

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2025

— OR —

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 333-100240

**Oncor Electric Delivery Company LLC**  
(Exact name of registrant as specified in its charter)

**Delaware**

(State of organization)

**75-2967830**

(I.R.S. Employer Identification No.)

**1616 Woodall Rodgers Fwy., Dallas, TX 75202**

(Address of principal executive offices) (Zip Code)

**(214) 486-2000**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
None	None	None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

As of November 5, 2025, 635,000,000 limited liability company membership interests of Oncor Electric Delivery Company LLC were outstanding, 80.25% of which were directly held by Oncor Electric Delivery Holdings Company LLC and 19.75% of which were held by Texas Transmission Investment LLC. None of the membership interests are publicly traded.

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Oncor Electric Delivery Company LLC (Oncor) makes its filings with the Securities and Exchange Commission available to the public, free of charge, on Oncor’s website at <http://www.oncor.com> as soon as reasonably practicable after they have been filed with or furnished to the Securities and Exchange Commission. The information on Oncor’s website or available by hyperlink from its website shall not be deemed a part of, or incorporated by reference into, this Quarterly Report on Form 10-Q. The representations and warranties contained in any agreement that we have filed as an exhibit to, or incorporated by reference into, this Quarterly Report on Form 10-Q or that we have or may publicly file, or incorporate by reference, in the future may contain representations and warranties made by and to the parties thereto as of specific dates. Such representations and warranties may be subject to exceptions and qualifications contained in separate disclosure schedules, may represent the parties’ risk allocation in the particular transaction, or may be qualified by materiality standards that differ from what may be viewed as material for securities law purposes.

This Quarterly Report on Form 10-Q and other Securities and Exchange Commission filings of Oncor occasionally make references to Oncor (or “we,” “our,” “us,” or “the company”) when describing actions, rights or obligations of Oncor and/or its subsidiaries. These references reflect the fact that the subsidiaries are consolidated with Oncor for financial reporting purposes. However, these references should not be interpreted to imply that Oncor is actually undertaking the action or has the rights or obligations of any subsidiary or that any subsidiary company is undertaking an action or has the rights or obligations of its parent company or of any other affiliate.

## GLOSSARY

When the following terms and abbreviations appear in the text of this report, they have the meanings indicated below.

<b>\$500M Credit Facility</b>	Refers to the unsecured \$500 million revolving credit agreement, dated as of February 21, 2024, among Oncor, as borrower, the lenders from time-to-time party thereto, and Wells Fargo Bank, National Association, as administrative agent, maturing on February 21, 2027
<b>\$1B Credit Facility</b>	Refers to the unsecured \$1 billion revolving credit agreement, dated as of February 20, 2025, among Oncor, as borrower, the lenders from time-to-time party thereto, Wells Fargo Bank, National Association, as administrative agent and swingline lender, and the other financial institutions party thereto, maturing on February 20, 2028
<b>\$2B Credit Facility</b>	Refers to the amended and restated unsecured \$2 billion revolving credit agreement, dated as of February 20, 2025, among Oncor, as borrower, the lenders from time-to-time party thereto, JPMorgan Chase Bank, N.A., as administrative agent and swingline lender, the fronting banks from time-to-time party thereto, and the other financial institutions party thereto, maturing on February 20, 2030
<b>2024 Form 10-K</b>	Oncor's annual report on Form 10-K for the year ended December 31, 2024
<b>2031 Euro Notes</b>	Refers to the €500 million aggregate principal amount of euro-denominated senior secured notes due May 15, 2031, which were issued by Oncor in May 2024
<b>2034 Euro Notes</b>	Refers to the €700 million aggregate principal amount of euro-denominated senior secured notes due June 15, 2034, which were issued by Oncor in June 2025
<b>AFUDC</b>	Allowance for funds used during construction
<b>AOCI</b>	Accumulated other comprehensive income (loss)
<b>AR Facility</b>	Refers to the accounts receivable facility entered into by Oncor on April 28, 2023, providing for the contribution of certain accounts receivable and certain other related rights to Receivables LLC, which, in turn, obtains loans secured by the receivables from various third-party lenders, as amended, maturing on April 28, 2028
<b>ASC</b>	Accounting Standards Codification
<b>CAD Notes</b>	Refers to the C\$500 million aggregate principal amount of Canadian dollar-denominated senior secured notes due October 1, 2035, which were issued by Oncor in September 2025
<b>CODM</b>	Chief operating decision maker
<b>CP Notes</b>	Unsecured commercial paper notes issued under the CP Program
<b>CP Program</b>	Oncor's commercial paper program, as amended
<b>Credit Facilities</b>	Refers collectively to the \$500M Credit Facility, the \$1B Credit Facility and the \$2B Credit Facility
<b>DCRF</b>	Distribution cost recovery factor

<b>Deed of Trust</b>	Deed of Trust, Security Agreement and Fixture Filing, dated as of May 15, 2008, made by Oncor to and for the benefit of The Bank of New York Mellon Trust Company, N.A. (as successor to The Bank of New York Mellon, formerly The Bank of New York), as collateral agent, as amended
<b>Disinterested Director</b>	Refers to a member of our board of directors who is, pursuant to our LLC Agreement, one of the seven members of our 13-member board of directors who qualifies as a "disinterested director," defined as a director who (i) shall be an independent director in all material respects under the rules of the NYSE in relation to Sempra or its subsidiaries and affiliated entities and any entity with a direct or indirect ownership interest in Oncor or Oncor Holdings, and (ii) shall have no material relationship with Sempra or its subsidiaries or affiliated entities or any entity with a direct or indirect ownership interest in Oncor or Oncor Holdings, currently or within the previous ten years
<b>EECRF</b>	Energy efficiency cost recovery factor
<b>EPA</b>	U.S. Environmental Protection Agency
<b>ERCOT</b>	Electric Reliability Council of Texas, Inc., the independent system operator and the regional coordinator of various electricity systems within Texas
<b>Euro Notes</b>	Refers to the 2031 Euro Notes and the 2034 Euro Notes
<b>FASB</b>	Financial Accounting Standards Board
<b>FERC</b>	U.S. Federal Energy Regulatory Commission
<b>Fitch</b>	Fitch Ratings, Inc. (a credit rating agency)
<b>GAAP</b>	Generally accepted accounting principles of the U.S.
<b>I.R.S.</b>	U.S. Internal Revenue Service
<b>kV</b>	Kilovolts
<b>kWh</b>	Kilowatt-hours
<b>LLC Agreement</b>	The Third Amended and Restated Limited Liability Company Agreement of Oncor, dated as of March 9, 2018, by and between Oncor Holdings and Texas Transmission, as amended
<b>Moody's</b>	Moody's Investors Service, Inc. (a credit rating agency)
<b>NERC</b>	North American Electric Reliability Corporation
<b>NYSE</b>	New York Stock Exchange
<b>OCI</b>	Other comprehensive income (loss)
<b>Oncor</b>	Oncor Electric Delivery Company LLC, a direct, majority-owned subsidiary of Oncor Holdings
<b>Oncor Holdings</b>	Oncor Electric Delivery Holdings Company LLC, which is the direct majority owner (80.25% equity interest) of Oncor and is wholly owned by STIH
<b>Oncor Retirement Plan</b>	Refers to a defined benefit pension plan sponsored by Oncor
<b>Oncor Ring-Fenced Entities</b>	Refers to Oncor Holdings and its direct and indirect subsidiaries, including Oncor and Oncor's direct and indirect subsidiaries
<b>OPEB</b>	Other postretirement employee benefits
<b>OPEB Plans</b>	Refers to plans sponsored by Oncor that offer certain postretirement health care and life insurance benefits to eligible current and former employees of Oncor and certain former affiliated companies and their eligible dependents

<b>PUCT</b>	Public Utility Commission of Texas
<b>PURA</b>	Texas Public Utility Regulatory Act, as amended
<b>Receivables LLC</b>	Oncor Receivables LLC, a bankruptcy-remote special purpose entity and a wholly-owned subsidiary of Oncor
<b>REP</b>	Retail electric provider
<b>S&amp;P</b>	S&P Global Ratings, a division of S&P Global Inc. (a credit rating agency)
<b>Sempra</b>	Sempra, a California corporation
<b>Sempra Order</b>	Refers to the final order issued by the PUCT in 2018 in PUCT Docket No. 47675 approving Sempra's indirect acquisition of Oncor Holdings
<b>Sharyland</b>	Sharyland Utilities, L.L.C.
<b>SOFR</b>	Refers to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate)
<b>SRP</b>	Refers to Oncor's system resiliency plan to enhance the resiliency of its transmission and distribution system, which plan was approved by the PUCT in PUCT Docket No. 56545
<b>STH</b>	Sempra Texas Holdings Corp., a Texas corporation, which is wholly owned by Sempra and the direct parent of STIH
<b>STIH</b>	Sempra Texas Intermediate Holding Company LLC, a Delaware limited liability company, which is a wholly owned, indirect subsidiary of Sempra and the sole member of Oncor Holdings
<b>Supplemental Retirement Plan</b>	Refers to the Oncor Supplemental Retirement Plan, as amended
<b>TCEQ</b>	Texas Commission on Environmental Quality
<b>TCOS</b>	Transmission cost of service
<b>TCRF</b>	Transmission cost recovery factor
<b>Texas margin tax</b>	A privilege tax imposed on taxable entities chartered/organized or doing business in the State of Texas that, for accounting purposes, is reported as an income tax
<b>Texas RE</b>	Texas Reliability Entity, Inc., an independent organization that develops reliability standards for the ERCOT region and monitors and enforces compliance with NERC standards and ERCOT protocols
<b>Texas Transmission</b>	Texas Transmission Investment LLC, a limited liability company that owns a 19.75% equity interest in Oncor and is indirectly owned by OMERS Administration Corporation (acting through its infrastructure investment entity, OMERS Infrastructure Management Inc.) and GIC Private Limited
<b>U.S.</b>	United States of America
<b>UTM</b>	Refers to the unified tracker mechanism, established by Texas House Bill 5247, which became effective on June 20, 2025
<b>VIE</b>	Variable interest entity
<b>Vistra</b>	Vistra Corp. and/or its subsidiaries, depending on context
<b>Vistra Retirement Plan</b>	Refers to a defined benefit pension plan sponsored by an affiliate of Vistra

## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

**ONCOR ELECTRIC DELIVERY COMPANY LLC**  
**CONDENSED STATEMENTS OF CONSOLIDATED INCOME**  
(Unaudited)

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(U.S. dollars in millions)			
Operating revenues (Note 3)	\$ 1,845	\$ 1,660	\$ 5,047	\$ 4,610
Operating expenses:				
Wholesale transmission service	374	351	1,094	1,053
Operation and maintenance	385	338	1,123	932
Depreciation and amortization	300	269	877	787
Provision in lieu of income taxes (Note 9)	80	72	174	172
Taxes other than amounts related to income taxes	154	151	443	431
Total operating expenses	1,293	1,181	3,711	3,375
Operating income	552	479	1,336	1,235
Other (income) and deductions – net (Note 12)	(29)	(15)	(61)	(45)
Non-operating benefit in lieu of income taxes	-	-	(1)	(1)
Interest expense and related charges (Note 12)	201	170	578	481
Net income	<u>\$ 380</u>	<u>\$ 324</u>	<u>\$ 820</u>	<u>\$ 800</u>

See Notes to Condensed Consolidated Financial Statements.

**CONDENSED STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME**  
(Unaudited)

	<b>Three months ended September 30, 2025 and 2024</b>		
	<b>Pretax amount</b>	<b>Income tax (expense) benefit</b>	<b>Net-of-tax amount</b>
	<b>(U.S. dollars in millions)</b>		
<b>2025</b>			
Net income	\$ 460	\$ (80)	\$ 380
Other comprehensive (loss) income:			
Cash flow hedges	(13)	2	(11)
Fair value hedges	(7)	2	(5)
Defined benefit pension plans	1	-	1
Total other comprehensive (loss) income	(19)	4	(15)
Comprehensive income	<u>\$ 441</u>	<u>\$ (76)</u>	<u>\$ 365</u>
<b>2024</b>			
Net income	\$ 396	\$ (72)	\$ 324
Other comprehensive (loss) income:			
Cash flow hedges	1	(1)	-
Fair value hedges	(4)	1	(3)
Defined benefit pension plans	1	-	1
Total other comprehensive (loss) income	(2)	-	(2)
Comprehensive income	<u>\$ 394</u>	<u>\$ (72)</u>	<u>\$ 322</u>
	<b>Nine months ended September 30, 2025 and 2024</b>		
	<b>Pretax amount</b>	<b>Income tax (expense) benefit</b>	<b>Net-of-tax amount</b>
	<b>(U.S. dollars in millions)</b>		
<b>2025</b>			
Net income	\$ 993	\$ (173)	\$ 820
Other comprehensive (loss) income:			
Cash flow hedges	(36)	7	(29)
Fair value hedges	(46)	9	(37)
Defined benefit pension plans	3	-	3
Total other comprehensive (loss) income	(79)	16	(63)
Comprehensive income	<u>\$ 914</u>	<u>\$ (157)</u>	<u>\$ 757</u>
<b>2024</b>			
Net income	\$ 971	\$ (171)	\$ 800
Other comprehensive (loss) income:			
Cash flow hedges	(14)	3	(11)
Fair value hedges	(15)	3	(12)
Defined benefit pension plans	2	-	2
Total other comprehensive (loss) income	(27)	6	(21)
Comprehensive income	<u>\$ 944</u>	<u>\$ (165)</u>	<u>\$ 779</u>

See Notes to Condensed Consolidated Financial Statements.

**ONCOR ELECTRIC DELIVERY COMPANY LLC**  
**CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS**  
(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
	(U.S. dollars in millions)	
<b>Cash flows – operating activities:</b>		
Net income	\$ 820	\$ 800
<b>Adjustments to reconcile net income to cash provided by operating activities:</b>		
Depreciation and amortization, including regulatory amortization	1,002	914
Provision in lieu of deferred income taxes – net	166	117
Other – net	-	(1)
<b>Changes in operating assets and liabilities:</b>		
Accounts receivable	(200)	(222)
Inventories	(143)	(53)
Accounts payable – trade	5	12
Regulatory assets – recoverable SRP (Note 2)	(111)	-
Regulatory assets – recoverable UTM (Note 2)	(55)	-
Regulatory assets – self-insurance reserve (Note 2)	(165)	(337)
Regulatory under/over recoveries – net (Note 2)	110	25
Customer deposits	53	58
Pension and OPEB plans	(144)	(45)
Interest accruals	120	72
Other – assets	(127)	(107)
Other – liabilities	80	6
Cash provided by operating activities	<u>1,411</u>	<u>1,239</u>
<b>Cash flows – financing activities:</b>		
Issuances of senior secured notes (Note 5)	3,466	1,442
Repayments of senior secured notes (Note 5)	(350)	(500)
Borrowings under AR Facility (Note 5)	510	900
Repayments under AR Facility (Note 5)	(510)	(400)
Borrowings under \$500M Credit Facility (Note 5)	-	500
Payment for senior secured notes extinguishment (Note 5)	(441)	-
Net change in short-term borrowings (Note 4)	(594)	(218)
Capital contributions from members (Note 7)	1,857	720
Distributions to members (Note 7)	(573)	(376)
Debt premium, discount, financing and reacquisition costs – net	(42)	(18)
Cash provided by financing activities	<u>3,323</u>	<u>2,050</u>
<b>Cash flows – investing activities:</b>		
Capital expenditures	(4,547)	(3,314)
Sales tax audit settlement refund	-	56
Other – net	32	25
Cash used in investing activities	<u>(4,515)</u>	<u>(3,233)</u>
Net change in cash, cash equivalents and restricted cash	219	56
Cash, cash equivalents and restricted cash – beginning balance	262	151
Cash, cash equivalents and restricted cash – ending balance	<u>\$ 481</u>	<u>\$ 207</u>

See Notes to Condensed Consolidated Financial Statements.

**ONCOR ELECTRIC DELIVERY COMPANY LLC**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

	At September 30, 2025	At December 31, 2024
	(U.S. dollars in millions)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 198	\$ 36
Restricted cash, current (Note 1)	22	20
Accounts receivable – net (Note 12)	1,166	970
Amounts receivable from members related to income taxes (Note 9)	48	30
Materials and supplies inventories – at average cost	605	462
Prepayments and other current assets (Note 12)	139	124
Total current assets	2,178	1,642
Restricted cash, noncurrent (Note 1)	261	206
Investments and other property (Note 12)	196	183
Property, plant and equipment – net (Note 12)	35,701	31,769
Goodwill (Notes 1 and 12)	4,740	4,740
Regulatory assets (Note 2)	1,919	1,671
Right-of-use operating lease assets	241	209
Other noncurrent assets (Note 12)	112	31
Total assets	<u>\$ 45,348</u>	<u>\$ 40,451</u>
<b>LIABILITIES AND MEMBERSHIP INTERESTS</b>		
Current liabilities:		
Short-term borrowings (Note 4)	\$ -	\$ 594
Accounts payable – trade	1,022	770
Amounts payable to members related to income taxes (Note 9)	22	29
Accrued taxes other than amounts related to income	249	274
Accrued interest	269	149
Operating lease and other current liabilities (Note 6)	405	367
Total current liabilities	1,967	2,183
Long-term debt, noncurrent (Note 5)	17,958	15,234
Liability in lieu of deferred income taxes (Note 9)	2,765	2,552
Regulatory liabilities (Note 2)	3,087	2,973
Employee benefit plan obligations (Note 8)	1,244	1,384
Operating lease obligations	220	193
Other noncurrent obligations (Note 12)	436	302
Total liabilities	27,677	24,821
Commitments and contingencies (Note 6)		
Membership interests (Note 7):		
Capital account – number of units outstanding at September 30, 2025 and December 31, 2024 – 635,000,000	17,918	15,814
Accumulated other comprehensive loss	(247)	(184)
Total membership interests	17,671	15,630
Total liabilities and membership interests	<u>\$ 45,348</u>	<u>\$ 40,451</u>

See Notes to Condensed Consolidated Financial Statements.

**ONCOR ELECTRIC DELIVERY COMPANY LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. DESCRIPTION OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES**

*Description of Business*

References in this report to "we," "our," "us" and "the company" are to Oncor and/or its subsidiaries as apparent in the context. See "Glossary" for the definition of terms and abbreviations.

We are a regulated electricity transmission and distribution company that operates the largest transmission and distribution system in Texas. We provide wholesale transmission and distribution services, and we also provide transmission grid connections to merchant generation facilities and interconnections to other transmission grids in Texas. The rates we charge for our electricity delivery services are set pursuant to tariffs approved by the PUCT and certain cities and, in the case of transmission service related to limited interconnections to other markets, the FERC. We are not a seller of electricity, nor do we purchase electricity for resale.

*Ownership Structure and Ring-Fencing Measures*

We are a direct, majority-owned subsidiary of Oncor Holdings, which is indirectly and wholly owned by Sempra. Oncor Holdings owns 80.25% of our membership interests and Texas Transmission owns 19.75% of our membership interests. The company is managed as an integrated business of electricity transmission and distribution with only one reportable segment.

Since 2007, various ring-fencing measures have been taken to enhance our credit quality and the separateness between the Oncor Ring-Fenced Entities and entities with a direct or indirect ownership interest in Oncor or Oncor Holdings. These ring-fencing measures serve to mitigate the Oncor Ring-Fenced Entities' credit exposure to Sempra and its affiliates and any other direct or indirect owners of Oncor and Oncor Holdings, and reduce the risk that the assets and liabilities of the Oncor Ring-Fenced Entities would be substantively consolidated with the assets and liabilities of any Sempra entity or any other direct or indirect owners of Oncor and Oncor Holdings in connection with a bankruptcy of any such entities.

In March 2018, Sempra indirectly acquired Oncor Holdings. The final order issued by the PUCT approving that transaction outlines certain ring-fencing measures, governance mechanisms and restrictions that apply to Oncor Holdings and Oncor. As a result of these ring-fencing measures, Sempra does not control Oncor, and the ring-fencing measures limit Sempra's ability to direct the management, policies and operations of Oncor, including the deployment or disposition of Oncor's assets, declarations of dividends, strategic planning and other important corporate issues and actions. Our LLC Agreement requires PUCT approval of certain revisions to the agreement, including, among other things, revisions to our governance structure and other various ring-fencing measures.

None of the assets of the Oncor Ring-Fenced Entities are available to satisfy the debt or obligations of any Sempra entity or any other direct or indirect owner of Oncor or Oncor Holdings. The assets and liabilities of the Oncor Ring-Fenced Entities are separate and distinct from those of any Sempra entities and any other direct or indirect owner of Oncor or Oncor Holdings. We do not bear any liability for debt or contractual obligations of Sempra and its affiliates or any other direct or indirect owner of Oncor or Oncor Holdings, and vice versa. Accordingly, our operations are conducted, and our cash flows are managed, independently from Sempra and its affiliates and any other direct or indirect owner of Oncor or Oncor Holdings.

Oncor is a limited liability company governed by a board of directors, not its members. The Sempra Order and our LLC Agreement require that the board of directors of Oncor consist of 13 members, constituted as follows:

- seven Disinterested Directors, who (i) shall be independent directors in all material respects under the rules of the NYSE in relation to Sempra or its subsidiaries and affiliated entities and any entity with a direct or indirect ownership interest in Oncor or Oncor Holdings, and (ii) shall have no material

relationship with Sempra or its subsidiaries or affiliated entities or any entity with a direct or indirect ownership interest in Oncor or Oncor Holdings, currently or within the previous ten years;

- two members designated by Sempra (through Oncor Holdings);
- two members designated by Texas Transmission; and
- two current or former officers of Oncor (each, an Oncor Officer Director).

Until March 9, 2028, in order for a current or former officer of Oncor to be eligible to serve as an Oncor Officer Director, the officer cannot have worked for Sempra or any of its subsidiaries or affiliated entities (excluding Oncor Holdings and Oncor) or any other entity with a direct or indirect ownership interest in Oncor or Oncor Holdings in the ten-year period prior to the date on which the officer first became employed by Oncor. Oncor Holdings, at the direction of STIH, has the right to nominate and/or seek the removal of the Oncor Officer Directors, subject to approval by a majority of the Oncor board of directors.

