Utilities	Renewable Energy	Corporate	Intersegment Elimination	Total
Revenue	$ 696.9	$ 13.5	$ —	$ —	$ 710.4
Cost of sales	(382.1)	(0.2)	—	—	(382.3)
Operating and administrative	(146.8)	(4.4)	(4.0)	—	(155.2)
Accretion expense	—	(0.2)	—	—	(0.2)
Income from equity investments	0.2	7.2	0.4	—	7.8
Unrealized loss on risk management contracts	(1.7)	—	—	—	(1.7)
Other Income	4.9	—	—	—	4.9
Foreign exchange loss	—	—	(0.1)	—	(0.1)
EBITDA	171.4	15.9	(3.7)	—	183.6
Depreciation and amortization	(62.8)	(5.5)	(0.3)	—	(68.6)
Operating income (loss)	$ 108.6	$ 10.4	$ (4.0)	$ —	$ 115.0
Interest expense	(43.5)	—	(13.9)	—	(57.4)
Income (loss) before income taxes	$ 65.1	$ 10.4	$ (17.9)	$ —	$ 57.6
Net additions to:					
Property, plant and equipment[(a)]	$ 138.8	$ 1.5	$ 0.1	$ —	$ 140.4
Intangible assets[(a)]	$ 1.7	$ —	$ —	$ —	$ 1.7

(a) Net additions to property, plant, and equipment, and intangible assets may not agree to changes reflected in the Consolidated Statement of Cash Flows due to classification differences.

The following table shows goodwill and total assets by segment:

	Utilities	Renewable Energy	Corporate	Total
As at September 30, 2026				
Goodwill	**$ 691.0**	**$ —**	**$ —**	**$ 691.0**
Segmented assets (liabilities)	**$ 3,676.1**	**$ 369.5**	**$ (103.7)**	**$ 3,941.9**
As at December 31, 2025				
Goodwill	$ 671.6	$ —	$ —	$ 671.6
Segmented assets	$ 3,583.3	$ 358.6	$ 16.3	$ 3,958.2

The following tables show the geographical information of the Company's revenue and property, plant and equipment:

	Three months ended September 30		Nine months ended September 30	
	2026	2025	**2026**	2025
Revenue				
Canada	**$ 63.1**	$ 60.7	**$ 327.6**	$ 298.5
United States	**106.1**	93.6	**513.0**	411.9
Total	**$ 169.2**	$ 154.3	**$ 840.6**	$ 710.4

As at	**September 30, 2026**	December 31, 2025
Property, plant and equipment		
Canada	**$ 1,468.9**	$ 1,426.7
United States	**877.6**	826.3
Total	**$ 2,346.5**	$ 2,253.0

16. SEASONALITY

The utility business is highly seasonal with the majority of natural gas deliveries occurring during the winter heating season. Gas sales increase during the winter resulting in stronger first and fourth quarter results and weaker second and third quarter results. In addition, the Company's equity investment in the Northwest Hydro Facilities is impacted by seasonal weather, which create periods of high river flow typically during May through October of any given year, resulting in stronger results during this time period.

17. SUBSEQUENT EVENTS

Subsequent events have been reviewed through November 4, 2026, the date on which these condensed interim consolidated financial statements were approved for issue by the Board of Directors. There were no subsequent events requiring disclosure or adjustment in the financial statements.