In addition, the Sempra Order provides that Oncor's board of directors cannot be overruled by the board of directors of Sempra or any of its subsidiaries on dividend policy, the issuance of dividends or other distributions (except for contractual tax payments), debt issuance, capital expenditures, operation and maintenance expenditures, management and service fees, and appointment or removal of members of the board of directors, provided that certain actions may also require the additional approval of the Oncor Holdings board of directors. The Sempra Order also provides that any changes to the size, composition, structure or rights of the board of directors must first be approved by the PUCT. In addition, if Sempra acquires Texas Transmission's interest in Oncor, the two board of director positions on Oncor's board of directors that Texas Transmission is entitled to appoint will be eliminated and the size of Oncor's board of directors will be reduced by two.

Additional regulatory commitments, governance mechanisms and restrictions provided in the Sempra Order and our LLC Agreement to ring-fence Oncor from its owners include, among others:

- A majority of the Disinterested Directors of Oncor and the directors designated by Texas Transmission that are present and voting (of which at least one must be present and voting) must approve any annual or multi-year budget if the aggregate amount of capital expenditures or operation and maintenance expenditures in such budget is more than a 10% increase or decrease from the corresponding amounts of such expenditures in the budget for the preceding fiscal year or multi-year period, as applicable;
- Oncor may not pay any dividends or make any other distributions (except for contractual tax payments) if a majority of its Disinterested Directors or either of the two directors appointed by Texas Transmission determines that it is in the best interests of Oncor to retain such amounts to meet expected future requirements;
- At all times, Oncor will remain in compliance with the debt-to-equity ratio established by the PUCT from time to time for ratemaking purposes, and Oncor will not pay dividends or other distributions (except for contractual tax payments) if such payment would cause its debt-to-equity ratio to exceed the debt-to-equity ratio approved by the PUCT;
- If the credit rating on Oncor's senior secured debt by any of the three major rating agencies falls below BBB (or the equivalent), Oncor will suspend dividends and other distributions (except for contractual tax payments), unless otherwise allowed by the PUCT;
- Without the prior approval of the PUCT, neither Sempra nor any of its affiliates (excluding Oncor) will incur, guaranty or pledge assets in respect of any indebtedness that is dependent on the revenues of Oncor in more than a proportionate degree than the other revenues of Sempra or on the membership interests of Oncor, and there will be no debt at STH or STIH at any time following Sempra's indirect acquisition of Oncor Holdings;
- Neither Oncor nor Oncor Holdings will lend money to, borrow money from, or share credit facilities with, Sempra or any of its affiliates (other than Oncor subsidiaries), or any entity with a direct or indirect ownership interest in Oncor or Oncor Holdings; and
- There must be maintained certain "separateness measures" that reinforce the legal and financial separation of Oncor from its owners, including a requirement that dealings between Oncor, Oncor Holdings and their subsidiaries with Sempra, any of Sempra's other affiliates or any entity with a direct or indirect ownership interest in Oncor or Oncor Holdings, must be on an arm's-length basis, limitations on affiliate transactions, separate recordkeeping requirements and a prohibition on Sempra or its affiliates or any

entity with a direct or indirect ownership interest in Oncor or Oncor Holdings pledging Oncor assets or membership interests for any entity other than Oncor.

### ***Basis of Presentation***

These unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements and related notes included in our 2024 Form 10-K. In the opinion of Oncor management, all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the results of operations and financial position have been made. All appropriate intercompany items and transactions have been eliminated in consolidation. The results of operations for an interim period may not give a true indication of results for a full year due to seasonality and other factors.

Our condensed consolidated financial statements have been prepared in accordance with GAAP governing rate-regulated operations. Subsequent events have been evaluated through the date these condensed consolidated financial statements were issued. Our condensed consolidated financial statements include the accounts of Oncor, its subsidiaries, and its consolidated VIEs.

All dollar and foreign currency amounts in the financial statements and the notes are stated in U.S. dollars in millions and/or in millions of the applicable foreign currency unless otherwise indicated.

### ***Use of Estimates***

Preparation of our financial statements requires management to make estimates and assumptions about future events that affect the reporting of assets and liabilities at the balance sheet dates and the reported amounts of revenue and expense during the period. These estimates include, but are not limited to, the effects of regulation; recovery of long-lived assets; certain assumptions made in accounting for pension and OPEB; asset retirement obligations; income and other taxes; valuation of certain financial assets and liabilities; and accounting for contingencies. In the event estimates and/or assumptions prove to be different from actual amounts, adjustments are made in subsequent periods to reflect more current information.

### ***Accounting for the Effects of Certain Types of Regulation***

We are subject to rate regulation and our financial statements reflect regulatory assets and liabilities in accordance with accounting standards related to the effect of certain types of regulation (ASC 980). Regulatory assets and liabilities represent probable future amounts recoverable from or refundable to customers through the ratemaking process based on PURA, and/or the PUCT's orders, precedents, or substantive rules. Rate regulation is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital subject to PUCT review for reasonableness. Regulatory decisions can have an impact on the recovery of costs, the rate earned on invested capital and the timing and amount of assets to be recovered by rates. See Note 2 for more information regarding regulatory assets and liabilities.

### ***Revenue Recognition***

Our revenues are generally recognized pursuant to tariffs approved by the PUCT or authorized by statute. The majority of revenues are related to providing electric delivery service to consumers. Tariff rates are designed to recover the cost of providing electric delivery service including a reasonable rate of return on invested capital. Revenues related to providing electric delivery service to consumers are generally recognized when the underlying service has been provided in accordance with ASC 606 (revenue from contracts with customers). Revenues related to regulated arrangements based on statutory recovery mechanisms between the utility and the applicable regulators are generally recognized in accordance with ASC 980. See Note 3 for additional information regarding revenues.

## Derivatives and Hedging

We are exposed to changes in interest rates and foreign currency exchange rates primarily as a result of our current and expected future debt financings. We use derivative instruments typically designated as cash flow or fair value hedges to help mitigate our exposure related to those risks.

We use interest rate swaps, designated as cash flow hedges, in part, to hedge our interest payments related to our expected future debt financings. The future fixed rate debt issuances underlying these cash flow hedge relationships are largely dependent on market demand and liquidity in the debt market. At September 30, 2025, we believe our forecasted issuances of fixed rate debt in the related cash flow hedge relationships are probable. However, unexpected changes in market conditions in future periods could impact our ability to issue such fixed rate debt, or the timing of any such issuance. If our assumptions regarding the nature and timing of forecasted fixed rate debt issuances were to be inaccurate, we could be required to cease the application of hedge accounting to the related interest rate swaps, which could materially impact our results of operations.

We use cross-currency swaps, designated as fair value hedges, to help mitigate the foreign currency exchange rate risk as a result of the use of foreign currency denominated financing instruments, such as the Euro Notes and CAD Notes. Our existing cross-currency swaps exchange our foreign currency denominated principal payments due at maturity under the Euro Notes and CAD Notes into U.S. dollar-denominated notional amounts and swap the foreign currency denominated fixed interest rates for U.S. dollar-denominated fixed interest rates.

See Note 10 for more information regarding our derivative instruments.

## Impairment of Long-Lived Assets and Goodwill

We evaluate long-lived assets (including intangible assets with finite lives) for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

We also evaluate goodwill for impairment annually, as of October 1, and whenever events or changes in circumstances indicate that an impairment may exist. The determination of the existence of these and other indications of impairment involves judgments that are subjective in nature and may require the use of estimates in forecasting future results and cash flows.

## Cash, Cash Equivalents and Restricted Cash

For purposes of reporting cash and cash equivalents, highly liquid investments with original maturities of three months or less at the date of purchase are considered to be cash equivalents.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported on the Condensed Consolidated Balance Sheets to the sum of such amounts reported on the Condensed Statements of Consolidated Cash Flows:

	At September 30, 2025	At December 31, 2024
Cash, cash equivalents and restricted cash		
Cash and cash equivalents	\$ 198	\$ 36
Restricted cash, current (a)	22	20
Restricted cash, noncurrent (a)	261	206
Total cash, cash equivalents and restricted cash on the Condensed Statements of Consolidated Cash Flows	<u>\$ 481</u>	<u>\$ 262</u>

(a) Restricted cash represents amounts held by Oncor for cash deposits from customers related to joint use pole license agreements and cash deposits from customers that are subject to probable return in accordance with PUCT rules, ERCOT requirements or our tariffs relating to generation interconnection and construction and/or extension of electric delivery system facilities. We maintain these amounts in separate escrow accounts.

## **Contingencies**

Our financial results may be affected by judgments and estimates related to contingencies. For loss contingencies, we accrue the loss if an event has occurred on or before the balance sheet date, and:

- information available through the date we file our financial statements indicates it is probable that a loss has been incurred, given the likelihood of uncertain future events; and
- the amount of the loss can be reasonably estimated.

We do not accrue contingencies that might result in gains. We continuously assess contingencies for litigation claims, environmental remediation and other events. See Note 6 for a discussion of contingencies.

## **VIE**

We consolidate a VIE if we are the primary beneficiary of the VIE. Our determination of whether we are the primary beneficiary is based on qualitative and quantitative analyses, which assesses:

- the purpose and design of the VIE;
- the nature of the VIE's risks and the risks we absorb;
- the power to direct activities that most significantly impact the economic performance of the VIE; and
- the obligation to absorb losses or the right to receive benefits that could be significant to the VIE.

We will continue to evaluate our business operations and VIEs for any changes that may impact our determination of whether an entity is a VIE and if we are the primary beneficiary. See Note 12 for more information on Oncor's consolidated VIE.

## **Accounting Standards Updates (ASU)**

### *ASU 2023-09 Improvements to Income Tax Disclosures (ASC 740)*

In December 2023, the FASB issued ASU 2023-09, which expands income tax disclosure requirements to include additional information related to the rate reconciliation of our effective tax rates to statutory rates, as well as additional disaggregation of taxes paid. This ASU also removed disclosures related to certain unrecognized tax benefits and deferred taxes. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. This ASU may be applied prospectively or retrospectively, and early adoption is permitted. We plan to adopt the standard on December 31, 2025.

### *ASU 2024-03 Disaggregation of Income Statement Expenses (ASC 220)*

In November 2024, the FASB issued ASU 2024-03, which requires disaggregated disclosure of income statement expenses for public business entities. This ASU adds ASC 220-40 to require a footnote disclosure in tabular presentation about specific expenses by requiring disaggregation of each relevant expense caption on the face of the income statement, when applicable. The ASU does not change or remove existing expense disclosure requirements; however, it may affect where that information appears in the footnotes to the financial statements. ASU 2024-03 will be 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, and entities may adopt the standard on either a prospective or retrospective basis. We are currently evaluating the effect of the standard on our financial reporting and have not yet selected the year in which we will adopt the standard.

In September 2025, the FASB issued ASU 2025-06, which amends certain aspects of the accounting for and disclosure of software costs under ASC 350-40. This ASU makes targeted improvements to ASC 350-40 for accounting for internally developed software costs. The amendments supersede the guidance on website development costs in ASC 350-50 and relocate that guidance, along with the recognition requirements for development costs specific to websites, to ASC 350-40. ASU 2025-06 will be effective for annual reporting periods beginning after December 15, 2027, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted in an interim or annual reporting period in which financial statements have not yet been issued or made available for issuance, and entities may adopt the standard prospectively, retrospectively, or via a modified prospective transition method. We are currently evaluating the effect of the guidance on our financial reporting and have not yet selected the period in which we will adopt the standard.

All other newly issued accounting pronouncements not yet effective have been deemed either immaterial or not applicable.

## 2. REGULATORY MATTERS

### Regulatory Proceedings

#### 2025 Comprehensive Base Rate Review (PUCT Docket No. 58306)

On June 26, 2025, we filed a request for a comprehensive base rate review with the PUCT and the 210 cities in our service territory that have retained original jurisdiction over rates. The base rate review test year is based on calendar year 2024 results with certain adjustments. The base rate review includes a request for an average increase over test year adjusted annualized revenue of approximately 13%, and, if approved as requested, would result in an aggregate annualized revenue increase of approximately \$834 million over current adjusted rates. The base rate review also requests a revised regulatory capital structure ratio of 55% debt to 45% equity, an authorized return on equity of 10.55%, and a 4.94% authorized cost of debt. Our current authorized regulatory capital structure ratio is 57.5% debt to 42.5% equity, our current authorized return on equity is 9.7%, and our current authorized cost of debt is 4.39%.

PUCT rules permit the filing of a request for interim rates while a rate proceeding is pending. On September 9, 2025, the administrative law judge assigned to the proceeding approved a settlement agreement among the parties relating to interim rates. That order provides that if the proceeding is still pending as of January 1, 2026, and not otherwise subject to a PUCT-approved settlement of the proceeding, our existing rates will become interim rates, subject to refund or surcharge back to January 1, 2026 based upon the final rates approved by the PUCT in the proceeding.

#### Capital Tracker Filings

Capital tracker filings allow utilities to recover, subject to reconciliation, the cost of certain investments before a comprehensive base rate review. Under capital tracker rules, each year we may file up to two TCOS capital tracker applications to reflect changes in transmission-related capital investments and up to two DCRF capital tracker applications to reflect changes in distribution-related capital investments. However, we cannot file TCOS and DCRF capital tracker applications for investments included in a UTM, discussed in more detail below.

In 2025, Oncor filed the following capital tracker interim rate adjustment applications with the PUCT:

Filing Type	PUCT Docket No.	Investment Through	Filed	Effective Date	Annual Revenue Impact (a)
DCRF	57707	December 2024 (b)	February 2025	May 2025	\$ 106
TCOS	57610	December 2024 (c)	January 2025	March 2025	\$ 165

(a) Annual revenue impact represents the incremental annual revenue impact, after taking into account revenue effects of prior applicable rate adjustments.

- (b) Reflects distribution-related capital investments generally put into service during the period from July 1, 2024 through December 31, 2024.
- (c) Reflects transmission-related capital investments generally put into service during the period from July 1, 2023 through December 31, 2024.

*Appeal of 2023 Comprehensive Base Rate Review Order (PUCT Docket No. 53601)*

In April 2023, the PUCT issued a final order in our comprehensive base rate review filed in May 2022 with the PUCT and the cities in our service territory that have retained original jurisdiction over rates. Base rates implementing the final order went into effect in May 2023. In June 2023, the PUCT issued an order on rehearing in response to the motions for rehearing filed by us and certain intervening parties in the proceeding. The order on rehearing affirmed the material provisions of the final order. In September 2023, we filed an appeal in Travis County District Court. The appeal sought judicial review of certain of the order on rehearing's rate base disallowances (an acquisition premium and its associated amortization costs relating to certain plant facilities acquired by Oncor in 2019, as well as certain of the employee benefit and compensation-related costs that we had previously capitalized) and related expense effects of those disallowances. In February 2024, the court dismissed the appeal for lack of jurisdiction. In March 2024, we appealed the court's dismissal to the Fifteenth Court of Appeals in Texas. On August 14, 2025, the Court issued its opinion in favor of the PUCT, denying our argument on appeal. We have elected not to pursue a further appeal.

**UTM**

Texas House Bill 5247 (HB 5247) was signed into law and became effective on June 20, 2025. The bill establishes the UTM, which allows qualifying electric utilities to apply for interim rate adjustments once annually through 2035 for cost recovery of certain transmission and distribution capital expenditures. The UTM is an alternative to TCOS and DCRF "capital tracker" filings discussed above.

Qualifying electric utilities consist of utilities that (i) operate solely inside the ERCOT market, (ii) have been identified by the PUCT as having responsibility for constructing transmission infrastructure as part of ERCOT's Permian Basin Reliability Plan, and (iii) make annual capital expenditures in transmission and distribution that exceed 300% of annual depreciation.

Utilities electing to use the UTM are allowed to defer to a regulatory asset, costs associated with certain transmission and distribution capital investments as they are placed into service. In anticipation of filing a UTM application for eligible transmission and distribution investments placed into service after December 31, 2024, we have, in the nine months ended September 30, 2025, recorded \$55 million in regulatory assets for recoverable costs associated with UTM eligible transmission and distribution capital investments placed into service and recognized a corresponding \$55 million in other regulated revenues. In the three months ended September 30, 2025, we recorded \$36 million in regulatory assets for recoverable costs associated with UTM eligible transmission and distribution capital investments placed into service and recognized a corresponding \$36 million in other regulated revenues. See "Regulatory Assets and Liabilities" below for more information on the regulatory assets and Note 3 for more information on the recognition of revenues related to the UTM.

**SRP (PUCT Docket No. 56545)**

In November 2024, the PUCT approved our SRP (PUCT Docket No. 56545), which provides for approximately \$2.9 billion in capital expenditures and \$520 million in operation and maintenance expenses to enhance the resiliency of our transmission and distribution system, including measures to address extreme weather, wildfires, physical security threats, and cybersecurity threats. The SRP provides for the majority of the spend to occur between 2025 and 2027, with approximately \$300 million in capital expenditures and approximately \$20 million in operation and maintenance expenses to be carried over into 2028 and either (i) automatically authorized if Oncor does not file an updated SRP for a future period beginning with 2028 or (ii) included in any subsequent update to the SRP as part of that updated SRP's first year of spend. We began implementing the approved plan in the fourth quarter of 2024, and are recognizing the recoverable distribution-related operation and maintenance expenses, depreciation expenses, carrying costs on unrecovered balances, and related taxes as a regulatory asset for future recovery in interim rate adjustments or base rate proceedings. In the three months ended September 30, 2025, we recorded \$41 million in regulatory assets for SRP costs and recognized a corresponding \$41 million in other regulated revenues related to the SRP. In the nine months ended September 30, 2025, we recorded \$111 million in

regulatory assets for SRP costs and recognized a corresponding \$111 million in other regulated revenues related to the SRP. See "Regulatory Assets and Liabilities" below for more information on the regulatory assets and Note 3 for more information on the recognition of revenues related to the SRP.

***Regulatory Assets and Liabilities***

We are subject to rate regulation and our financial statements reflect regulatory assets and liabilities in accordance with accounting standards related to the effect of certain types of regulation. Regulatory assets and liabilities represent probable future amounts recoverable from or refundable to customers through the ratemaking process based on PURA, and/or the PUCT's orders, precedents, or substantive rules. Rate regulation is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital subject to PUCT review for reasonableness. The rate of return is generally based on our authorized weighted-average cost of capital. Regulatory decisions can have an impact on the recovery of costs, the rate earned on invested capital and the timing and amount of assets to be recovered by rates.

The following table presents components of our regulatory assets and liabilities and their remaining recovery periods in effect at September 30, 2025.

	Remaining Rate Recovery/Amortization Period in Effect		
	At September 30, 2025	At September 30, 2025	At December 31, 2024
<b>Regulatory assets:</b>			
Employee retirement liability (a)(b)(d)	To be determined	\$ 170	\$ 166
Employee retirement costs being amortized	3 years	39	63
Employee retirement costs incurred since the last comprehensive base rate review period (b)	To be determined	127	72
Self-insurance reserve (primarily storm recovery costs) being amortized	3 years	248	336
Self-insurance reserve incurred since the last comprehensive base rate review period (primarily storm-related) (b)	To be determined	930	765
Debt reacquisition costs	Lives of related debt	3	6
Under-recovered advanced metering system costs being amortized	3 years	39	58
Recoverable UTM (c)	To be determined	55	-
Recoverable SRP	To be determined	112	1
Energy efficiency program performance bonus (a)	Approximately 1 year	4	17
Wholesale distribution substation service costs being amortized	3 years	39	50
Wholesale distribution substation service costs incurred since the last comprehensive base rate review period (b)	To be determined	28	28
Expenses related to Coronavirus Disease 2019 (b)	Various	20	25
Recoverable deferred income taxes	Various	68	52
Uncollectible payments from REPs	Various	7	8
Other regulatory assets	Various	30	24
Total regulatory assets		<u>1,919</u>	<u>1,671</u>
<b>Regulatory liabilities:</b>			
Estimated net removal costs	Lives of related assets	1,635	1,588
Excess deferred taxes	Primarily over lives of related assets	1,198	1,246
Over-recovered wholesale transmission service expense (a)	Approximately 1 year	108	44
Unamortized gain on reacquisition of debt and senior secured notes extinguishment	Lives of related debt	23	24
Employee retirement costs over-recovered being refunded	3 years	16	19
Employee retirement costs over-recovered since the last comprehensive base rate review period (b)	To be determined	90	40
Other regulatory liabilities	Various	17	12
Total regulatory liabilities		<u>3,087</u>	<u>2,973</u>
Net regulatory liabilities		<u>\$ (1,168)</u>	<u>\$ (1,302)</u>

(a) Not earning a return in the regulatory rate-setting process.

(b) Recovery/refund is specifically approved by the PUCT or authorized by statute, subject to reasonableness review.

(c) The recovery/amortization period is not expected to exceed 18 months following approval of a UTM filing by the PUCT.

(d) Represents unfunded liabilities recorded in accordance with pension and OPEB accounting standards.

### 3. REVENUES

#### *General*

Our revenues are generally recognized pursuant to tariffs approved by the PUCT or authorized by statute. The majority of revenues are related to providing electric delivery service to consumers. Tariff rates are designed to recover the cost of providing electric delivery service to customers including a reasonable rate of return on invested capital. As the volumes delivered can be directly measured, our billed revenues are recognized when the underlying service has been provided. We recognize revenue for the amounts that have been invoiced or that we have the right to invoice. The majority of our revenues are derived from contracts with customers and recognized in accordance with ASC 606. Other regulated revenues resulting from certain regulatory arrangements based on statutory recovery mechanisms between the utility and the applicable regulators are recognized in accordance with ASC 980, including SRP revenues, UTM revenues and alternative revenue program revenues discussed below.

#### *Reconcilable Tariffs*

The PUCT has designated certain tariffs (primarily TCRF, EECRF, rate case expense riders and mobile generation riders) as reconcilable, which means the differences between amounts billed under these tariffs and the related incurred costs are deferred as either regulatory assets or regulatory liabilities. Accordingly, at prescribed intervals, future tariffs are adjusted to either collect regulatory assets or refund regulatory liabilities.

#### *Other Regulated Revenues*

##### *SRP Revenues*

SRP revenues are recognized for the recoverable SRP distribution-related operation and maintenance expenses, depreciation expenses, carrying costs on unrecovered balances and related taxes that are eligible for future rate recovery. See Note 2 for additional information regarding the SRP.

##### *UTM Revenues*

UTM revenues are recognized for the recoverable costs related to transmission and distribution capital investments placed into service after December 31, 2024, including depreciation expenses, carrying costs on unrecovered balances and related taxes that are eligible for future rate recovery. See Note 2 for additional information regarding the UTM.

##### *Alternative Revenue Program Revenues*

The PUCT has implemented an incentive program allowing us to earn energy efficiency program performance bonuses by exceeding PURA-mandated energy efficiency program targets. This incentive program and the related performance bonus revenues are considered an alternative revenue program revenue under ASC 980. Annual performance bonuses are generally recognized as revenue when approved by the PUCT, typically in the third or fourth quarter each year. No revenue related to an alternative revenue program was recorded during the nine months ended September 30, 2025 and 2024.

## Disaggregation of Revenues

The following table reflects electric delivery revenues disaggregated by tariff:

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Operating revenues</b>				
<b>Revenues contributing to earnings:</b>				
Revenues from contracts with customers				
Distribution base revenues				
Residential (a)	\$ 508	\$ 479	\$ 1,270	\$ 1,166
Large commercial & industrial (b)	375	343	1,042	960
Other (c)	34	34	96	93
Total distribution base revenues	<u>917</u>	<u>856</u>	<u>2,408</u>	<u>2,219</u>
Transmission base revenues (TCOS revenues)				
Billed to third-party wholesale customers	279	262	812	787
Billed to REPs serving Oncor distribution customers, through TCRF	155	143	450	431
Total TCOS revenues	<u>434</u>	<u>405</u>	<u>1,262</u>	<u>1,218</u>
Other miscellaneous revenues	24	27	72	73
Total revenues from contracts with customers	<u>1,375</u>	<u>1,288</u>	<u>3,742</u>	<u>3,510</u>
Other regulated revenues				
SRP revenues	41	-	111	-
UTM revenues (d)	36	-	55	-
Total other regulated revenues	<u>77</u>	<u>-</u>	<u>166</u>	<u>-</u>
Total revenues contributing to earnings	<u>1,452</u>	<u>1,288</u>	<u>3,908</u>	<u>3,510</u>
<b>Revenues collected for pass-through expenses:</b>				
TCRF – third-party wholesale transmission service	374	351	1,094	1,053
EECRF and other revenues	19	21	45	47
Total revenues collected for pass-through expenses	<u>393</u>	<u>372</u>	<u>1,139</u>	<u>1,100</u>
Total operating revenues	<u>\$ 1,845</u>	<u>\$ 1,660</u>	<u>\$ 5,047</u>	<u>\$ 4,610</u>

(a) Distribution base revenues from residential customers are generally based on actual monthly consumption (kWh).

(b) Depending on size and annual load factor, distribution base revenues from large commercial & industrial customers are generally based either on actual monthly demand (kilowatts) or the greater of actual monthly demand (kilowatts) or 80% of peak monthly demand during the prior eleven months.

(c) Includes distribution base revenues from small business customers whose billing is generally based on actual monthly consumption (kWh), lighting sites and other miscellaneous distribution base revenues.

(d) Includes revenues recognized for recoverable costs, associated with UTM eligible transmission and distribution capital investments put into service after December 31, 2024, including depreciation expenses, carrying costs on unrecovered balances and related taxes.

## Customers

At September 30, 2025, our distribution business customers primarily consisted of over 100 REPs that sell electricity we distribute to end-use consumers in our certificated service area. The majority of consumers of the electricity we deliver through our distribution business are free to choose their electricity supplier from REPs who compete for their business. Our wholesale transmission revenues are collected from load serving entities benefitting from our transmission system. Our transmission business customers consist of municipally-owned utilities, electric cooperatives and other distribution companies. Revenues from REP subsidiaries of our two largest customers collectively represented 27% and 23%, respectively, of our total operating revenues for the three months ended September 30, 2025, and 25% and 22%, respectively, of our total operating revenues for the nine months ended September 30, 2025. No other customer represented more than 10% of our total operating revenues during such periods.

## Variability

Our revenues and cash flows are subject to seasonality, timing of customer billings, weather conditions and other electricity usage drivers, with revenues typically highest in the summer season. Payment of customer billings is due 35 days after invoicing. Under a PUCT rule relating to the Certification of Retail Electric Providers, write-offs of uncollectible amounts owed by REPs are recoverable as a regulatory asset.

## Pass-through Expenses

Revenues equal to expenses that are allowed to be passed through to customers (primarily third-party wholesale transmission service and energy efficiency program costs) are recognized at the time the expense is recognized. Franchise taxes are assessed by local governmental bodies, based on kWh delivered and are not a "pass-through" item. The rates we charge customers are intended to recover the franchise taxes, but we are not acting as an agent to collect the taxes from customers; therefore, franchise taxes are reported as a principal component of "taxes other than amounts related to income taxes" instead of a reduction to "revenues" in the income statement.

## 4. SHORT-TERM BORROWINGS

The following table reflects our outstanding short-term borrowings and available unused credit under the \$2B Credit Facility and CP Program at September 30, 2025 and December 31, 2024:

	At September 30, 2025	At December 31, 2024
\$2B Credit Facility borrowing capacity	\$ 2,000	\$ 2,000
\$2B Credit Facility outstanding borrowings	-	-
Commercial paper outstanding (a)	-	(594)
Total available unused short-term borrowing capacity	\$ 2,000	\$ 1,406

(a) The weighted average interest rate for CP Notes was 4.76% at December 31, 2024. All outstanding CP Notes at December 31, 2024 had maturity dates of less than one year.

### ***\$2B Credit Facility***

In February 2025, we entered into an amended and restated unsecured revolving \$2B Credit Facility. As amended and restated, the \$2B Credit Facility has a borrowing capacity of \$2.0 billion and a maturity date of February 20, 2030. The \$2B Credit Facility gives us the option to request an increase in our borrowing capacity of up to \$650 million in \$100 million minimum increments, subject to certain conditions, including lender approvals. The \$2B Credit Facility also provides us with the option to request that each lender extend the term of its commitment for up to two additional one-year periods, subject to certain conditions, including lender approvals. Borrowings under the \$2B Credit Facility, if any, are classified as short-term on the balance sheet.

Borrowings under the \$2B Credit Facility bear interest at a per annum rate equal to, at our option, (i) term SOFR for the interest period relevant to such borrowing, plus an adjustment of 0.10% (the SOFR Adjustment), plus an applicable margin of between 0.750% and 1.250%, depending on certain credit ratings assigned to our debt, or (ii) an alternate base rate (equal to the greatest of (1) the prime rate as quoted by The Wall Street Journal on such date, (2) the federal funds effective rate on such date, plus 0.50%, and (3) term SOFR for a one-month interest period on such date, plus the SOFR Adjustment, plus 1.0%), plus, in the case of clauses (1) through (3), an applicable margin of between 0.00% and 0.25%, depending on certain credit ratings assigned to our debt. The \$2B Credit Facility also provides for an alternative rate of interest upon the occurrence of certain events related to the current rate of interest benchmark.

A commitment fee is payable quarterly in arrears and upon termination or reduction of the revolving commitments at a rate per annum equal to between 0.060% and 0.175%, depending on certain credit ratings assigned to our debt, of the commitments under the \$2B Credit Facility. Letter of credit fees under the \$2B Credit Facility are payable quarterly in arrears and upon expiration or if a letter of credit is drawn in full at a rate per annum equal to the applicable margin for adjusted term SOFR under the \$2B Credit Facility. Fronting fees in an amount as separately agreed by us and any fronting bank that issues a letter of credit are also payable quarterly in arrears and upon termination to each such fronting bank.

The \$2B Credit Facility requires that we maintain a maximum consolidated senior debt to consolidated total capitalization ratio of 0.65 to 1.00 and observe certain customary reporting requirements and other customary covenants for facilities of this type.

The \$2B Credit Facility also contains customary events of default for facilities of this type, the occurrence of which would allow the lenders to accelerate all outstanding loans and terminate their commitments, including certain changes in control of Oncor that are not permitted transactions under the \$2B Credit Facility and cross-default provisions in the event we or certain of our subsidiaries default on indebtedness in a principal amount in excess of \$150 million that result in acceleration of the maturity of such indebtedness or receive judgments for the payment of money in excess of \$150 million that are not discharged or stayed within 60 days.

#### ***CP Program***

We have established a CP Program, under which we may issue unsecured CP Notes on a private placement basis with maturity dates not exceeding 397 days from the date of issuance. To the extent any CP Notes are issued with maturity dates of over one year, we anticipate those would be classified as long-term debt and obtain liquidity support under the \$1B Credit Facility (See Note 5 for more information regarding the \$1B Credit Facility). We anticipate that any CP Notes issued under the CP Program with a maturity date equal to or less than a year would be classified as short-term debt and obtain liquidity support under the \$2B Credit Facility. Total CP Notes outstanding at any time may not exceed a maximum amount of \$3.0 billion, and we operate the CP Program to ensure that the aggregate amount of CP Notes obtaining liquidity support from the applicable credit facility, when combined with any outstanding borrowings under such credit facility, do not exceed the maximum borrowing capacity of such credit facility.

## 5. LONG-TERM DEBT

At September 30, 2025, our outstanding long-term debt consisted of U.S. dollar-denominated, euro-denominated and Canadian dollar-denominated fixed rate senior secured notes and variable rate unsecured debt borrowed under the \$500M Credit Facility. The following table is a summary of our outstanding long-term debt at September 30, 2025 and December 31, 2024:

	At September 30, 2025	At December 31, 2024
<b>Fixed Rate Senior Secured Notes (a):</b>		
Total U.S. dollar-denominated fixed rate senior secured notes (b)	\$ 15,895	\$ 14,395
Euro-denominated fixed rate senior secured notes:		
3.50% Senior Notes due May 15, 2031 measured at issuance (c)	542	542
3.625% Senior Notes due June 15, 2034 measured at issuance (d)	805	-
Euro Notes remeasurement adjustments (e)	61	(24)
Total euro-denominated fixed rate senior secured notes	1,408	518
Canadian dollar-denominated fixed rate senior secured notes:		
4.20% Senior Notes due October 1, 2035 measured at issuance (f)	361	-
CAD Notes remeasurement adjustments (g)	(2)	-
Total Canadian dollar-denominated fixed rate senior secured notes	359	-
Total fixed rate senior secured notes	17,662	14,913
<b>Variable Rate Unsecured Debt:</b>		
\$500M Credit Facility due February 21, 2027	480	480
Total long-term debt	18,142	15,393
Unamortized discount, premium and debt issuance costs	(184)	(159)
<b>Total carrying amount of long-term debt</b>	<b>\$ 17,958</b>	<b>\$ 15,234</b>

(a) Our senior secured notes are secured equally and ratably by a first priority lien on certain transmission and distribution assets. See "Deed of Trust" below for additional information.

(b) See the following table for details of our outstanding U.S. dollar-denominated fixed rate senior secured notes.

(c) In May 2024, we issued the 2031 Euro Notes. Our euro-denominated fixed rate payment obligations under the 2031 Euro Notes were effectively converted to U.S. dollar-denominated fixed rate payment obligations at issuance through concurrently-executed cross-currency swaps, which are intended to mitigate foreign currency exchange rate risk associated with the interest and principal payments on the 2031 Euro Notes that are due in euros. In consideration of the effect of cross-currency swaps, the U.S. dollar principal amount due on the 2031 Euro Notes at maturity will be \$542 million, and the all-in U.S. dollar fixed rate coupon on the 2031 Euro Notes is 5.371%.

(d) In June 2025, we issued the 2034 Euro Notes. Our euro-denominated fixed rate payment obligations under the 2034 Euro Notes were effectively converted to U.S. dollar-denominated fixed rate payment obligations at issuance through concurrently-executed cross-currency swaps, which are intended to mitigate foreign currency exchange rate risk associated with the interest and principal payments on the 2034 Euro Notes that are due in euros. In consideration of the effect of cross-currency swaps, the U.S. dollar principal amount due on the 2034 Euro Notes at maturity will be \$805 million, and the all-in U.S. dollar fixed rate coupon on the 2034 Euro Notes is 5.4405%.

(e) The remeasurement of the Euro Notes at September 30, 2025, was calculated based on the exchange rate of €1.00 to \$1.1736. The remeasurement at December 31, 2024, which applied solely to the 2031 Euro Notes, was calculated based on the exchange rate of €1.00 to \$1.0357.

(f) On September 26, 2025, we issued the CAD Notes. Our Canadian dollar-denominated fixed rate payment obligations under the CAD Notes were effectively converted to U.S. dollar-denominated fixed rate payment obligations at issuance through concurrently-executed cross-currency swaps, which are intended to mitigate foreign currency exchange rate risk associated with the interest and principal payments on the CAD Notes that are due in Canadian dollars. In consideration of the effect of cross-currency swaps, the U.S. dollar principal amount due on the CAD Notes at maturity will be \$361 million, and the all-in U.S. dollar fixed rate coupon on the CAD Notes is 5.022%.

(g) The remeasurement of the CAD Notes at September 30, 2025, was calculated based on the exchange rate of C\$1.00 to \$0.7182.

At September 30, 2025 and December 31, 2024, our outstanding U.S. dollar-denominated fixed rate senior secured notes consisted of the following:

	At September 30, 2025	At December 31, 2024
U.S. Dollar-denominated Fixed Rate Senior Secured Notes:		
2.95% Senior Notes due April 1, 2025 (a)	\$ -	\$ 350
0.55% Senior Notes due October 1, 2025 (b)	-	450
3.86% Senior Notes, Series A, due December 3, 2025 (c)	174	174
3.86% Senior Notes, Series B, due January 14, 2026 (c)	38	38
5.50% Senior Notes, Series C, due May 1, 2026 (c)	200	200
4.50% Senior Secured Notes due March 20, 2027	500	-
4.30% Senior Notes due May 15, 2028	600	600
3.70% Senior Notes due November 15, 2028	650	650
5.75% Senior Notes due March 15, 2029	318	318
5.00% Senior Notes, Series F, due May 1, 2029	100	100
5.15% Senior Notes, Series H, due May 1, 2029	250	-
4.65% Senior Notes due November 1, 2029	650	550
2.75% Senior Notes due May 15, 2030	700	700
5.34% Senior Notes, Series D, due May 1, 2031	100	100
7.00% Senior Notes due May 1, 2032	494	494
4.15% Senior Notes due June 1, 2032	400	400
4.55% Senior Notes due September 15, 2032	700	700
7.25% Senior Notes due January 15, 2033	323	323
5.65% Senior Notes due November 15, 2033	800	800
5.59% Senior Notes, Series I, due May 1, 2034	150	-
5.35% Senior Secured Notes due April 1, 2035	650	-
5.45% Senior Notes, Series E, due May 1, 2036	100	100
7.50% Senior Notes due September 1, 2038	300	300
5.25% Senior Notes due September 30, 2040	475	475
4.55% Senior Notes due December 1, 2041	400	400
5.30% Senior Notes due June 1, 2042	348	348
3.75% Senior Notes due April 1, 2045	550	550
3.80% Senior Notes due September 30, 2047	325	325
4.10% Senior Notes due November 15, 2048	450	450
3.80% Senior Notes due June 1, 2049	500	500
3.10% Senior Notes due September 15, 2049	700	700
3.70% Senior Notes due May 15, 2050	400	400
2.70% Senior Notes due November 15, 2051	500	500
4.60% Senior Notes due June 1, 2052	400	400
4.95% Senior Notes due September 15, 2052	900	900
5.35% Senior Notes due October 1, 2052	300	300
5.49% Senior Notes, Series G, due May 1, 2054	50	50
5.55% Senior Notes due June 15, 2054	750	750
5.80% Senior Secured Notes due April 1, 2055	650	-
<b>Total U.S. dollar-denominated fixed rate senior secured notes</b>	<b>\$ 15,895</b>	<b>\$ 14,395</b>

(a) In March 2025, we repaid the entire \$350 million aggregate principal amount of our 2.95% Senior Secured Notes due 2025 (the 2.95% 2025 Notes) that were redeemed in full.

- (b) In March 2025, we extinguished all of our 0.55% Senior Secured Notes due 2025 (the 0.55% 2025 Notes), of which \$450 million aggregate principal amount was outstanding. The 0.55% 2025 Notes matured on October 1, 2025. Pursuant to the terms of the indenture and officer's certificate governing the 0.55% 2025 Notes, we irrevocably deposited with the trustee cash and U.S. Treasury Notes in an amount sufficient for defeasance of the 0.55% 2025 Notes, whereby our indebtedness in respect of the 0.55% 2025 Notes was satisfied and discharged.
- (c) At September 30, 2025, the \$174 million aggregate principal amount of our 3.86% Senior Secured Notes, Series A, due December 3, 2025, \$38 million aggregate principal amount of our 3.86% Senior Secured Notes, Series B, due January 14, 2026 and \$200 million aggregate principal amount of our 5.50% Senior Secured Notes, Series C, due May 1, 2026 are due within the next 12 months. At September 30, 2025, in accordance with ASC 470-10 "Debt," our intent to refinance such debt on a long-term basis and our ability to refinance the obligation through the then-available capacity of the AR Facility, the \$500M Credit Facility and the \$1B Credit Facility resulted in these senior notes due within the next 12 months being classified as long-term debt, noncurrent.

### Deed of Trust

Our long-term senior secured notes are secured equally and ratably by a first priority lien on all property acquired or constructed by us for use in our electricity transmission and distribution business, subject to certain exceptions. The property is mortgaged under the Deed of Trust. The Deed of Trust permits us to secure indebtedness with the lien of the Deed of Trust up to the aggregate of (i) the amount of available bond credits, and (ii) 85% of the lower of the fair value or cost of certain property additions that could be certified to the Deed of Trust collateral agent.

### Long-Term Revolving Borrowing Capacity

Our long-term revolving borrowing capacity includes the borrowing capacities under the AR Facility, the \$500M Credit Facility and the \$1B Credit Facility. The following table reflects available long-term borrowing capacities under the AR Facility, the \$500M Credit Facility and the \$1B Credit Facility at September 30, 2025 and December 31, 2024:

	At September 30, 2025	At December 31, 2024
Available unused borrowing capacity under AR Facility	\$ 500	\$ 500
Available unused borrowing capacity under the \$500M Credit Facility	20	20
Available unused borrowing capacity under the \$1B Credit Facility	1,000	-
Total available unused long-term borrowing capacity	\$ 1,520	\$ 520

### AR Facility

In April 2023, we and our bankruptcy-remote special purpose entity Receivables LLC, a wholly owned subsidiary of Oncor, established the AR Facility, a revolving accounts receivable securitization facility. Under the terms of the AR Facility, Oncor sells or contributes all of its existing and future accounts receivable from REPs and certain related rights to Receivables LLC as contemplated by the terms of the AR Facility. Receivables LLC then pledges those REP receivables and related rights to the lenders under the AR Facility as collateral for borrowings. Oncor serves as servicer of the AR Facility and receives a fee from Receivables LLC equal to 1.00% per annum of the aggregate unpaid balance of receivables as of the last day of each settlement period.

Receivables LLC's sole business consists of the purchase or acceptance through capital contributions of the receivables and related rights from Oncor and the subsequent retransfer of or granting of a security interest in such receivables and related rights to the administrative agent for the benefit of the lenders pursuant to the receivables financing agreement. Receivables LLC is a separate legal entity with its own separate creditors who will be entitled, upon its liquidation, to have amounts owed to them be satisfied out of Receivables LLC's assets prior to any assets or value in Receivables LLC becoming available to Receivables LLC's equity holder. The assets of Receivables LLC are not available to pay creditors of Oncor or any affiliate thereof.

Receivables LLC is considered a VIE. See Note 12 for more information related to our consolidated VIE.

Oncor has access to the AR Facility, under which Receivables LLC may borrow at any one time an amount equal to the borrowing base. The borrowing base is defined under the receivables financing agreement as an amount

equal to the lesser of (i) the facility limit of \$500 million or (ii) the amount calculated based on the outstanding balance of eligible receivables held as collateral at a particular time, subject to certain reserves, concentration limits, and other limitations. Borrowings under the AR Facility bear interest at the daily cost of asset-backed commercial paper issued by the conduit lenders to fund the loans, plus related dealer commissions and note issuance costs, or, if funded by the committed lenders, a rate per annum equal to SOFR calculated based on term SOFR for a one-month interest period, plus the SOFR Adjustment. Receivables LLC also pays a used and unused fee in connection with the AR Facility.

The agreements relating to the AR Facility contain customary representations and warranties and affirmative and negative covenants. The agreements relating to the AR Facility also contain customary events of default for a facility of this type, the occurrence of which provides for the acceleration of all outstanding loans made under the AR Facility, including Receivables LLC's failure to pay interest or other amounts due, Receivables LLC becoming insolvent or subject to bankruptcy proceedings or certain judicial judgments or breaches of certain representations and warranties and covenants.

In May 2025, the scheduled termination date of the AR Facility was extended by one year from April 28, 2027 to April 28, 2028. The AR Facility will terminate at the earlier of (i) the scheduled termination date of April 28, 2028, (ii) the date on which the termination date is declared or deemed to have occurred upon the exercise of remedies by the administrative agent, or (iii) the date that is 30 days after notice of termination is provided by Receivables LLC. Subject to the consent of the administrative agent and the lenders, Receivables LLC may, 30 days prior to each anniversary date of the receivables financing agreement, extend the AR Facility in one-year increments subject to lender approvals.

At September 30, 2025, there were no borrowings under the AR Facility.

#### *\$500M Credit Facility*

In February 2024, we entered into an unsecured revolving \$500M Credit Facility. The \$500M Credit Facility has a borrowing capacity of \$500 million and a maturity date of February 21, 2027. The \$500M Credit Facility gives us the option to request an increase in our borrowing capacity of up to \$500 million in \$100 million minimum increments, subject to certain conditions, including lender approvals. The \$500M Credit Facility also provides us with the option to request that each lender extend the term of its commitment for up to two additional one-year periods, subject to certain conditions, including lender approvals.

Borrowings under the \$500M Credit Facility bear interest at a per annum rate equal to, at our option, (i) term SOFR for the interest period relevant to such borrowing, plus the SOFR Adjustment, plus an applicable margin of between 0.875% and 1.500%, depending on certain credit ratings assigned to our debt, or (ii) an alternate base rate (equal to the greatest of (1) the prime rate publicly announced from time to time by the administrative agent as its prime rate, (2) the federal funds effective rate, plus 0.50%, and (3) term SOFR for a one-month interest period on such date, plus the SOFR Adjustment, plus 1.0%), plus, in the case of clauses (1) through (3), an applicable margin of between 0.00% and 0.50%, depending on certain credit ratings assigned to our debt. The \$500M Credit Facility also provides for an alternative rate of interest upon the occurrence of certain events related to the current rate of interest benchmark.

A commitment fee is payable quarterly in arrears and upon termination or the reduction of the revolving commitments at a rate per annum equal to between 0.075% and 0.625% of the commitments under the \$500M Credit Facility, depending on certain credit ratings assigned to our debt and the utilization percentage. The utilization percentage is determined by dividing the aggregate principal amount of loans outstanding under the \$500M Credit Facility by the total commitments.

The \$500M Credit Facility requires that we maintain a maximum consolidated senior debt to consolidated total capitalization ratio of 0.65 to 1.00 and observe certain customary reporting requirements and other customary covenants for facilities of this type.

The \$500M Credit Facility also contains customary events of default for facilities of this type, the occurrence of which would allow the lenders to accelerate all outstanding loans and terminate their commitments, including

certain changes in control of Oncor that are not permitted transactions under the \$500M Credit Facility and cross-default provisions in the event we or any of our subsidiaries default on indebtedness in a principal amount in excess of \$100 million or receive judgments for the payment of money in excess of \$100 million that are not discharged or stayed within 60 days.

There were \$480 million in aggregate borrowings outstanding under the \$500M Credit Facility at September 30, 2025. The remaining borrowing capacity was \$20 million at September 30, 2025.

#### *\$1B Credit Facility*

In February 2025, we entered into an unsecured revolving \$1B Credit Facility. The \$1B Credit Facility has a borrowing capacity of \$1.0 billion and a maturity date of February 20, 2028. The \$1B Credit Facility gives us the option to request an increase in our borrowing capacity of up to \$350 million in \$100 million minimum increments, subject to certain conditions, including lender approvals. The \$1B Credit Facility also provides us with the option to request that each lender extend the term of its commitment for up to two additional one-year periods, subject to certain conditions, including lender approvals.

Borrowings under the \$1B Credit Facility bear interest at a per annum rate equal to, at our option, (i) term SOFR for the interest period relevant to such borrowing, plus the SOFR Adjustment, plus an applicable margin of between 0.750% and 1.250%, depending on certain credit ratings assigned to our debt, or (ii) an alternate base rate (equal to the greatest of (1) the prime rate as quoted by The Wall Street Journal on such date, (2) the federal funds effective rate on such date, plus 0.50%, and (3) term SOFR for a one-month interest period on such date, plus the SOFR Adjustment, plus 1.0%), plus, in the case of clauses (1) through (3), an applicable margin of between 0.00% and 0.25%, depending on certain credit ratings assigned to our debt. The \$1B Credit Facility also provides for an alternative rate of interest upon the occurrence of certain events related to the current rate of interest benchmark.

A commitment fee is payable quarterly in arrears and upon termination or reduction of the revolving commitments at a rate per annum equal to between 0.040% and 0.150%, depending on certain credit ratings assigned to our debt, of the commitments under the \$1B Credit Facility.

The \$1B Credit Facility requires that we maintain a maximum consolidated senior debt to consolidated total capitalization ratio of 0.65 to 1.00 and observe certain customary reporting requirements and other customary covenants for facilities of this type.

The \$1B Credit Facility also contains customary events of default for facilities of this type, the occurrence of which would allow the lenders to accelerate all outstanding loans and terminate their commitments, including certain changes in control of Oncor that are not permitted transactions under the \$1B Credit Facility and cross-default provisions in the event we or certain of our subsidiaries default on indebtedness in a principal amount in excess of \$150 million that result in acceleration of the maturity of such indebtedness or receive judgments for the payment of money in excess of \$150 million that are not discharged or stayed within 60 days.

At September 30, 2025, there were no borrowings under the \$1B Credit Facility.

#### *Long-Term Debt-Related Activities in the Nine Months ended September 30, 2025*

##### *Senior Secured Notes Issuances*

###### *Issuance of Senior Secured Notes Under Indenture (2029 Notes)*

In January 2025, we issued \$100 million aggregate principal amount of our 4.65% Senior Secured Notes due 2029 (the 2029 Notes). The 2029 Notes constitute an additional issuance of our 4.65% Senior Secured Notes due 2029, \$550 million of which we previously issued on November 13, 2024 and are currently outstanding. The 2029 Notes were issued under one of our existing indentures and are secured pursuant to the Deed of Trust. We used the net proceeds from the sale of the 2029 Notes for general corporate purposes, including to repay a portion of the CP Notes then outstanding.

The 2029 Notes bear interest at a rate of 4.65% per annum and mature on November 1, 2029. Interest on the 2029 Notes accrued from November 13, 2024 and is payable semi-annually on May 1 and November 1 of each year, beginning on May 1, 2025. Prior to October 1, 2029, we may redeem the 2029 Notes at any time, in whole or in part, at a price equal to 100% of their principal amount, plus accrued and unpaid interest and a "make-whole" premium. On and after October 1, 2029, we may redeem the 2029 Notes at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2029 Notes, plus accrued and unpaid interest.

#### *Issuance of 2025 NPA Notes*

On January 30, 2025, we issued \$250 million aggregate principal amount of our 5.15% Senior Secured Notes, Series H, due May 1, 2029 (the Series H Notes). On February 27, 2025, we issued \$150 million aggregate principal amount of our 5.59% Senior Secured Notes, Series I, due May 1, 2034 (the Series I Notes). The Series H Notes and the Series I Notes were issued pursuant to the Note Purchase Agreement, dated January 30, 2025, between Oncor and the purchasers named therein (2025 NPA). We used the proceeds from the sale of the Series H Notes and the Series I Notes for general corporate purposes, including to repay a portion of the CP Notes then outstanding.

The Series H Notes bear interest at a rate of 5.15% per annum and mature on May 1, 2029. Interest on the Series H Notes accrued from January 30, 2025 and will be payable semi-annually on May 1 and November 1 of each year, beginning on November 1, 2025. The Series I Notes bear interest at a rate of 5.59% per annum and mature on May 1, 2034. Interest on the Series I Notes accrued from February 27, 2025 and will be payable semi-annually on May 1 and November 1 of each year, beginning on November 1, 2025. Prior to April 1, 2029 in the case of the Series H Notes and April 1, 2034 in the case of the Series I Notes, we may redeem such notes at any time, in whole or in part, at a price equal to 100% of their principal amount, plus accrued and unpaid interest and a "make-whole" premium. On and after April 1, 2029 in the case of the Series H Notes and April 1, 2034 in the case of the Series I Notes, we may redeem such notes at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of such notes, plus accrued and unpaid interest.

The 2025 NPA contains customary covenants, restricting, subject to certain exceptions, us from, among other things, entering into mergers and consolidations, and sales of substantial assets. In addition, the 2025 NPA requires that we maintain a consolidated senior debt to consolidated total capitalization ratio of no greater than 0.65 to 1.00.

The 2025 NPA also contains customary events of default, including the failure to pay principal or interest on the Series H Notes and the Series I Notes when due, among others. If any such event of default occurs and is continuing, among other remedies provided in the 2025 NPA, the outstanding principal of the Series H Notes and the Series I Notes may be declared due and payable.

#### *Issuance of Senior Secured Notes Under Indenture (2027 Notes/2035 Notes/2055 Notes)*

On March 20, 2025, we issued (i) \$500 million aggregate principal amount of our 4.50% Senior Secured Notes due 2027 (the 2027 Notes), (ii) \$650 million aggregate principal amount of our 5.35% Senior Secured Notes due 2035 (the 2035 Notes), and (iii) \$650 million aggregate principal amount of our 5.80% Senior Secured Notes due 2055 (the 2055 Notes, and together with the 2027 Notes and the 2035 Notes, the Notes Issued March 2025). The Notes Issued March 2025 were issued under one of our existing indentures and are secured pursuant to the Deed of Trust. We used the net proceeds from the sale of the Notes Issued March 2025 for general corporate purposes, including to repay the full \$300 million aggregate principal amount then-outstanding under the AR Facility and to repay then-outstanding CP Notes. We issued the CP Notes to fund working capital, to repay the entire \$350 million aggregate principal amount of the 2.95% 2025 Notes that were redeemed in full on March 14, 2025, and to pay amounts deposited with the trustee on March 19, 2025, to extinguish all of our 0.55% 2025 Notes.

The 2027 Notes, the 2035 Notes and the 2055 Notes bear interest at the rate of 4.50%, 5.35% and 5.80% per annum, respectively. Interest on the 2027 Notes accrued from March 20, 2025 and is payable semi-annually in arrears on March 20 and September 20 of each year, and at maturity, beginning on September 20, 2025. Interest on the 2035 Notes and the 2055 Notes accrued from March 20, 2025 and is payable semi-annually in arrears on April 1 and October 1 of each year, and at maturity, beginning on October 1, 2025. The 2027 Notes, the 2035 Notes and the 2055 Notes mature on March 20, 2027, April 1, 2035 and April 1, 2055, respectively. At any time prior to their maturity date of March 20, 2027, in the case of the 2027 Notes, January 1, 2035, in the case of the 2035 Notes and

October 1, 2054, in the case of the 2055 Notes, we may redeem such notes in whole or in part, at a redemption price equal to 100% of their principal amount, plus accrued and unpaid interest and a "make-whole" premium. At any time on or after January 1, 2035, in the case of the 2035 Notes and October 1, 2054, in the case of the 2055 Notes, we may redeem such Notes, in whole or in part, at 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to but excluding the date fixed for redemption.

#### *Issuance of 2034 Euro Notes Under Indenture*

On June 16, 2025, we issued €700 million aggregate principal amount of 2034 Euro Notes. The 2034 Euro Notes were issued under one of our existing indentures and are secured pursuant to the Deed of Trust. Our euro-denominated fixed rate payment obligations under the 2034 Euro Notes were effectively converted to U.S. dollar-denominated fixed rate payment obligations at issuance through concurrently-executed cross-currency swaps, which are expected to mitigate foreign currency exchange risk associated with the interest and principal payments on the 2034 Euro Notes that are due in euros. As a result of the cross-currency swaps, the U.S. dollar principal amount due on the 2034 Euro Notes at maturity will be \$805 million, and the all-in U.S. dollar fixed rate coupon on the 2034 Euro Notes is 5.4405%. See Note 10 for more information on our cross-currency swaps activities.

We used the net proceeds from the sale of the 2034 Euro Notes for general corporate purposes, including to repay the full \$210 million aggregate principal amount then-outstanding under the AR Facility and to repay then-outstanding CP Notes.

The 2034 Euro Notes bear interest at a rate of 3.625% per annum and mature on June 15, 2034. Interest on the 2034 Euro Notes accrued from June 16, 2025 and will be payable annually on June 15 of each year, and at maturity, beginning on June 15, 2026. At any time prior to March 15, 2034, we may redeem the 2034 Euro Notes in whole or in part, at a price equal to 100% of their principal amount, plus accrued and unpaid interest and a "make-whole" premium. At any time on or after March 15, 2034, we may redeem the 2034 Euro Notes in whole or in part, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to but excluding the date fixed for redemption. We may also redeem the 2034 Euro Notes for cash in whole, but not in part, at the redemption price equal to 100% of the principal amount plus accrued and unpaid interest, if certain tax events occur that would obligate us to pay certain additional amounts.

#### *Issuance of CAD Notes Under Indenture*

On September 26, 2025, we issued C\$500 million aggregate principal amount of CAD Notes. The CAD Notes were issued under one of our existing indentures and are secured pursuant to the Deed of Trust. Our Canadian dollar-denominated fixed rate payment obligations under the CAD Notes were effectively converted to U.S. dollar-denominated fixed rate payment obligations at issuance through concurrently-executed cross-currency swaps, which are expected to mitigate foreign currency exchange risk associated with the interest and principal payments on the CAD Notes that are due in Canadian dollars. As a result of the cross-currency swaps, the U.S. dollar principal amount due on the CAD Notes at maturity will be \$361 million, and the all-in U.S. dollar fixed rate coupon on the CAD Notes is 5.022%. See Note 10 for more information on our cross-currency swaps activities.

We used the net proceeds from the sale of the CAD Notes for general corporate purposes, including to repay then-outstanding CP Notes.

The CAD Notes bear interest at a rate of 4.20% per annum and mature on October 1, 2035. Interest on the CAD Notes accrued from September 26, 2025 and will be payable semi-annually on April 1 and October 1 of each year, and at maturity, beginning on April 1, 2026. At any time prior to July 1, 2035, we may redeem the CAD Notes in whole or in part, at a price equal to 100% of their principal amount, plus accrued and unpaid interest and a "make-whole" premium. At any time on or after July 1, 2035, we may redeem the CAD Notes in whole or in part, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to but excluding the date fixed for redemption. We may also redeem the CAD Notes for cash in whole, but not in part, at the redemption price equal to 100% of the principal amount plus accrued and unpaid interest, if certain tax events occur that would obligate us to pay certain additional amounts.

### **Senior Secured Notes Repayment**

On March 14, 2025, we repaid the entire \$350 million aggregate principal amount of the 2.95% 2025 Notes that were redeemed in full. The 2.95% 2025 Notes had a maturity date of April 1, 2025. With the redemption of the 2.95% 2025 Notes, none of the 2.95% 2025 Notes remain outstanding.

### **Senior Secured Notes Extinguishment**

On March 19, 2025, we extinguished all of the 0.55% 2025 Notes, of which \$450 million aggregate principal amount was outstanding. The 0.55% 2025 Notes matured on October 1, 2025. Pursuant to the terms of the indenture and officer's certificate governing the 0.55% 2025 Notes, we irrevocably deposited with the trustee cash and U.S. Treasury Notes in an amount sufficient for defeasance of the 0.55% 2025 Notes, whereby our indebtedness in respect of the 0.55% 2025 Notes was satisfied and discharged. We recognized a \$9 million unamortized gain on extinguishment as a regulatory liability due to the pricing of the U.S. Treasury Notes deposited with the trustee. See Note 2 for more details.

### **AR Facility**

The following table summarizes the activity under the AR Facility in the nine months ended September 30, 2025:

	<b>Borrowing (Repayment) Amounts</b>
Balance at December 31, 2024	\$ -
Borrowing on January 30, 2025	300
Repayment on March 20, 2025	(300)
Borrowing on May 29, 2025	210
Repayment on June 17, 2025	(210)
Balance at September 30, 2025	\$ -

At September 30, 2025, the borrowing base for the AR Facility was \$500 million and there were no borrowings outstanding under the AR Facility.

### **Fair Value of Long-Term Debt**

At September 30, 2025 and December 31, 2024, the estimated fair value of our long-term debt (net of unamortized premium, discount and debt issuance costs) totaled \$17.200 billion and \$13.287 billion, respectively, and the carrying amount totaled \$17.958 billion and \$15.234 billion, respectively. The fair value is estimated using observable market data, representing Level 2 valuations under accounting standards related to the determination of fair value.

## **6. COMMITMENTS AND CONTINGENCIES**

### **Legal/Regulatory Proceedings**

See Note 2 for information regarding certain regulatory proceedings. We are also involved in other legal and administrative proceedings in the normal course of business, the ultimate resolution of which, in the opinion of management, should not have a material effect upon our financial position, results of operations, or cash flows. See Notes 1 and 2 above and Note 7 to Consolidated Financial Statements in our 2024 Form 10-K for additional information regarding our legal and regulatory proceedings.

### **Leases**

As lessee, our leased assets primarily consist of our vehicle fleet and real estate leased for company offices and service centers. Our leases are accounted for as operating leases for GAAP purposes. At September 30, 2025, we

also had \$3 million in GAAP operating leases for temporary emergency electric energy facilities that are treated as capital leases (referred to as finance leases under current accounting literature) solely for rate-making purposes as required by PURA. Operating lease costs that are not capitalized are generally recognized as operating expenses on a straight-line basis over the lease term. We are not a lessor to any material lease contracts. See Note 7 to Consolidated Financial Statements in our 2024 Form 10-K for additional information on leases.

***Sales and Use Tax Audits***

We are subject to sales and use tax audits in the normal course of business. As of September 30, 2025, the Texas State Comptroller's office was conducting two sales and use tax audits for audit periods covering July 2013 through December 2017 and January 2018 through December 2022. While the outcome of these ongoing audits is uncertain, based on our analysis, we do not expect the ultimate resolutions of these ongoing audits will have a material adverse effect on our financial position, results of operations, or cash flows.

## 7. MEMBERSHIP INTERESTS

### Capital Contributions

We received cash capital contributions from our members of \$647 million on October 29, 2025. In the nine months ended September 30, 2025, we received the following cash capital contributions from our members:

<b>Receipt Dates</b>		<b>Amounts</b>
February 14, 2025	\$	605
May 2, 2025	\$	605
July 30, 2025	\$	647

### Distributions

The Semptra Order and our LLC Agreement set forth various restrictions on distributions to our members. Among those restrictions is the commitment that we will make no distributions (other than contractual tax payments) to our members that would cause us to exceed our debt-to-equity ratio authorized by the PUCT. The distribution restrictions also include the ability of a majority of our Disinterested Directors, or either of the two member directors designated by Texas Transmission, to limit distributions to the extent each determines it is necessary to meet expected future requirements of Oncor (including continuing compliance with the PUCT debt-to-equity ratio commitment). In addition, the distribution restrictions also require us to suspend dividends and other distributions (except for contractual tax payments) if the credit rating on our senior secured debt by any of the three major rating agencies falls below BBB (or the equivalent), unless otherwise allowed by the PUCT.

Our current authorized regulatory capital structure is 57.5% debt to 42.5% equity. The PUCT has the authority to determine what types of debt and equity are included in a utility's regulatory debt-to-equity ratio. For purposes of this ratio, debt is calculated as long-term debt including any finance leases plus unamortized gains on reacquired debt less unamortized issuance expenses, discounts, premiums and losses on reacquired debt. Equity is calculated as membership interests determined in accordance with GAAP, excluding accumulated other comprehensive loss and the effects of acquisition accounting from a 2007 transaction. At September 30, 2025, our regulatory capitalization was 56.0% debt to 44.0% equity and as a result we had \$837 million available to distribute to our members without exceeding our authorized regulatory debt-to-equity ratio.

On October 28, 2025, our board of directors declared a cash distribution of \$219 million, which was paid to our members on October 28, 2025. In the nine months ended September 30, 2025, our board of directors declared, and we paid, the following cash distributions to our members:

<b>Declaration Dates</b>	<b>Payment Dates</b>		<b>Amounts</b>
February 13, 2025	February 13, 2025	\$	177
April 30, 2025	May 1, 2025	\$	177
July 29, 2025	July 29, 2025	\$	219

## Membership Interests

The following tables present the changes to membership interests during the three and nine months ended September 30, 2025 and 2024, net of tax:

	Three Months Ended September 30, 2025 and 2024		
	Capital Account	AOCI	Total Membership Interests
Balance at June 30, 2025	\$ 17,110	\$ (232)	\$ 16,878
Net income	380	-	380
Capital contributions	647	-	647
Distributions	(219)	-	(219)
Other comprehensive (loss) income	-	(15)	(15)
Balance at September 30, 2025	\$ 17,918	\$ (247)	\$ 17,671
	Capital Account	AOCI	Total Membership Interests
Balance at June 30, 2024	\$ 15,093	\$ (199)	\$ 14,894
Net income	324	-	324
Capital contributions	240	-	240
Distributions	(125)	-	(125)
Other comprehensive (loss) income	-	(2)	(2)
Balance at September 30, 2024	\$ 15,532	\$ (201)	\$ 15,331
	Capital Account	AOCI	Total Membership Interests
Balance at December 31, 2024	\$ 15,814	\$ (184)	\$ 15,630
Net income	820	-	820
Contributions from members	1,857	-	1,857
Distributions to members	(573)	-	(573)
Other comprehensive (loss) income	-	(63)	(63)
Balance at September 30, 2025	\$ 17,918	\$ (247)	\$ 17,671
	Capital Account	AOCI	Total Membership Interests
Balance at December 31, 2023	\$ 14,388	\$ (180)	\$ 14,208
Net income	800	-	800
Contributions from members	720	-	720
Distributions to members	(376)	-	(376)
Other comprehensive (loss) income	-	(21)	(21)
Balance at September 30, 2024	\$ 15,532	\$ (201)	\$ 15,331

**AOCI**

The following table presents the changes to AOCI, net of tax, during the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended September 30, 2025 and 2024		
	Derivative Hedges	Pension and OPEB Plans	Total AOCI
Balance at June 30, 2025	\$ (91)	\$ (141)	\$ (232)
OCI before reclassifications	(18)	-	(18)
Amounts reclassified from AOCI (a)	2	1	3
Net OCI	(16)	1	(15)
Balance at September 30, 2025	\$ (107)	\$ (140)	\$ (247)
Balance at June 30, 2024	\$ (54)	\$ (145)	\$ (199)
OCI before reclassifications	(3)	-	(3)
Amounts reclassified from AOCI (a)	-	1	1
Net OCI	(3)	1	(2)
Balance at September 30, 2024	\$ (57)	\$ (144)	\$ (201)
	Nine Months Ended September 30, 2025 and 2024		
	Derivative Hedges	Pension and OPEB Plans	Total AOCI
Balance at December 31, 2024	\$ (41)	\$ (143)	\$ (184)
OCI before reclassifications	(70)	-	(70)
Amounts reclassified from AOCI (a)	4	3	7
Net OCI	(66)	3	(63)
Balance at September 30, 2025	\$ (107)	\$ (140)	\$ (247)
Balance at December 31, 2023	\$ (34)	\$ (146)	\$ (180)
OCI before reclassifications	(25)	-	(25)
Amounts reclassified from AOCI (a)	2	2	4
Net OCI	(23)	2	(21)
Balance at September 30, 2024	\$ (57)	\$ (144)	\$ (201)

(a) The amounts reclassified from "Derivative Hedges" affect "Interest expense and related charges" line on our Condensed Statements of Consolidated Income. The amounts reclassified from "Pension and OPEB Plans" affect "Operation and maintenance" and "Other (income) and deductions – net" lines on our Condensed Statements of Consolidated Income.

**8. PENSION AND OPEB PLANS****Pension Plans**

We sponsor the Oncor Retirement Plan and also have liabilities related to the Vistra Retirement Plan, both of which are qualified pension plans under Section 401(a) of the Internal Revenue Code of 1986, as amended, and are subject to the provisions of Employee Retirement Income Security Act of 1974, as amended. Employees do not contribute to either plan. We also maintain a supplemental retirement plan for certain employees whose retirement benefits cannot be fully earned under the qualified retirement plans. See Note 9 to Consolidated Financial Statements in our 2024 Form 10-K for additional information regarding pension plans.

**OPEB Plans**

We currently sponsor two OPEB plans. One plan covers eligible current and future retirees whose services are 100% assigned to Oncor (or a predecessor regulated utility business). Effective January 1, 2018, we established a

second plan to cover eligible retirees of Oncor and Vistra (or their predecessors or affiliates) whose employment services were assigned to both Oncor (or a predecessor regulated utility business) and the non-regulated business of Vistra. Vistra is solely responsible for its portion of the liability for retiree benefits related to those retirees. See Note 9 to Consolidated Financial Statements in our 2024 Form 10-K for additional information.

### Pension and OPEB Costs

Our net costs related to pension plans and the OPEB Plans for the three and nine months ended September 30, 2025 and 2024, were comprised of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
<b>Components of net pension costs:</b>				
Service cost	\$ 6	\$ 6	\$ 18	\$ 19
Interest cost (a)	32	30	96	90
Expected return on assets (a)	(30)	(29)	(90)	(87)
Amortization of net loss (a)	2	1	6	3
Net pension costs	10	8	30	25
Net adjustments (b)	(4)	(2)	(11)	(7)
Net pension costs recognized as operation and maintenance expense or other deductions	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 19</u>	<u>\$ 18</u>
<b>Components of net OPEB costs:</b>				
Service cost	\$ 1	\$ 1	\$ 2	\$ 3
Interest cost (a)	9	8	26	24
Expected return on assets (a)	(1)	(2)	(5)	(6)
Amortization of net loss (a)	(2)	(2)	(6)	(6)
Net OPEB costs	7	5	17	15
Net adjustments (b)	(4)	(2)	(10)	(8)
Net OPEB costs recognized as operation and maintenance expense or other deductions	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 7</u>	<u>\$ 7</u>

(a) The components of net costs other than the service cost component, are recorded in "Other (income) and deductions – net" in Condensed Statements of Consolidated Income.

(b) Net adjustments include amounts principally deferred as property, plant and equipment, regulatory assets or regulatory liabilities.

The discount rates reflected in net pension and OPEB costs in 2025 are 5.45%, 5.61% and 5.65% for the Oncor Retirement Plan, the Vistra Retirement Plan and the OPEB Plans, respectively. The expected return on pension and OPEB plan assets reflected in the 2025 cost amounts are 6.24%, 6.73% and 7.11% for the Oncor Retirement Plan, the Vistra Retirement Plan and the OPEB Plans, respectively.

### Pension Plans and OPEB Plans Cash Contributions

We made cash contributions to the pension plans and OPEB Plans of \$172 million and \$18 million, respectively, during the nine months ended September 30, 2025. Based on funding considerations in the latest actuarial projections, including applicable minimum funding requirements, our future fundings for the pension plans and the OPEB Plans are expected to total \$22 million and \$6 million, respectively, during the remainder of 2025 and approximately \$591 million and \$140 million, respectively, in the five-year period from 2025 to 2029. Future funding estimates for our pension plans and OPEB Plans are dependent on a variety of variables and assumptions, including investment returns on plan assets, market interest rates, and levels of discretionary contributions over

minimum funding requirements, which we continue to monitor. Financial market volatility and its effects on the returns on our plan assets and liability valuations could significantly change our anticipated future funding amounts.

## 9. RELATED-PARTY TRANSACTIONS

The following represents our significant related-party transactions and related matters.

- We are not a member of another entity's consolidated tax group, but our owners' federal income tax returns include their portion of our results. Under the terms of a tax sharing agreement among us, Oncor Holdings, Texas Transmission and STH, we are generally obligated to make payments to our owners, pro rata in accordance with their respective membership interests, in an aggregate amount that is substantially equal to the amount of federal income taxes that we would have been required to pay if we were filing our own corporate income tax return. STH will file a combined Texas margin tax return which includes our results and our share of Texas margin tax payments, which are accounted for as income taxes and calculated as if we were filing our own return. See discussion in Note 1 to Consolidated Financial Statements in our 2024 Form 10-K under "Provision in Lieu of Income Taxes." Under the "in lieu of" tax concept, all in lieu of tax assets and tax liabilities represent amounts that will eventually be settled with our members. In the event such amounts are not paid under the tax sharing agreement, it is probable that these regulatory amounts will continue to be included in Oncor's rate setting processes.

Amounts payable to (receivable from) members related to income taxes under the tax sharing agreement and reported on our balance sheet consisted of the following:

	At September 30, 2025			At December 31, 2024		
	STH	Texas Transmission	Total	STH	Texas Transmission	Total
Federal income taxes receivable	\$ (38)	\$ (10)	\$ (48)	\$ (24)	\$ (6)	\$ (30)
Texas margin tax payable	22	-	22	29	-	29
Net payable (receivable)	\$ (16)	\$ (10)	\$ (26)	\$ 5	\$ (6)	\$ (1)

Cash payments made to members related to income taxes in the nine months ended September 30, 2025 and 2024 consisted of the following:

	Nine Months Ended September 30, 2025			Nine Months Ended September 30, 2024		
	STH	Texas Transmission	Total	STH	Texas Transmission	Total
Federal income taxes	\$ -	\$ -	\$ -	\$ 36	\$ 9	\$ 45
Texas margin tax	31	-	31	29	-	29
Total payments	\$ 31	\$ -	\$ 31	\$ 65	\$ 9	\$ 74

See Note 7 for information regarding cash capital contributions from and distributions to members.

- Sempra owns an indirect 50% interest in the parent of Sharyland. Sharyland provided wholesale transmission service to us in the amount of \$4 million during each of the three months ended September 30, 2025 and 2024, and \$12 million during each of the nine months ended September 30, 2025 and 2024, respectively, at rates set pursuant to PUCT-approved tariffs. Pursuant to an operation agreement between us and Sharyland that was entered into in connection with a PUCT order, we provide Sharyland with substation monitoring and switching services. These services totaled less than \$1 million in each of the nine months ended September 30, 2025 and 2024.

## 10. DERIVATIVES AND HEDGING

We are exposed to changes in interest rates and foreign currency exchange rates primarily as a result of our current and expected future debt financings. We use derivative instruments typically designated as cash flow or fair value hedges to help mitigate our exposure related to those risks.

### *Interest Rate Derivatives*

We use interest rate swaps, in part, to hedge our interest payments related to our expected future debt financings. The future fixed rate debt issuances underlying these cash flow hedge relationships are largely dependent on market demand and liquidity in the debt market. At September 30, 2025, we believe our forecasted issuances of fixed rate debt in the related cash flow hedge relationships are probable. However, unexpected changes in market conditions in future periods could impact our ability to issue such fixed rate debt, or the timing of any such issuance. If our assumptions regarding the nature and timing of forecasted fixed rate debt issuances were to be inaccurate, we could be required to cease the application of hedge accounting to the related interest rate swaps, which could materially impact our results of operations.

We may designate an interest rate swap as a cash flow hedge if it effectively converts anticipated cash flows associated with interest payments to a fixed dollar amount. Designating interest rate swaps as cash flow hedges is dependent on the business context in which the instrument is being used, the effectiveness of the instrument in offsetting the risk that the future cash flows of interest payments may vary, and other criteria.

In accounting for cash flow hedges, derivative assets and liabilities are recorded on the balance sheet at fair value with an offset to other comprehensive (loss) income. Amounts remain in AOCI and are reclassified into net income as the interest expense on the related debt affects net income.

The fair value of an interest rate derivative instrument is recognized on the balance sheet as a derivative asset or liability and changes in the fair value are recognized in net income if the criteria for cash flow hedge accounting are not met or if the instrument is not designated as a cash flow hedge.

### *Interest Rate Hedge Transactions*

In the first quarter of 2025, we entered into interest rate swap transactions hedging the variability of benchmark bond rates used to determine the interest rates on 10-year and 30-year senior secured notes. The hedges were terminated in March 2025 upon the issuance of our 2035 Notes and 2055 Notes and a \$15 million (\$12 million net of tax) net fair value loss was realized and recorded in other comprehensive (loss) income. The AOCI will be reclassified into net income as an increase in interest expense over the life of the 2035 Notes and 2055 Notes, respectively.

Beginning in April 2025, we entered into multiple interest rate swap transactions hedging the variability of benchmark bond rates in anticipation of future debt financings. All of those interest rate swaps were outstanding at September 30, 2025. In the three months ended September 30, 2025, we recorded a \$15 million (\$13 million net of tax) net unrealized fair value loss on the interest rate swaps in other comprehensive (loss) income. In the nine months ended September 30, 2025, we recorded a \$25 million (\$21 million net of tax) net unrealized fair value loss on the interest rate swaps in other comprehensive (loss) income. The following table summarizes information of such hedges outstanding at September 30, 2025.

	<u>Aggregate Notional Amounts</u>	<u>Range of Locked Fixed Rates</u>	<u>Range of Estimated Settlement Years</u>
Interest rate swaps	\$ 2,200	3.60% ~ 4.43%	2025 ~ 2028

There was approximately \$6 million of the amounts expected to be recorded in AOCI at September 30, 2025 related to the interest rate swaps to be reclassified into net income as an increase to interest expense within the next 12 months.

## Foreign Currency Derivatives

We are exposed to foreign currency exchange rate risk as a result of the use of foreign currency denominated financing instruments, such as the Euro Notes and CAD Notes. We have and may continue to utilize cross-currency swaps to help mitigate the exposure related to foreign currency denominated debt that we have issued or may issue in the future. Our existing cross-currency swaps exchange our euro-denominated and Canadian dollar-denominated principal payments due at maturity under the Euro Notes and CAD Notes, into U.S. dollar-denominated notional amounts and swap euro-denominated and Canadian dollar-denominated fixed interest rates for U.S. dollar-denominated fixed interest rates, respectively. We currently designate our cross-currency swaps as fair value hedges. In accounting for fair value hedges, the derivative contract is recorded on the balance sheet at fair value. We have elected to exclude the cross-currency basis spread from the assessment of effectiveness in the fair value hedges of our foreign currency risk and record any difference between the change in the fair value of the excluded components and the amounts recognized in earnings as a component of other comprehensive income or loss. The fair value (loss) gain on cross-currency swaps attributable to foreign currency exchange rates are recognized in the income statement to offset the remeasurement gain (loss) on the foreign currency denominated debt attributable to foreign currency exchange rates, resulting in no impact on earnings attributable to changes in the foreign currency exchange rate.

### Foreign Currency Exchange Rate Hedge Transactions

In May 2024 and June 2025, we entered into multiple designated cross-currency swaps that effectively converted our euro-denominated fixed rate payment obligations under our Euro Notes with respect to principal and interest payments to U.S. dollar-denominated fixed rate payment obligations.

In September 2025, we entered into multiple designated cross-currency swaps that effectively converted our Canadian dollar-denominated fixed rate payment obligations under our CAD Notes with respect to principal and interest payments to U.S. dollar-denominated fixed rate payment obligations.

In the three and nine months ended September 30, 2025, we recorded a \$15 million net fair value loss of the cross-currency swaps and a \$37 million net fair value gain of the cross-currency swaps, respectively. The amount attributable to excluded components in the three-month period was a \$7 million (\$5 million net of tax) loss and was recorded in other comprehensive (loss) income in the three months ended September 30, 2025. The amount attributable to excluded components in the nine-month period was a \$46 million (\$37 million net of tax) loss and was recorded in other comprehensive (loss) income in the nine months ended September 30, 2025.

At September 30, 2025, the following foreign currency derivative contracts designated as fair value hedges of the Euro Notes and CAD Notes were outstanding:

	Notional Amounts (a)	Pay Rates (b)	Receive Amounts	Receive Rates	Maturities	Fair Value Gain (Loss)			
						Three Months Ended September 30,		Nine Months Ended Septembe 30,	
						2025	2024	2025	2024
Cross-currency swaps executed in May 2024	\$ 542	5.3710% €	500	3.500%	2031	\$ (2)	\$ 16	\$ 56	\$ (
Cross-currency swaps executed in June 2025	\$ 805	5.4405% €	700	3.625%	2034	\$ (9)	\$ -	\$ (15)	\$
Cross-currency swaps executed in September 2025	\$ 361	5.0220% C\$	500	4.200%	2035	\$ (4)	\$ -	\$ (4)	\$

(a) Notional amounts reflect the aggregate amounts we received in U.S. dollars upon execution of the cross-currency swaps in exchange for transferring the receive amounts to the counterparties of the cross-currency swaps.  
(b) Pay rates reflect the all-in U.S. dollar fixed rate coupons on the U.S. dollar notional amounts, as a result of the cross-currency swaps relating to the Euro Notes and CAD Notes.

**Financial Statement Presentation**

*Derivative Contract Fair Values and Income Statement Impacts*

The table below provides a balance sheet overview of our outstanding derivative assets and liabilities as of September 30, 2025 and December 31, 2024:

	<b>Balance Sheet Location</b>	<b>Fair Value of Derivative Assets (Liabilities)</b>	
		<b>At September 30, 2025</b>	<b>At December 31, 2024</b>
Interest rate swaps	Operating lease and other current liabilities	\$ (12)	\$ -
	Other noncurrent obligations	\$ (7)	\$ -
Cross-currency swaps	Other noncurrent assets	\$ 69	\$ -
	Other noncurrent obligations	\$ (68)	\$ (21)

The table below provides the related income statement impacts of derivative contracts for the three and nine months ended September 30, 2025 and 2024, respectively:

	<b>Income Statement Location</b>	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Cross-currency swaps	Other (income) and deductions – net (a)	\$ 8	\$ 20	\$ (83)	\$ 14

(a) The fair value gains (losses) on cross-currency swaps attributable to changes in the foreign currency exchange rate were recorded in the same income statement location and offset the losses (gains) due to remeasurement of the Euro Notes and CAD Notes, resulting in no impact on earnings attributable to changes in the foreign currency exchange rates. The fair value gains/losses on cross-currency swaps attributable to excluded components were recognized as a component of other comprehensive income or loss.

*Fair Value Measurements*

The fair value of our interest rate swap and cross-currency swap derivative instruments is measured using inputs that are considered a Level 2 measurement, as they are not actively traded and are valued using pricing models that use observable market quotations. Additionally, the fair values of derivatives designated in hedging relationships include debit valuation adjustments and/or credit valuation adjustments to appropriately incorporate nonperformance risk for us and/or the respective counterparties. At September 30, 2025, the fair values of derivatives designated in hedging relationships include net \$5 million credit valuation adjustments.

## 11. SEGMENT REPORTING

We are managed as an integrated business that provides regulated electricity transmission and distribution services. As a result, we have one operating segment of electricity transmission and distribution; consequently, there is only one reportable segment. The segment of electricity transmission and distribution services derives revenues from tariffs approved by the PUCT and the majority of revenues are related to providing electric delivery service to end-use consumers.

Our chief executive has been determined to be the CODM. Oncor's CODM views net income as the measure of profit or loss in assessing financial performance. In addition, for resource allocation determinations, Oncor's CODM considers the capital expenditures plan progress, safety and reliability performance, customer satisfaction and affordability, and regulatory requirements.

The measure of segment assets is reported on the balance sheet as total assets. The following table presents information of the reported segment's net income, including significant expenses, for the reporting periods.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Segment operating revenues (a)	\$ 1,845	\$ 1,660	\$ 5,047	\$ 4,610
Less:				
Wholesale transmission service	374	351	1,094	1,053
Base operation and maintenance, and administrative expenses (b)	282	272	818	728
SRP operation and maintenance, and administrative expenses	38	-	108	-
Regulatory asset/liability amortization and cost of service accruals (c)	74	77	223	229
Depreciation and amortization	300	269	877	787
Property taxes	68	63	207	196
Gross receipts and franchise taxes	79	79	217	214
Other (income) and deductions (d)	(20)	(12)	(49)	(28)
Provision in lieu of income taxes	80	72	173	171
Interest expense and related charges - net (e)	190	165	559	460
Segment expenses	1,465	1,336	4,227	3,810
Segment net income	\$ 380	\$ 324	\$ 820	\$ 800

(a) Revenues from REP subsidiaries of our two largest customers collectively represented 27% and 23%, respectively, of our total operating revenues for the three months ended September 30, 2025, and 25% and 22%, respectively, of our total operating revenues for the nine months ended September 30, 2025. No other customer represented more than 10% of our total operating revenues during such periods.

(b) Includes operation and maintenance expenses (excluding SRP operating and maintenance, and administrative expenses, regulatory asset/liability amortization and cost of service accruals), payroll taxes and other miscellaneous expenses.

(c) Includes effects of current rate provisions for (i) self-insurance reserve, employee retirement and other regulatory assets/liabilities being amortized (see Note 2) and (ii) provisions for current self-insured losses and recoverable employee retirement costs.

(d) Includes non-service costs associated with recoverable pension and OPEB, non-recoverable pension and OPEB expenses, gains on sale of capital assets and AFUDC-equity income.

(e) Includes interest expenses and related charges, and net interest and investment income.

## 12. SUPPLEMENTARY FINANCIAL INFORMATION

### *Other (Income) and Deductions – Net*

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Professional fees	\$ 2	\$ 2	\$ 7	\$ 4
Recoverable Pension and OPEB – non-service costs	5	4	14	13
Gain on disposal of assets	-	(1)	-	(1)
AFUDC – equity income	(26)	(14)	(65)	(41)
Interest and investment income – net	(11)	(5)	(19)	(21)
Other	1	(1)	2	1
<b>Total other (income) and deductions – net</b>	<b>\$ (29)</b>	<b>\$ (15)</b>	<b>\$ (61)</b>	<b>\$ (45)</b>

### *Interest Expense and Related Charges*

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Interest	\$ 217	\$ 177	\$ 618	\$ 501
Amortization of discount, premium and debt issuance costs	2	3	5	10
Less AFUDC – capitalized interest portion	(18)	(10)	(45)	(30)
<b>Total interest expense and related charges</b>	<b>\$ 201</b>	<b>\$ 170</b>	<b>\$ 578</b>	<b>\$ 481</b>

### *Accounts Receivable – Net*

Accounts receivable reported on our balance sheet consisted of the following:

	<b>At September 30,</b>	<b>At December 31,</b>
	<b>2025</b>	<b>2024</b>
Accounts receivable	\$ 1,186	\$ 987
Allowance for uncollectible accounts	(20)	(17)
<b>Accounts receivable – net</b>	<b>\$ 1,166</b>	<b>\$ 970</b>

The accounts receivable balance from REP subsidiaries of our two largest customers, collectively represented 28% and 23%, respectively, of our accounts receivable balance at September 30, 2025 and 22% and 19%, respectively, of our accounts receivable balance at December 31, 2024. No other customer represented 10% or more of the total accounts receivable at such dates.

Under a PUCT rule relating to the Certification of Retail Electric Providers, write-offs of uncollectible amounts owed by REPs are deferred as a regulatory asset.

**Prepayments and Other Current Assets**

Prepayments and other current assets reported on our balance sheet consisted of the following:

	At September 30, 2025	At December 31, 2024
Insurance prepayments	\$ 40	\$ 27
Local franchise tax prepayments	81	79
Other	18	18
Prepayments and other current assets	<u>\$ 139</u>	<u>\$ 124</u>

**Investments and Other Property**

Investments and other property reported on our balance sheet consisted of the following:

	At September 30, 2025	At December 31, 2024
Assets related to employee benefit plans	\$ 185	\$ 172
Non-utility property – land	10	10
Other	1	1
Total investments and other property	<u>\$ 196</u>	<u>\$ 183</u>

**Consolidated VIE**

Receivables LLC is considered a VIE under ASC 810. We are the primary beneficiary of this VIE because we have the power to direct borrowing and repayment activities of the AR Facility for the VIE, the obligation to absorb losses and the right to receive benefits that could be significant to the VIE. See Note 5 for more information on the AR Facility. As a result, we consolidate Receivables LLC. Receivable LLC's assets and liabilities on the balance sheets consisted of the following:

	At September 30, 2025	At December 31, 2024
Assets		
Cash and cash equivalents	\$ 8	\$ 5
Advances to affiliate	4	4
REP Accounts receivable – net	826	622
Income tax receivable	7	5
Unamortized AR Facility costs	-	1
Total assets	<u>\$ 845</u>	<u>\$ 637</u>

**Property, Plant and Equipment**

Property, plant and equipment – net reported on our balance sheet consisted of the following:

	Composite Depreciation Rate/Average Life of Depreciable Plant			
	At September 30, 2025		At September 30, 2025	At December 31, 2024
Assets in service:				
Distribution	2.7% / 36.5 years		\$ 22,402	\$ 20,880
Transmission	2.4% / 41.9 years		17,491	16,599
Other assets (a)	8.3% / 12.1 years		2,285	2,238
Total			42,178	39,717
Less accumulated depreciation			10,081	9,723
Net of accumulated depreciation			32,097	29,994
Construction work in progress			3,534	1,704
Held for future use			70	71
Property, plant and equipment – net			\$ 35,701	\$ 31,769

(a) Includes intangible capitalized software and general property, plant and equipment.

**Intangible Assets**

Intangible assets (other than goodwill) reported on our balance sheet as part of property, plant and equipment consisted of the following:

	At September 30, 2025			At December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Identifiable intangible assets subject to amortization:						
Land easements	\$ 719	\$ 139	\$ 580	\$ 705	\$ 134	\$ 571
Capitalized software and other	1,322	441	881	1,311	450	861
Total	\$ 2,041	\$ 580	\$ 1,461	\$ 2,016	\$ 584	\$ 1,432

Aggregate amortization expense for intangible assets totaled \$35 million and \$28 million for the three months ended September 30, 2025 and 2024, respectively, and \$100 million and \$85 million for the nine months ended September 30, 2025 and 2024, respectively. The estimated annual amortization expense for the five-year period from 2025 to 2029, based on rates in effect at September 30, 2025, is as follows:

Year	Amortization Expense
2025	\$ 134
2026	\$ 139
2027	\$ 139
2028	\$ 139
2029	\$ 139

**Other Noncurrent Assets**

Other noncurrent assets reported on our balance sheet consisted of the following:

	At September 30, 2025	At December 31, 2024
Fair value of derivative noncurrent assets	\$ 69	\$ -
Prepayments – noncurrent	10	8
Other	33	23
Total other noncurrent assets	<u>\$ 112</u>	<u>\$ 31</u>

**Other Noncurrent Obligations**

Other noncurrent obligations reported on our balance sheet consisted of the following:

	At September 30, 2025	At December 31, 2024
Investment tax credits	\$ 2	\$ 2
Customer advances for construction – noncurrent	250	199
Litigation claim obligations	5	3
Fair value of derivative liabilities	74	21
Other	105	77
Total other noncurrent obligations	<u>\$ 436</u>	<u>\$ 302</u>

**Supplemental Cash Flow Information**

	Nine Months Ended September 30,	
	2025	2024
Cash payments related to:		
Interest	\$ 492	\$ 416
Less capitalized interest	(45)	(30)
Total interest payments (net of amounts capitalized)	<u>\$ 447</u>	<u>\$ 386</u>
Amount in lieu of income taxes (Note 9):		
Federal	\$ -	\$ 45
State	31	29
Total payments in lieu of income taxes	<u>\$ 31</u>	<u>\$ 74</u>
ROU assets obtained in exchange for operating lease obligations (noncash)	\$ 135	\$ 37
Noncash financing activities:		
Debt extinguished through legal defeasance (Note 5)	\$ 9	\$ -
Noncash investing activities:		
Construction expenditures financed through accounts payable (a)	\$ 666	\$ 473

(a) Represents end-of-period accruals.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations for the three and nine months ended September 30, 2025 compared to the same periods in 2024 should be read in conjunction with our condensed consolidated financial statements (Financial Statements) and the notes to those statements herein, as well as our consolidated financial statements, the notes to those statements and "Item 1A. Risk Factors" contained in our 2024 Form 10-K.

All dollar and foreign currency amounts in the following discussion are stated in U.S. dollars in millions and/or in millions of the applicable foreign currency unless otherwise indicated.

### BUSINESS

We are a regulated electricity transmission and distribution company. We operate the largest transmission and distribution system in Texas, delivering electricity to more than 4.1 million homes and businesses, with a focus on safety, reliability, and affordability. Our transmission and distribution rates are regulated by the PUCT and certain cities, and in certain limited instances, by the FERC. We are not a seller of electricity, nor do we purchase electricity for resale.

#### *Ownership Structure and Ring-Fencing Measures*

We are a direct, majority-owned subsidiary of Oncor Holdings, which is indirectly and wholly owned by Sempra. Oncor Holdings owns 80.25% of our membership interests and Texas Transmission owns 19.75% of our membership interests. We are managed as an integrated business; consequently, there is only one reportable segment.

Since 2007, various ring-fencing measures have been taken to enhance our credit quality and the separateness between the Oncor Ring-Fenced Entities and entities with a direct or indirect ownership interest in Oncor or Oncor Holdings. These ring-fencing measures serve to mitigate the Oncor Ring-Fenced Entities' credit exposure to Sempra and its affiliates and any other direct or indirect owners of Oncor and Oncor Holdings, and reduce the risk that the assets and liabilities of the Oncor Ring-Fenced Entities would be substantively consolidated with the assets and liabilities of any Sempra entity or any other direct or indirect owners of Oncor and Oncor Holdings in connection with a bankruptcy of any such entities. Such measures include, among other things: the 19.75% equity interest held by Texas Transmission; maintenance of separate books and records for the Oncor Ring-Fenced Entities; and our board of directors being comprised of a majority of Disinterested Directors. As a result, none of the assets of the Oncor Ring-Fenced Entities are available to satisfy the debt or obligations of any Sempra entity or any other direct or indirect owner of Oncor or Oncor Holdings. The assets and liabilities of the Oncor Ring-Fenced Entities are separate and distinct from those of any Sempra entities and any other direct or indirect owner of Oncor or Oncor Holdings. We do not bear any liability for debt or contractual obligations of Sempra and its affiliates or any other direct or indirect owner of Oncor or Oncor Holdings, and vice versa. Accordingly, our operations are conducted, and our cash flows are managed, independently from Sempra and its affiliates and any other direct or indirect owner of Oncor or Oncor Holdings. For more information on the ring-fencing measures, see Note 1 to Financial Statements.

#### *Significant Activities and Events*

*2025 Comprehensive Base Rate Review* — On June 26, 2025, we filed a request for a comprehensive base rate review. On September 9, 2025, the administrative law judge assigned to the proceeding approved a settlement agreement among the parties with respect to interim rates if the case is still pending on January 1, 2026. See Note 2 to Financial Statements and "—Regulation and Rates" below for a discussion of the comprehensive base rate review.

*UTM* — On June 20, 2025, Texas House Bill 5247 (HB 5247) was signed into law and became effective. The bill establishes the UTM, which allows qualifying electric utilities to apply for interim rate adjustments once

annually through 2035 for cost recovery of certain transmission and distribution capital expenditures, as an alternative to semi-annual (or less frequent) DCRF and TCOS capital tracker filings. As a result of HB 5247 taking effect, we have begun, and expect to continue, deferring to a regulatory asset, certain costs associated with UTM eligible capital investments placed into service since December 31, 2024, and recognizing corresponding amounts in revenues. See Notes 2 and 3 to Financial Statements and “—Regulation and Rates—State Legislation” below for more information on the UTM and our recognition of revenues and recording of regulatory assets following the enactment of HB 5247.

*Debt-Related Activities* — See “—Financial Condition—Liquidity and Capital Resources” below and Notes 4 and 5 to Financial Statements for information regarding our debt-related activities.

## RESULTS OF OPERATIONS

	<u>Twelve Months Ended September 30,</u>		<u>% Change</u>			
	<u>2025</u>	<u>2024</u>				
<b>Reliability statistics (a):</b>						
System Average Interruption Duration Index (SAIDI) (non-storm)	82.2	71.1	15.6			
System Average Interruption Frequency Index (SAIFI) (non-storm)	1.2	1.0	20.0			
Customer Average Interruption Duration Index (CAIDI) (non-storm)	70.8	70.4	0.6			
<b>Electricity points of delivery (end of period and in thousands):</b>						
Electricity distribution points of delivery (based on number of active meters)	4,100	4,027	1.8			
	<u>Three Months Ended September 30,</u>		<u>Increase (Decrease)</u>	<u>Nine Months Ended September 30,</u>		<u>Increase (Decrease)</u>
	<u>2025</u>	<u>2024</u>		<u>2025</u>	<u>2024</u>	
<b>Residential system weighted weather data (b):</b>						
Cooling degree days	1,112	1,207	(95)	1,710	1,884	(174)
Heating degree days	-	-	-	589	459	130
	<u>Three Months Ended September 30,</u>		<u>% Change</u>	<u>Nine Months Ended September 30,</u>		<u>% Change</u>
	<u>2025</u>	<u>2024</u>		<u>2025</u>	<u>2024</u>	
<b>Operating statistics:</b>						
Electric energy volumes (gigawatt-hours)						
Residential	15,034	15,217	(1.2)	37,567	37,113	1.2
Commercial, industrial, small business and other	35,727	30,991	15.3	94,426	86,751	8.8
Total electric energy volumes	<u>50,761</u>	<u>46,208</u>	<u>9.9</u>	<u>131,993</u>	<u>123,864</u>	<u>6.6</u>

(a) SAIDI is the average number of minutes electric service is interrupted per consumer in a twelve-month period. SAIFI is the average number of electric service interruptions per consumer in a twelve-month period. CAIDI is the average duration in minutes per electric service interruption in a twelve-month period. In each case, our non-storm reliability performance reflects electric service interruptions of one minute or more per customer. Each of these results excludes outages during significant storm events.

(b) Degree days are measures of how warm or cold it is throughout our service territory. A degree day compares the average of the hourly outdoor temperatures during each day to a 65° Fahrenheit standard temperature. The more extreme the outside temperature, the higher the number of degree days. A high number of degree days generally results in higher levels of energy use for space cooling or heating.

	<u>Three Months Ended September 30,</u>		<u>\$</u>	<u>Nine Months Ended September 30,</u>		<u>\$</u>
	<u>2025</u>	<u>2024</u>		<u>Change</u>	<u>2025</u>	
<b>Operating revenues</b>						
<b>Revenues contributing to earnings:</b>						
Revenues from contracts with customers						
Distribution base revenues						
Residential (a)	\$ 508	\$ 479	\$ 29	\$ 1,270	\$ 1,166	\$ 104
Large commercial & industrial (b)	375	343	32	1,042	960	82
Other (c)	34	34	-	96	93	3
Total distribution base revenues	917	856	61	2,408	2,219	189
Transmission base revenues (TCOS revenues)						
Billed to third-party wholesale customers	279	262	17	812	787	25
Billed to REPs serving Oncor distribution customers, through TCRF	155	143	12	450	431	19
Total TCOS revenues	434	405	29	1,262	1,218	44
Other miscellaneous revenues	24	27	(3)	72	73	(1)
Total revenues from contracts with customers	1,375	1,288	87	3,742	3,510	232
Other regulated revenues						
SRP revenues	41	-	41	111	-	111
UTM revenues (d)	36	-	36	55	-	55
Total other regulated revenues	77	-	77	166	-	166
Total revenues contributing to earnings	1,452	1,288	164	3,908	3,510	398
<b>Revenues collected for pass-through expenses:</b>						
TCRF – third-party wholesale transmission service	374	351	23	1,094	1,053	41
EECRF and other revenues	19	21	(2)	45	47	(2)
Total revenues collected for pass-through expenses	393	372	21	1,139	1,100	39
Total operating revenues	\$ 1,845	\$ 1,660	\$ 185	\$ 5,047	\$ 4,610	\$ 437

(a) Distribution base revenues from residential customers are generally based on actual monthly consumption (kWh).

(b) Depending on size and annual load factor, distribution base revenues from large commercial & industrial customers are generally based either on actual monthly demand (kilowatts) or the greater of actual monthly demand (kilowatts) or 80% of peak monthly demand during the prior eleven months.

(c) Includes distribution base revenues from small business customers whose billing is generally based on actual monthly consumption (kWh), lighting sites and other miscellaneous distribution base revenues.

(d) Includes revenues recognized for recoverable costs, associated with UTM eligible transmission and distribution capital investments put into service after December 31, 2024, including depreciation expenses, carrying costs on unrecovered balances and related taxes.

**Financial Results — Three Months Ended September 30, 2025 Compared to Three Months Ended September 30, 2024**

**Total operating revenues** increased \$185 million, or 11%, to \$1.845 billion during the three months ended September 30, 2025. Revenues are generally recognized pursuant to tariffs approved by the PUCT or authorized by statute.

**Revenues contributing to earnings** increased \$164 million to \$1.452 billion during the three months ended September 30, 2025. Revenues contributing to earnings consist of revenues from contracts with customers recognized under ASC 606 and other regulated revenues recognized under ASC 980. The net increase reflected the following components:

- *An Increase in Distribution Base Revenues* — Distribution base revenues increased \$61 million to \$917 million during the three months ended September 30, 2025. The increase in distribution base revenues primarily reflects:
  - \$62 million increase due to updated interim DCRF rates implemented to reflect increases in invested capital, and
  - \$13 million increase due to customer growth,
  - **partially offset by**
  - \$13 million decrease due to lower customer consumption, primarily attributable to milder weather.

Distribution base rates are set periodically in a comprehensive base rate review docket. The base rates implementing the final order in PUCT Docket No. 53601 went into effect in May 2023.

PUCT rules also allow utilities to file, under certain circumstances, up to two interim DCRF rate adjustment applications per year between comprehensive base rate reviews to recover certain distribution investments and certain other related costs.

See the Interim DCRF Filings Table below for a listing of interim DCRF rate adjustment applications impacting revenues for 2025 and 2024. As we currently intend to recover costs related to distribution capital investments placed into service since December 31, 2024 through the UTM, we do not intend to file additional interim DCRF rate adjustment applications this year. See Note 2 to Financial Statements for more information on the SRP and the UTM.

**Interim DCRF Filings Table**

<b>PUCT Docket No.</b>	<b>Investment Through</b>	<b>Filed</b>	<b>Effective</b>	<b>Annual Revenue Impact (a)</b>	
57707	December 2024 (b)	February 2025	May 2025	\$	106
56963	June 2024 (c)	August 2024	December 2024	\$	90
56306	December 2023 (d)	March 2024	July 2024	\$	81
55525	June 2023 (e)	September 2023	December 2023	\$	53

(a) Annual revenue impact represents the incremental annual revenue impact, after taking into account revenue effects of customer growth and prior applicable DCRF rate adjustments.

(b) Reflects distribution-related capital investments generally put into service during the period from July 1, 2024 through December 31, 2024.

(c) Reflects distribution-related capital investments generally put into service during the period from January 1, 2024 through June 30, 2024.

(d) Reflects distribution-related capital investments generally put into service during the period from July 1, 2023 through December 31, 2023.

(e) Reflects distribution-related capital investments generally put into service during the period from January 1, 2023 through June 30, 2023.

- *An Increase in Transmission Base Revenues* — TCOS revenues increased \$29 million to \$434 million during the three months ended September 30, 2025. The increase in TCOS revenues was due to updated interim TCOS rates implemented to reflect increases in invested capital.

TCOS revenues are collected from load serving entities benefiting from our transmission system, and the rates charged those customers are adjusted based on the transmission billing units and other adjustments approved by the PUCT.

PUCT rules also allow utilities to file, under certain circumstances, up to two interim TCOS rate adjustment applications per year between comprehensive base rate reviews to recover transmission investments and certain other related costs.

See the Interim TCOS Filings Table below for a listing of interim TCOS rate adjustment applications impacting revenues for 2025 and 2024. We did not file an interim TCOS rate adjustment application in 2024, as a result of the increases in annual ERCOT transmission billing units applicable in 2024. As we currently intend to recover costs related to transmission capital investments placed into service since December 31, 2024 through the UTM, we do not intend to file additional interim TCOS rate adjustment applications this year.

**Interim TCOS Filings Table**

<b>PUCT Docket No.</b>	<b>Investment Through</b>	<b>Filed</b>	<b>Effective</b>	<b>Annual Revenue Impact (a)</b>	<b>Third-Party Wholesale Transmission Revenue Impact</b>	<b>Included in TCRF Revenue Impact</b>
57610	December 2024 (b)	January 2025	March 2025	\$ 165	\$ 106	\$ 59
55282	June 2023 (c)	July 2023	September 2023	\$ 42	\$ 27	\$ 15

(a) Annual revenue impact represents the incremental annual revenue impact, after taking into account revenue effects of prior applicable rate adjustments and net changes in billing units.

(b) Reflects transmission-related capital investments generally put into service during the period from July 1, 2023 through December 31, 2024.

(c) Reflects transmission-related capital investments generally put into service during the period from January 1, 2023 through June 30, 2023.

- *A Decrease in Other Miscellaneous Revenues* — Other miscellaneous revenues decreased \$3 million to \$24 million during the three months ended September 30, 2025. The decrease in other miscellaneous revenues was primarily due to lower mutual assistance related services.
- *An Increase in Other Regulated Revenues* — Other regulated revenues totaled \$77 million during the three months ended September 30, 2025, which primarily reflect:
  - \$41 million in revenues recognized related to the SRP, and
  - \$36 million in revenues recognized pursuant to the UTM, associated with recoverable costs incurred in the three months ended September 30, 2025, related to transmission and distribution capital investments placed into service after December 31, 2024.

**Revenues collected for pass-through expenses** increased \$21 million to \$393 million during the three months ended September 30, 2025. While changes in these pass-through tariffs affect revenues and the timing of cash flows, they do not impact operating income and do not contribute to earnings. The net increase reflected the following components:

- *An Increase in TCRF – third-party wholesale transmission service (TCRF Third-Party)* — TCRF Third-Party revenues increased \$23 million to \$374 million during the three months ended September 30, 2025 due to higher third-party wholesale transmission service provider billings.

TCRF is a reconcilable distribution rate charged to REPs to recover fees we pay to wholesale transmission service third-party providers under their TCOS rates and the retail portion of our own TCOS rate described above. The increase in our TCRF Third-Party revenue recognition reflects the pass-through effect of changes in third-party wholesale transmission service expense.

The UTM allows utilities to file once a year to adjust the TCRF to pass through the wholesale transmission cost charges billed to us by transmission service providers.

- **A Decrease in EECRF and Other Revenues** — EECRF and other revenues decreased \$2 million to \$19 million during the three months ended September 30, 2025. The EECRF and other revenues were generally offset in operation and maintenance expense.

EECRF is a reconcilable rate designed to recover current energy efficiency program costs and annual performance bonuses earned by exceeding PUCT targets in prior years and to refund or recover any over/under recovery of our costs in prior years. We recognize the annual performance bonuses in other miscellaneous revenues upon approval by the PUCT. PUCT rules require us to file an annual EECRF tariff update by the first business day in June of each year for implementation on March 1 of the next calendar year. Other revenues generally include amounts collected through (i) the mobile generation rider, which is a reconcilable rate designed to recover mobile generation lease expenses and operation and maintenance expenses and is generally reviewed and approved by the PUCT in mobile generation rider filing proceedings, and (ii) the rate case expense rider, which is a reconcilable rate designed to fully recover rate case expenses approved in our most recent comprehensive rate base review proceeding.

See the EECRF Filings Table below for a listing of EECRF filings impacting revenue in 2025 and 2024.

**EECRF Filings Table**

<b>PUCT Docket No.</b>	<b>Filed</b>	<b>EECRF Monthly Charge Effective Date</b>	<b>Monthly Charge per Residential Customer (a)</b>		<b>Program Costs</b>	<b>Performance Bonus (b)</b>		<b>(Over)/Under- Recovery and Other</b>
58182 (c)	May 2025	March 2026	\$	1.78	\$ 64	\$	33 (d)	\$ 8
56682	May 2024	March 2025	\$	1.36	\$ 55	\$	17	\$ -
55074	May 2023	March 2024	\$	1.23	\$ 49	\$	21	\$ 2
53671	May 2022	March 2023	\$	1.23	\$ 52	\$	28	\$ 3

- (a) Monthly charges are for a residential customer using an assumed 1,200 kWh.
- (b) Performance bonuses are recognized at the time of PUCT approval of the EECRF, not the effective date of the EECRF rider.
- (c) Pending PUCT approval.
- (d) Represents annual energy efficiency program performance bonus requested by us in our 2025 EECRF filing.

**Wholesale transmission service expense** increased \$23 million to \$374 million during the three months ended September 30, 2025. The increase was due to higher billings from third-party transmission service providers. Wholesale transmission service expense is a pass-through expense that is offset with TCRF Third-Party revenues as discussed above.

**Operation and maintenance expense** increased \$47 million to \$385 million during the three months ended September 30, 2025. The increase was primarily due to \$29 million in higher labor and contractor related costs and \$19 million in higher vegetation management expenses. We expect to continue to experience higher operation and maintenance expenses, particularly related to labor and contractor costs.

The overall \$47 million increase in operation and maintenance expense includes \$38 million in incremental SRP operation expenses during the three months ended September 30, 2025. We expect SRP related operation

expenses to ultimately be recovered in rates. For more information on our SRP, see "—Regulation and Rates—SRP (PUCT Docket No. 56545)".

**Depreciation and amortization** increased \$31 million to \$300 million during the three months ended September 30, 2025. The increase was primarily attributable to ongoing investments in property, plant and equipment. We expect depreciation and amortization to continue to increase, particularly given our capital expenditure plans. See "—Financial Condition—Liquidity and Capital Resources—Available Liquidity and Liquidity Needs, Including Capital Expenditures—Capital Expenditures" for more information on our five-year capital plan.

**Provision in lieu of income taxes** netted to \$80 million during the three months ended September 30, 2025 compared to \$72 million during the three months ended September 30, 2024.

The effective income tax rate was 17.4% and 18.2% for the three months ended September 30, 2025 and 2024, respectively. The effective tax rate on pretax income differs from the U.S. federal statutory rate of 21% primarily due to the amortization of the regulatory liability for excess deferred taxes as a result of the Federal Tax Cuts and Jobs Act of 2017, partially offset by the effects of the Texas margin tax.

**Taxes other than amounts related to income taxes** increased \$3 million to \$154 million for the three months ended September 30, 2025. The increase was primarily due to \$5 million in higher property tax partially offset by a \$2 million decrease in payroll tax. We anticipate taxes other than amounts related to income taxes to continue to increase, particularly given our capital expenditure plans. See "—Financial Condition—Liquidity and Capital Resources—Available Liquidity and Liquidity Needs, Including Capital Expenditures—Capital Expenditures" for more information on our five-year capital plan.

**Other (income) and deductions – net** was \$14 million favorable for the three months ended September 30, 2025 compared to the three months ended September 30, 2024. The variance was primarily due to \$12 million in higher AFUDC – equity income and a \$6 million favorable change in the value of certain compensation plan rabbi trust assets, which was generally offset in compensation expense, partially offset by \$1 million in higher reconcilable employee retirement benefit expense, which is generally recoverable through operating revenues, and a \$1 million gain on the sale of non-utility property recorded in 2024.

**Interest expense and related charges** increased \$31 million to \$201 million during the three months ended September 30, 2025. The increase was primarily due to higher average borrowings attributable to ongoing investments in property, plant and equipment, and higher average interest rates on the borrowings. We anticipate interest expense and related charges to continue to increase, particularly due to increased borrowing needs in light of our capital expenditure plans and higher average interest rates on the borrowings. See "—Financial Condition—Liquidity and Capital Resources—Available Liquidity and Liquidity Needs, Including Capital Expenditures—Capital Expenditures" for more information on our five-year capital plan.

**Net income** increased \$56 million to \$380 million during the three months ended September 30, 2025. The increase was driven by:

- overall higher revenues primarily attributable to:
  - updated interim rates to reflect increases in invested capital,
  - an increase in other regulated revenues recognized related to the SRP and the UTM, and
  - customer growth,**partially offset by**
  - lower customer consumption, primarily attributable to milder weather,**partially offset by**
- higher interest expense and depreciation expense associated with increases in invested capital, and
- higher operation and maintenance expense.

**Financial Results — Nine Months Ended September 30, 2025 Compared to Nine Months Ended September 30, 2024**

**Total operating revenues** increased \$437 million, or 9%, to \$5.047 billion during the nine months ended September 30, 2025.

**Revenues contributing to earnings** increased \$398 million to \$3.908 billion during the nine months ended September 30, 2025. The net increase reflected the following components:

- *An Increase in Distribution Base Revenues* — Distribution base revenues increased \$189 million to \$2.408 billion during the nine months ended September 30, 2025. The increase in distribution base revenues primarily reflects:
  - \$156 million increase due to updated interim DCRF rates implemented to reflect increases in invested capital, and
  - \$34 million increase due to customer growth.
- *An Increase in Transmission Base Revenues* — TCOS revenues increased \$44 million to \$1.262 billion during the nine months ended September 30, 2025. The increase in TCOS revenues primarily reflects:
  - \$57 million increase due to updated interim TCOS rates implemented to reflect increases in invested capital, **partially offset by**
  - \$13 million decrease due to lower ERCOT transmission billing units for 2025 versus 2024. Transmission billing units are updated annually to reflect certain changes in average ERCOT-wide peak electricity demand during applicable periods.
- *A Decrease in Other Miscellaneous Revenues* — Other miscellaneous revenues decreased \$1 million to \$72 million during the nine months ended September 30, 2025. The decrease in other miscellaneous revenues was primarily due to lower mutual assistance related services, partially offset by higher revenues from discretionary service.
- *An Increase in Other Regulated Revenues* — Other regulated revenues totaled \$166 million during the nine months ended September 30, 2025, which primarily reflect:
  - \$111 million in revenues recognized related to the SRP, and
  - \$55 million in revenues recognized pursuant to the UTM, associated with recoverable costs incurred in the nine months ended September 30, 2025, related to transmission and distribution capital investments placed into service after December 31, 2024.

**Revenues collected for pass-through expenses** increased \$39 million to \$1.139 billion during the nine months ended September 30, 2025. The net increase reflected the following components:

- *An Increase in TCRF Third-Party* — TCRF Third-Party revenues increased \$41 million to \$1.094 billion during the nine months ended September 30, 2025 due to higher third-party wholesale transmission service provider billings.
- *A Decrease in EECRF and Other Revenues* — EECRF and other revenues decreased \$2 million to \$45 million during the nine months ended September 30, 2025. The EECRF and other revenues were generally offset in operation and maintenance expense.

**Wholesale transmission service expense** increased \$41 million to \$1.094 billion during the nine months ended September 30, 2025 due to higher fees paid to third-party transmission entities.

**Operation and maintenance expense** increased \$191 million to \$1.123 billion during the nine months ended September 30, 2025. The increase was primarily due to \$79 million in higher vegetation management expenses, \$79 million in higher labor and contractor related costs, \$17 million in higher insurance premium expenses, a \$10 million sales tax refund recorded in the first quarter of 2024, and \$2 million in higher costs related to materials and supplies.

The overall \$191 million increase in operation and maintenance expense includes \$108 million in incremental SRP operation expenses during the nine months ended September 30, 2025.

**Depreciation and amortization** increased \$90 million to \$877 million during the nine months ended September 30, 2025. The increase was attributable to ongoing investments in property, plant and equipment.

**Provision in lieu of income taxes** netted to \$173 million (including a \$1 million benefit related to non-operating income) during the nine months ended September 30, 2025 compared to \$171 million (including an \$1 million benefit related to non-operating income) during the nine months ended September 30, 2024.

The effective income tax rate was 17.4% and 17.6% for the nine months ended September 30, 2025 and 2024, respectively. The effective tax rate on pretax income differs from the U.S. federal statutory rate of 21% primarily due to the amortization of the regulatory liability for excess deferred taxes as a result of the U.S. Tax Cuts and Jobs Act of 2017, partially offset by the effects of the Texas margin tax.

**Taxes other than amounts related to income taxes** increased \$12 million to \$443 million during the nine months ended September 30, 2025. The increase was primarily due to \$11 million in higher property tax and a \$3 million increase in local franchise taxes payable by us to municipalities, partially offset by a \$2 million decrease in payroll taxes.

**Other (income) and deductions - net** was \$16 million favorable for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024. The variance was primarily due to \$24 million in higher AFUDC – equity income, partially offset by \$3 million in higher professional fees and a \$2 million unfavorable change in the value of certain compensation plan rabbi trust assets, which is generally offset in compensation expense, \$1 million in higher reconcilable employee retirement benefit expense, which is generally recoverable through operating revenues, and a \$1 million gain on the sale of non-utility property recorded in 2024.

**Interest expense and related charges** increased \$97 million to \$578 million during the nine months ended September 30, 2025. The increase was primarily due to higher average borrowings attributable to ongoing investments in property, plant and equipment and higher average interest rates on the borrowings.

**Net income** increased \$20 million to \$820 million during the nine months ended September 30, 2025. The increase was driven by:

- overall higher revenues primarily attributable to:
  - updated interim rates to reflect increases in invested capital,
  - an increase in other regulated revenues recognized related to the SRP and the establishment of the UTM, and
  - customer growth,

**partially offset by**

  - decreases in ERCOT transmission billing units,

**partially offset by**
- higher operation and maintenance expense, and
- higher interest expense and depreciation expense associated with increases in invested capital.

## OTHER COMPREHENSIVE INCOME (LOSS)

### *Cash Flow Hedges*

In the first quarter of 2025, we entered into interest rate swap transactions hedging the variability of benchmark bond rates used to determine the interest rates on 10-year and 30-year senior secured notes. The hedges were terminated in March 2025 upon the issuance of our 5.35% Senior Secured Notes due 2035 (the 2035 Notes) and 5.80% Senior Secured Notes due 2055 (the 2055 Notes) and a \$15 million (\$12 million net of tax) net fair value loss was realized and recorded in other comprehensive (loss) income. The AOCI will be reclassified into net income as an increase in interest expense over the life of the 2035 Notes and 2055 Notes respectively.

Beginning in April 2025, we entered into multiple interest rate swap transactions hedging the variability of benchmark bond rates in anticipation of future debt financings. All of those interest rate swaps were outstanding at September 30, 2025. In the three months ended September 30, 2025, we recorded a \$15 million (\$13 million net of tax) net unrealized fair value loss on the interest rate swaps in other comprehensive (loss) income. In the nine months ended September 30, 2025, we recorded a \$25 million (\$21 million net of tax) net unrealized fair value loss on the interest rate swaps in other comprehensive (loss) income.

We previously entered into multiple interest rate swap transactions in advance of certain senior secured notes issuances to hedge the variability of benchmark bond rates before March 31, 2025. All of these hedges had been terminated as of September 30, 2025, with losses reported in other comprehensive income or loss. There was approximately \$6 million of the amounts expected to be recorded in AOCI at September 30, 2025 related to the interest rate swaps to be reclassified into net income as an increase to interest expense within the next 12 months.

### *Fair Value Hedges*

In May 2024 and June 2025, we entered into multiple designated cross-currency swaps that effectively converted our euro-denominated fixed rate payment obligations under our Euro Notes with respect to principal and interest payments to U.S. dollar-denominated fixed rate payment obligations.

In September 2025, we entered into multiple designated cross-currency swaps that effectively converted our Canadian dollar-denominated fixed rate payment obligations under our CAD Notes with respect to principal and interest payments to U.S. dollar-denominated fixed rate payment obligations.

In the three and nine months ended September 30, 2025, we recorded a \$15 million net fair value loss of the cross-currency swaps and a \$37 million net fair value gain of the cross-currency swaps, respectively. The amount attributable to excluded components in the three-month period was a \$7 million (\$5 million net of tax) loss and was recorded in other comprehensive (loss) income in the three months ended September 30, 2025. The amount attributable to excluded components in the nine-month period was a \$46 million (\$37 million net of tax) loss and was recorded in other comprehensive (loss) income in the nine months ended September 30, 2025.

**FINANCIAL CONDITION****LIQUIDITY AND CAPITAL RESOURCES****Cash Flows — Nine Months Ended September 30, 2025 Compared to Nine Months Ended September 30, 2024**

*Operating Activities* — The following items contributed to changes in sources (uses) of cash related to operating activities:

	<b>Nine Months Ended September 30,</b>	
	<b>2025 compared to 2024</b>	
Change in self-insurance reserve, primarily storm related	\$	172
Change in regulatory under/over recoveries – net		85
Higher interest accruals		48
Change in net income, adjusted for noncash items included in earnings		(8)
Change in working capital accounts		(75)
Higher contributions to pension plans and OPEB Plans		(102)
Other		52
	<b>\$</b>	<b>172</b>

Depreciation and amortization expense reported in operating activities in the condensed statements of consolidated cash flows was \$125 million and \$127 million more than the amounts reported in the condensed statements of consolidated income for the nine months ended September 30, 2025 and 2024, respectively. The differences are primarily due to certain regulatory asset amortization being reported as operation and maintenance expense in the Condensed Statements of Consolidated Income in accordance with GAAP.

*Financing Activities* — The following items contributed to changes in sources (uses) of cash related to financing activities:

	<b>Nine Months Ended September 30,</b>	
	<b>2025 compared to 2024</b>	
Higher capital contributions from members	\$	1,137
Higher net borrowings, excluding payment for senior secured notes extinguishment		774
Higher distributions to members		(197)
Payment for senior secured notes extinguishment		(441)
	<b>\$</b>	<b>1,273</b>

*Investing Activities* — The following items contributed to changes in sources (uses) of cash related to investing activities:

	<b>Nine Months Ended September 30,</b>	
	<b>2025 compared to 2024</b>	
Higher capital expenditures	\$	(1,233)
Sales tax audit settlement refund in 2024, classified as investing activity		(56)
Other		7
	<b>\$</b>	<b>(1,282)</b>

## Long-Term Debt-Related Activities 2025

At September 30, 2025, our long-term debt totaled an aggregate principal amount of \$18.142 billion, an increase of \$2.749 billion over the \$15.393 billion aggregate principal amount of long-term debt outstanding at December 31, 2024. Long-term debt outstanding at September 30, 2025 consisted of U.S. dollar-denominated, euro-denominated and Canadian dollar-denominated fixed rate senior secured notes and variable rate unsecured debt borrowed under the \$500M Credit Facility. See Note 5 to Financial Statements for more information on our long-term debt. For more information on our regulatory capital structure and limitations on our ability to incur additional long-term debt, see "—Capitalization and Return on Equity" and "—Material Debt Credit Rating, Financial, and Cross-Default Covenants" below.

*Senior Secured Notes Issuances* — The following table summarizes our issuances of senior secured notes during the nine months ended September 30, 2025:

Senior Secured Notes Issued	Issuance Dates	Principal Amounts Issued
4.65% Senior Notes due November 1, 2029	January 14, 2025	\$ 100
5.15% Senior Notes, Series H, due May 1, 2029	January 30, 2025	250
5.59% Senior Notes, Series I, due May 1, 2034	February 27, 2025	150
4.50% Senior Notes due March 20, 2027	March 20, 2025	500
5.35% Senior Notes due April 1, 2035	March 20, 2025	650
5.80% Senior Notes due April 1, 2055	March 20, 2025	650
3.625% Senior Notes due June 15, 2034 (a)	June 16, 2025	805
4.20% Senior Notes due October 1, 2035 (b)	September 26, 2025	361
Total senior secured notes issued during the nine months ended September 30, 2025		<u>\$ 3,466</u>

- (a) In June 2025, we issued the 2034 Euro Notes. Our euro-denominated fixed rate payment obligations under the 2034 Euro Notes were effectively converted to U.S. dollar-denominated fixed rate payment obligations at issuance through concurrently-executed cross-currency swaps, which are intended to mitigate foreign currency exchange risk associated with the interest and principal payments on the 2034 Euro Notes that are due in euros. In consideration of the effect of cross-currency swaps, the U.S. dollar principal amount due on the 2034 Euro Notes at maturity will be \$805 million, and the all-in U.S. dollar fixed rate coupon on the 2034 Euro Notes is 5.4405%.
- (b) On September 26, 2025, we issued the CAD Notes. Our Canadian dollar-denominated fixed rate payment obligations under the CAD Notes were effectively converted to U.S. dollar-denominated fixed rate payment obligations at issuance through concurrently-executed cross-currency swaps, which are intended to mitigate foreign currency exchange rate risk associated with the interest and principal payments on the CAD Notes that are due in Canadian dollars. In consideration of the effect of cross-currency swaps, the U.S. dollar principal amount due on the CAD Notes at maturity will be \$361 million, and the all-in U.S. dollar fixed rate coupon on the CAD Notes is 5.022%.

Our fixed rate senior secured notes are secured equally and ratably by a first priority lien on all property acquired or constructed by Oncor for use in our electricity transmission and distribution business, subject to certain exceptions. The property is mortgaged under the Deed of Trust. The Deed of Trust permits us to secure indebtedness with the lien of the Deed of Trust up to the aggregate of (i) the amount of available bond credits, and (ii) 85% of the lower of the fair value or cost of certain property additions that could be certified to the Deed of Trust collateral agent. At September 30, 2025, the amount of available bond credits was \$3.329 billion and the amount of future debt we could secure with property additions, subject to those property additions being certified to the Deed of Trust collateral agent, was \$6.287 billion. See Note 5 to Financial Statements for a listing of all of our fixed rate senior secured notes secured by the Deed of Trust.

*Senior Secured Notes Repayment* — On March 14, 2025, we repaid the entire \$350 million aggregate principal amount of the 2.95% Senior Secured Notes due 2025 (2.95% 2025 Notes) that were redeemed in full. The 2.95% 2025 Notes had a maturity date of April 1, 2025. With the redemption of the 2.95% 2025 Notes, none of the 2.95% 2025 Notes remain outstanding.

*Senior Secured Notes Extinguishment* — On March 19, 2025, we extinguished all of the 0.55% Senior Secured Notes due 2025 (0.55% 2025 Notes), of which \$450 million aggregate principal amount was outstanding. The 0.55% 2025 Notes matured on October 1, 2025. Pursuant to the terms of the indenture and officer's certificate governing the 0.55% 2025 Notes, we irrevocably deposited with the trustee cash and U.S. Treasury Notes in an

amount sufficient for defeasance of the 0.55% 2025 Notes, whereby our indebtedness in respect of the 0.55% 2025 Notes was satisfied and discharged. We recognized a \$9 million unamortized gain on extinguishment as a regulatory liability due to the pricing of the U.S. Treasury Notes deposited with the trustee.

*AR Facility* — In 2023, Oncor and Receivables LLC established the AR Facility, a revolving accounts receivable securitization facility secured by accounts receivable from REPs and related rights. Oncor has access to the AR Facility, under which Receivables LLC may borrow at any one time an amount equal to the borrowing base. The borrowing base is defined under the receivables financing agreement as an amount equal to the lesser of (i) the facility limit of \$500 million and (ii) the amount calculated based on the outstanding balance of eligible REP receivables held as collateral at a particular time, subject to certain reserves, concentration limits, and other limitations. On May 5, 2025, the scheduled termination date of the AR Facility was extended by one year from April 28, 2027 to April 28, 2028.

At September 30, 2025, the borrowing base for the AR Facility was \$500 million, and there were no borrowings outstanding under the AR Facility.

The following table summarizes the activity under the AR Facility in the nine months ended September 30, 2025:

	<b>Borrowing (Repayment) Amounts</b>	
Balance at December 31, 2024	\$	-
Borrowing on January 30, 2025		300
Repayment on March 20, 2025		(300)
Borrowing on May 29, 2025		210
Repayment on June 17, 2025		(210)
Balance at September 30, 2025	\$	-

*\$500M Credit Facility* — In 2024, we entered into an unsecured revolving \$500M Credit Facility. The \$500M Credit Facility has a borrowing capacity of \$500 million and a maturity date of February 21, 2027. The \$500M Credit Facility gives us the option to request an increase in our borrowing capacity of up to \$500 million in \$100 million minimum increments, subject to certain conditions, including lender approvals. The \$500M Credit Facility also provides us with the option to request that each lender extend the term of its commitment for up to two additional one-year periods, subject to certain conditions, including lender approvals. See Note 5 to Financial Statements for more information on the \$500M Credit Facility.

There were \$480 million in aggregate borrowings outstanding under the \$500M Credit Facility at September 30, 2025 and December 31, 2024. The remaining borrowing capacity was \$20 million at September 30, 2025.

*\$1B Credit Facility* — On February 20, 2025, we entered into an unsecured revolving \$1B Credit Facility. The \$1B Credit Facility has a borrowing capacity of \$1.0 billion and a maturity date of February 20, 2028. The \$1B Credit Facility gives us the option to request an increase in our borrowing capacity of up to \$350 million in \$100 million minimum increments, subject to certain conditions, including lender approvals. The \$1B Credit Facility also provides us with the option to request that each lender extend the term of its commitment for up to two additional one-year periods, subject to certain conditions, including lender approvals. See Note 5 to Financial Statements for more information on the \$1B Credit Facility.

At September 30, 2025, there were no borrowings under the \$1B Credit Facility.

### **Short-Term Debt-Related Activities**

**\$2B Credit Facility**—On February 20, 2025, we entered into an amended and restated unsecured revolving \$2B Credit Facility. As amended and restated, our \$2B Credit Facility has a borrowing capacity of \$2.0 billion and a maturity date of February 20, 2030. The \$2B Credit Facility gives us the option to request an increase in our borrowing capacity of up to \$650 million in \$100 million minimum increments, subject to certain conditions, including lender approvals. The \$2B Credit Facility also provides us with the option to request that each lender extend the term of its commitment for up to two additional one-year periods, subject to certain conditions, including lender approvals. See Note 4 to Financial Statements for additional information regarding the \$2B Credit Facility.

**CP Program**—We have established a CP Program, under which we may issue unsecured CP Notes on a private placement basis with maturity dates not exceeding 397 days from the date of issuance. To the extent any CP Notes are issued with maturity dates of over one year, we anticipate those would be classified as long-term debt and obtain liquidity support under the \$1B Credit Facility. We anticipate that any CP Notes issued under the CP Program with a maturity date equal to or less than one year would be classified as short-term debt and obtain liquidity support under the \$2B Credit Facility. Total CP Notes outstanding at any time may not exceed a maximum amount of \$3.0 billion.

As of September 30, 2025, we had no CP Notes outstanding, and as of December 31, 2024, we had \$594 million of CP Notes outstanding. The weighted average interest rate for CP Notes was 4.76% at December 31, 2024.

See Note 4 to Financial Statements for additional information regarding the short-term CP Program.

### **Available Liquidity and Liquidity Needs, Including Capital Expenditures**

**Capital Expenditures**—Our board of directors has approved a capital expenditures budget of approximately \$7.1 billion for 2025. We have also announced a 2025 to 2029 five-year base capital expenditure plan of approximately \$36.1 billion. We expect to announce a new five-year base capital plan for the years 2026 through 2030 in the first half of 2026, subject to completion of our base rate review, and currently anticipate that new base capital plan will be at least 30% higher than the 2025 to 2029 \$36.1 billion base capital plan. We also expect significant potential capital expenditure opportunities incremental to the 2026 to 2030 base capital plan.

We are monitoring the impact of global tariffs on our supply chain and capital expenditure plan, and while we do not currently anticipate a material impact on us from the tariffs that have been announced to date, tariff and trade regulations continue to evolve and we cannot predict the ultimate impact such regulations will have on our supply chain, capital expenditures plan, financial condition, results of operations, liquidity, and cash flows. See our 2024 Form 10-K "Item 1A. Risk Factors—Risks Related to Our Business and Operations—*Our capital deployment plan may not be executed as planned, which could adversely impact our reputation, reliability, financial condition and results of operations*" for more information on risks related to execution of our capital plan and Item "1A. Risk Factors—Risks Related to Our Business and Operations—*We are dependent upon a limited number of suppliers and service providers for certain of our operations. Disruptions in our supply chain or the availability of our suppliers to perform on expected or acceptable terms, including as a result of competition for materials, the contractor labor market and inflation, could negatively impact us*" for more information on risks related to our supply chain.

**Pension Plans and OPEB Plans Funding**—Based on funding considerations in the latest actuarial projections, including applicable minimum funding requirements, our future funding for the pension plans and the OPEB Plans is expected to total \$22 million and \$6 million, respectively, during the remainder of 2025 and approximately \$591 million and \$140 million, respectively, in the five-year period from 2025 to 2029. Future funding estimates for our pension plans and OPEB Plans are dependent on a variety of variables and assumptions, including investment returns on plan assets, market interest rates, and levels of discretionary contributions over minimum funding requirements, which we continue to monitor. Financial market volatility and its effects on the returns on our plan assets and liability valuations could significantly change our anticipated future funding amounts. We may also elect to make additional discretionary contributions based on market and/or business conditions. During the nine months ended September 30, 2025, we made cash contributions to the pension plans and OPEB Plans of \$172 million and \$18 million, respectively. See Note 8 to Financial Statements for additional information regarding pension plans and OPEB Plans.

*Additional Liquidity Needs* — In addition to the items discussed above, other material contractual obligations and commitments arising in the normal course of business primarily consist of purchase obligations under outsourcing agreements and operating lease obligations. See Note 6 to Financial Statements for information regarding leases. In addition, we regularly evaluate opportunities to make selective strategic acquisitions involving regulated assets, which could potentially impact our liquidity and capital expenditures. See "Item 1A. Risk Factors—Risks Related to Our Business and Operations—We regularly evaluate opportunities to make selective strategic acquisitions involving regulated assets. Acquisitions involve various risks, and we may not be able to realize the anticipated benefits of any such acquisitions." in our 2024 Form 10-K.

*Available Liquidity* — Our primary sources of liquidity, aside from operating cash flows, at September 30, 2025 and December 31, 2024 are summarized in the following table:

	At September 30, 2025	At December 31, 2024	Increase (Decrease)
Cash and cash equivalents	\$ 198	\$ 36	\$ 162
Available unused borrowing capacity under the \$2B Credit Facility and CP program	2,000	1,406	594
Available unused borrowing capacity under the \$1B Credit Facility and CP program	1,000	-	1,000
Available unused borrowing capacity under AR Facility	500	500	-
Available unused borrowing capacity under the \$500M Credit Facility	20	20	-
Total available liquidity	<u>\$ 3,718</u>	<u>\$ 1,962</u>	<u>\$ 1,756</u>

We currently anticipate issuing \$4.0 billion to \$5.0 billion in new long-term senior secured notes in 2025, which would include the approximately \$3.5 billion of new senior secured notes issued through September 30, 2025, as well as an additional \$4.0 billion to \$5.0 billion in new long-term senior secured notes in 2026 to support our capital investment plan and repay maturing debt. We expect cash flows from operations combined with long-term debt issuances and credit agreements as well as availability under the Credit Facilities, the AR Facility and the CP Program to be sufficient to fund current obligations, projected working capital requirements, maturities of long-term debt, capital expenditures, minimum funding requirements for pension plans and OPEB Plans, operating lease obligations and purchase obligations under outsourcing agreements for at least the next 12 months. We also anticipate, consistent with past practice, continuing to request member contributions and preserving equity through reductions or suspension of distributions to members. In addition, we may also consider repurchases, exchange offers, additional financing facilities, and additional accounts receivable financing arrangements, and other transactions in order to refinance or manage our debt and manage our liquidity and capital requirements.

Over both the short term and the long term, we expect to rely on access to financial markets as a significant source of funding not satisfied by cash-on-hand, operating cash flows, or the Credit Facilities, CP Program and AR Facility. The inability to raise capital on favorable terms or failure of counterparties to perform under credit or other financial agreements, particularly during any uncertainty in the financial markets, could impact our ability to sustain and grow the business and would likely increase capital costs that may not be fully recoverable through rates. See "Item 1A. Risk Factors—Risks Related to Financial and Market Matters—Market volatility may impact our business and financial condition in ways that we currently cannot predict." in our 2024 Form 10-K.

#### **Capitalization and Return on Equity**

The PUCT has the authority to determine what types of debt and equity are included in a utility's debt-to-equity ratio. For purposes of this ratio, debt is calculated as long-term debt including any finance leases plus unamortized gains on reacquired debt less net unamortized issuance expenses, discount, premiums and losses on reacquired debt. Equity is calculated as membership interests determined in accordance with GAAP, excluding accumulated other comprehensive loss and the effects of acquisition accounting from a 2007 transaction.

We have committed to the PUCT to maintain a regulatory capital structure at or below the debt-to-equity ratio established periodically by the PUCT for ratemaking purposes. Our authorized return on equity is 9.7%, which went into effect on May 1, 2023 in connection with the effective date of our base rates implementing the terms of the PUCT's final order in PUCT Docket No. 53601. Our ability to incur additional long-term debt is limited by our authorized regulatory capital structure, as we are able to issue future long-term debt only to the extent that the issuance of such debt would not cause us to exceed the authorized regulatory debt-to-equity ratio.

The following table summarizes the capitalization structure ratios under regulatory mandates and GAAP, at September 30, 2025 and December 31, 2024:

	At September 30, 2025		At December 31, 2024	
	Debt	Equity	Debt	Equity
Authorized regulatory capital structure	57.5%	42.5%	57.5%	42.5%
Actual regulatory capitalization	56.0%	44.0%	56.1%	43.9%
GAAP capitalization	50.4%	49.6%	49.4%	50.6%

#### Member Contributions and Distributions

*Contributions* — We received cash capital contributions from our members of \$647 million on October 29, 2025. In the nine months ended September 30, 2025, we received the following cash capital contributions from our members:

Receipt Dates	Amounts
February 14, 2025	\$ 605
May 2, 2025	\$ 605
July 30, 2025	\$ 647

*Distributions* — The Sempra Order and our LLC Agreement set forth various restrictions on distributions to our members. Among those restrictions is the commitment that we will make no distributions (other than contractual tax payments) to our members that would cause us to exceed our debt-to-equity ratio authorized by the PUCT. The distribution restrictions also include the ability of a majority of our Disinterested Directors, or either of the two member directors designated by Texas Transmission, to limit distributions to the extent each determines it is necessary to meet expected future requirements of Oncor (including continuing compliance with the PUCT debt-to-equity ratio commitment). At September 30, 2025, we had \$837 million available to distribute to our members without exceeding our authorized regulatory debt-to-equity ratio.

On October 28, 2025, our board of directors declared a cash distribution of \$219 million, which was paid to our members on October 28, 2025. In the nine months ended September 30, 2025, our board of directors declared, and we paid, the following cash distributions to our members:

Declaration Dates	Payment Dates	Amounts
February 13, 2025	February 13, 2025	\$ 177
April 30, 2025	May 1, 2025	\$ 177
July 29, 2025	July 29, 2025	\$ 219

#### Credit Rating Provisions and Material Debt Covenants

*Impact on Liquidity of Credit Ratings* — The rating agencies assign credit ratings to certain of our debt securities. Our access to capital markets and cost of debt could be directly affected by our credit ratings or ratings outlook. Any adverse action with respect to our credit ratings or ratings outlook could generally cause borrowing costs to increase, result in the imposition of financial or other burdensome covenants in the case of certain financing

arrangements, and cause the potential pool of investors and funding sources to decrease. In particular, a decline in credit ratings would increase the cost of the Credit Facilities (as discussed below). In the event any adverse action with respect to our credit ratings or ratings outlook takes place and causes borrowing costs to increase, we may not be able to recover such increased costs if they exceed our PUCT-approved cost of debt determined in our most recent comprehensive base rate review or subsequent comprehensive base rate reviews.

Most of our large suppliers and counterparties require an expected level of creditworthiness in order for them to enter into transactions with us. If there is an adverse action with respect to our credit ratings or ratings outlook, the costs to operate our business could increase because counterparties could require the posting of collateral in the form of cash-related instruments, or counterparties could decline to do business with us.

Presented below are the credit ratings and ratings outlook assigned for our debt securities at November 5, 2025.

Credit Rating Agency	Senior Secured	Commercial Paper	Rating Outlook
S&P	A	A-2	Stable
Moody's	A2	Prime-2	Negative
Fitch	A	F2	Negative

A rating reflects only the view of a rating agency, and is not a recommendation to buy, sell or hold securities. Ratings can be revised upward or downward at any time by a rating agency, if such rating agency decides that circumstances warrant such a change. See "Item 1A. Risk Factors—Risks Related to Financial and Market Matters—Adverse actions with respect to our credit ratings or ratings outlook could negatively affect our cost of debt and our ability to access capital." in our 2024 Form 10-K.

*Material Debt Credit Rating, Financial and Cross-Default Covenants* — Each of the Credit Facilities contains terms pursuant to which the interest rates and commitment fees charged, respectively, under the applicable credit agreement may be adjusted depending on our credit ratings. A decline in our credit ratings would increase the cost of borrowings and the commitment fees on undrawn amounts under the Credit Facilities and likely increase the cost of our CP Program and any future debt issuances and additional credit facilities. The CP Program requires prompt notice to the dealers of any notice of intended or potential downgrade of our credit ratings. See Note 4 to Financial Statements for additional information regarding each of the Credit Facilities and the CP Program.

The Credit Facilities, AR Facility, and note purchase agreements each contain a financial covenant that requires maintenance of a consolidated senior debt-to-capitalization ratio of no greater than 0.65 to 1.00. For purposes of this ratio, senior debt is calculated as indebtedness defined in the applicable agreement (principally, the sum of long-term debt, any capital leases (referred to as finance leases under current accounting literature), short-term debt and debt due currently in accordance with GAAP). Capitalization under the Credit Facilities, the AR Facility, each of the note purchase agreements dated March 29, 2023, March 27, 2024, and January 30, 2025 is calculated as membership interests determined in accordance with GAAP plus debt described above. Capitalization under our note purchase agreement dated May 6, 2019 (May 2019 NPA) is calculated as membership interests plus liabilities for indebtedness maturing more than 12 months from the date of determination, with capitalization determined in accordance with GAAP and practices applicable to our type of business. The ratio under the May 2019 NPA is calculated as total debt (all debt of Oncor and its subsidiaries on a consolidated basis) divided by the sum of total debt plus capitalization. At September 30, 2025, we were in compliance with this covenant and all other covenants under the Credit Facilities, the AR Facility, and the note purchase agreements.

Certain of our financing arrangements contain provisions that may result in an event of default if there is a failure under other financing arrangements to meet payment terms or to observe other covenants that could result in an acceleration of payments due. Such provisions are referred to as "cross default" provisions.

Under the \$500M Credit Facility and the May 2019 NPA, a default by us or any subsidiary in respect of indebtedness in a principal amount in excess of \$100 million or any judgments for the payment of money in excess of \$100 million that are not discharged or stayed within 60 days may cause the maturity of outstanding balances

under the \$500M Credit Facility to be accelerated or the notes under the May 2019 NPA to be declared due and payable.

Under the \$1B Credit Facility, the \$2B Credit Facility and the AR Facility, a default by us or certain of our subsidiaries that results in acceleration of the maturity of such indebtedness in respect of indebtedness in a principal amount in excess \$150 million or any judgments for the payment of money in excess of \$150 million that are not discharged or stayed within 60 days may cause the maturity of outstanding balances under those facilities to be accelerated.

Under the Deed of Trust, an event of default under our indentures or, after all applicable notices have been given and all applicable grace periods have expired, under the note purchase agreements would permit the holders of our secured debt under the indentures or the note purchase agreements to exercise their remedies under the Deed of Trust.

#### **Guarantees**

At September 30, 2025, we did not have any material guarantees.

#### **COMMITMENTS AND CONTINGENCIES**

See Note 6 to Financial Statements for discussion of commitments and contingencies.

#### **CRITICAL ACCOUNTING ESTIMATES**

We prepare our Financial Statements in accordance with GAAP governing rate-regulated operations. Application of these accounting policies in the preparation of our Financial Statements requires management to make estimates and assumptions about future events that affect the reporting of assets and liabilities at the balance sheet dates and revenues and expenses during the periods covered. We believe that there have been no significant changes in our critical accounting estimates during the nine months ended September 30, 2025, as compared to the critical policies and estimates disclosed in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2024 Form 10-K.

#### **CHANGES IN ACCOUNTING STANDARDS**

See Note 1 to Financial Statements for discussion of changes in accounting standards.

#### **REGULATION AND RATES**

##### ***Regulatory Matters***

*2025 Comprehensive Base Rate Review (PUCT Docket No. 58306)* — On June 26, 2025, we filed a request for a comprehensive base rate review with the PUCT and the 210 cities in our service territory that have retained original jurisdiction over rates. The base rate review test year is based on calendar year 2024 results with certain adjustments. The base rate review includes a request for an average increase over test year adjusted annualized revenue of approximately 13%, and, if approved as requested, would result in an aggregate annualized revenue increase of approximately \$834 million over current adjusted rates. The base rate review also requests a revised regulatory capital structure ratio of 55% debt to 45% equity, an authorized return on equity of 10.55%, and a 4.94% authorized cost of debt. Our current authorized regulatory capital structure ratio is 57.5% debt to 42.5% equity, our current authorized return on equity is 9.7%, and our current authorized cost of debt is 4.39%. A hearing on the merits is scheduled for November 17, 2025 through November 21, 2025. We expect a decision from the PUCT before the end of the first half of 2026. However, we cannot predict whether or to what extent our requests in the rate review will be approved or the proceeding's ultimate effect on our results of operations, financial condition, or cash flows.

PUCT rules permit the filing of a request for interim rates while a rate proceeding is pending. On September 9, 2025, the administrative law judge assigned to the proceeding approved a settlement agreement among the parties relating to interim rates. That order provides that if the proceeding is still pending as of January 1, 2026, and not otherwise subject to a PUCT-approved settlement of the proceeding, our existing rates will become interim rates, subject to refund or surcharge back to January 1, 2026 based upon the final rates approved by the PUCT in the proceeding.

*UTM*— See Note 2 to Financial Statements and "—State Legislation" for more information on the UTM.

*SRP (PUCT Docket No. 56545)* — See Note 2 to Financial Statements for more information on the SRP.

*Appeal of 2023 Comprehensive Base Rate Review Order (PUCT Docket No. 53601)* — In April 2023, the PUCT issued a final order in our comprehensive base rate review filed in May 2022 with the PUCT and the cities in our service territory that have retained original jurisdiction over rates. Base rates implementing the final order went into effect in May 2023. In June 2023, the PUCT issued an order on rehearing in response to the motions for rehearing filed by us and certain intervening parties in the proceeding. The order on rehearing affirmed the material provisions of the final order. In September 2023, we filed an appeal in Travis County District Court. The appeal sought judicial review of certain of the order on rehearing's rate base disallowances (the acquisition premium and its associated amortization costs relating to certain plant facilities acquired by Oncor in 2019 as well as certain of the employee benefit and compensation related costs that we had previously capitalized) and related expense effects of those disallowances. In February 2024, the court dismissed the appeal for lack of jurisdiction. In March 2024, we appealed the court's dismissal to the Fifteenth Court of Appeals in Texas. On August 14, 2025, the Court issued its opinion in favor of the PUCT, denying our argument on appeal. We have elected not to pursue a further appeal.

### ***State Legislation***

The Texas Legislature operates under a biennial system and meets in regular session in every odd-numbered year. The Texas Legislature convened its 89th Legislature regular session in January 2025, which concluded on June 2, 2025. At any time, the Governor of Texas may convene a special session of the Texas Legislature. To date in 2025, two special sessions have been convened, with the second special session concluding on September 4, 2025. During any regular or special session, the Texas Legislature may hold hearings relevant to our business and bills may be introduced that, if adopted, could materially and adversely affect our business and our business prospects.

In 2025, the Texas Legislature passed HB 5247, which was signed by the Governor and took effect on June 20, 2025. The bill establishes the UTM, which allows qualifying electric utilities to (i) apply for interim rate adjustments once annually through 2035 for cost recovery of certain transmission and distribution capital expenditures, as an alternative to semi-annual (or less frequent) DCRF and TCOS capital tracker filings, and (ii) defer to a regulatory asset costs associated with UTM eligible capital investments as they are placed into service.

Qualifying electric utilities consist of utilities that (i) operate solely inside the ERCOT market, (ii) have been identified by the PUCT as having responsibility for constructing transmission infrastructure as part of ERCOT's Permian Basin Reliability Plan, and (iii) make annual capital expenditures in transmission and distribution that exceed 300% of annual depreciation. As an entity that operates solely within the ERCOT market, has been identified as having responsibility for constructing portions of the Permian Basin Reliability Plan, and anticipates making annual transmission and distribution capital expenditures that exceed 300% of annual depreciation, we expect to utilize the UTM instead of DCRF and TCOS capital tracker filings. We currently plan to make our first UTM filing in the first half of 2026 for recovery of costs associated with eligible investments placed into service after December 31, 2024. In the meantime, we have begun, and expect to continue, recording regulatory assets for costs associated with those capital investments as they are placed into service and recognizing corresponding revenues. See Notes 2 and 3 to Financial Statements for more information on the regulatory assets and recognition of revenues.

HB 5247 provides that the PUCT must review a UTM filing within 120 days, and if a final order is not issued by the PUCT within 165 days after the UTM is filed, we can place the requested rates into effect on a temporary basis and refund or credit against future customer bills any difference between such temporary rates and the final approved rates. UTM applications will be subject to a regulatory proceeding and PUCT approval, and we can make no assurance that they will result in full cost recovery or be timely approved. Investments included in the UTM are also subject to prudence review by the PUCT, with a potential for the PUCT to also order refunds of previously collected amounts if a particular investment is found to be imprudent or inappropriately included.

In addition, the Texas Legislature also passed legislation addressing wildfire risk mitigation, distribution pole inspection standards, and infrastructure planning related to large load interconnections to the electric grid.

### ***Federal Legislation***

On July 4, 2025, the U.S. enacted the One Big Beautiful Bill Act of 2025 which includes, among other provisions, changes to the federal income tax system, including the allowance of immediate expensing of qualifying research and development expenses. We are evaluating the future impact of the One Big Beautiful Bill Act on our financial statements.

### ***Summary***

We cannot predict future regulatory or legislative actions or any changes in economic and financial market conditions. Such actions or changes could significantly alter our financial position, results of operations, or cash flows.

## **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Market risk is the risk that we may experience a loss in value as a result of changes in market conditions such as interest rates and foreign currency exchange rates that occur in the ordinary course of business.

### ***Interest Rate Risk***

We use interest rate swaps, designated as cash flow hedges, in part, to hedge our interest payments related to our expected future debt financings. The future fixed rate debt issuances underlying these cash flow hedge relationships are largely dependent on market demand and liquidity in the debt market. At September 30, 2025, we believe our forecasted issuances of fixed rate debt in the related cash flow hedge relationships are probable. However, unexpected changes in market conditions in future periods could impact our ability to issue such fixed rate debt, or the timing of any such issuance. If our assumptions regarding the nature and timing of forecasted fixed rate debt issuances were to be inaccurate, we could be required to cease the application of hedge accounting to the related interest rate swaps, which could materially impact our results of operations. See Note 10 to Financial Statements for more information on our interest rate risk hedging activities.

At September 30, 2025, all of our senior secured notes carried fixed interest rates. Borrowings under the AR Facility would bear interest at the daily cost of asset-backed commercial paper issued by the conduit lenders to fund the loans, plus related dealer commissions and note issuance costs. Additional borrowings under the AR Facility could bear interest, if funded by the committed lenders, at a rate per annum equal to SOFR calculated based on term SOFR for a one-month interest period, plus an adjustment of 0.10% (the SOFR Adjustment). Receivables LLC also pays a used and unused fee in connection with the AR Facility. At September 30, 2025, the borrowing base for the AR Facility was \$500 million, and there were no borrowings outstanding under the AR Facility.

In addition, borrowings of long-term debt under the \$1B Credit Facility would bear interest on a floating rate basis. At September 30, 2025, there were no borrowings outstanding under the \$1B Credit Facility.

Borrowings of long-term debt under the \$500M Credit Facility at September 30, 2025 bore interest at a per annum rate equal to SOFR for the interest period relevant to such borrowings, plus the SOFR Adjustment, plus an applicable margin of between 0.875% and 1.50%, depending on certain credit ratings assigned to our debt. Additional borrowings under the \$500M Credit Facility could bear interest at a per annum rate equal to, at our

option, (i) term SOFR for the interest period relevant to such borrowing, plus the SOFR Adjustment, plus an applicable margin of between 0.875% and 1.50%, depending on certain credit ratings assigned to our debt, or (ii) an alternate base rate (equal to the greatest of (1) the prime rate publicly announced from time to time by the administrative agent as its prime rate, (2) the federal funds effective rate, plus 0.50%, and (3) term SOFR for a one-month interest period on such date, plus the SOFR Adjustment, plus 1.0%), plus, in the case of clauses (1) through (3), an applicable margin of between 0.00% and 0.50%, depending on certain credit ratings assigned to our debt. At September 30, 2025, \$480 million in aggregate borrowings were outstanding under the \$500M Credit Facility.

At September 30, 2025, except for the \$500M Credit Facility, all of our long-term debt carried fixed interest rates. Based on the amount of floating rate debt outstanding under the \$500M Credit Facility as of September 30, 2025, a hypothetical 100 basis point change (up or down) in the weighted average interest rates would not have a material impact on our results of operations or financial condition. For more information on our borrowings and interest rates charged, see Notes 4 and 5 to Financial Statements.

In addition, borrowings of short-term debt under the \$2B Credit Facility bear interest on a floating rate basis. At September 30, 2025, we had no floating rate debt outstanding under the \$2B Credit Facility.

#### ***Foreign Currency Exchange Rate Risk***

In May 2024 and June 2025, we issued the 2031 Euro Notes and the 2034 Euro Notes, respectively. In September 2025, we issued the CAD Notes. The interest and principal payments on the Euro Notes and CAD Notes are due in euros and Canadian dollars, respectively, and as a result expose us to foreign currency exchange rate risk. Volatile market conditions arising from certain macroeconomic factors may result in significant fluctuations in foreign currency exchange rates. We have attempted to mitigate that risk exposure by entering into cross-currency swaps, a type of financial derivative instrument, which intends to mitigate foreign currency exchange rate exposure. A hypothetical 100 basis point change (up or down) in currency exchange rates would not have a material impact on our results of operations or financial condition. See Note 10 to Financial Statements for more information regarding foreign currency exchange rate hedging activities.

#### ***Credit Risk***

Credit risk relates to the risk of loss associated with nonperformance by counterparties, including any counterparties to a swap or other derivative instrument. The fair value of derivative instruments in our derivative portfolio assets reflects credit valuation adjustments for our perceived credit risk exposure to the counterparties to such derivative instruments. See Note 10 to Financial Statements for more information.

Our distribution customers consist primarily of REPs. As a prerequisite for obtaining and maintaining certification, a REP must meet the financial resource standards established by the PUCT. Meeting these standards does not guarantee that a REP will be able to perform its obligations. REP certificates granted by the PUCT are subject to suspension and revocation for significant violation of PURA and PUCT rules. Significant violations include failure to timely remit payments for invoiced charges to a transmission and distribution utility pursuant to the terms of tariffs approved by the PUCT. We believe PUCT rules that allow for the recovery of uncollectible amounts due from REPs through rates significantly reduce our credit risk.

Our exposure to credit risk associated with accounts receivable totaled \$1.186 billion at September 30, 2025. The accounts receivable balance is before the allowance for uncollectible accounts, which totaled \$20 million at September 30, 2025. The exposure includes accounts receivable of \$836 million in the aggregate from REPs, which are generally noninvestment grade and \$181 million in the aggregate from transmission customers, which are generally considered low credit risk and primarily include investment grade distribution companies as well as cooperatives and municipally-owned utilities. At September 30, 2025, the accounts receivable balance from REP subsidiaries of Vistra and NRG Energy, Inc., our two largest customers, collectively represented 28% and 23%, respectively, of our accounts receivable balance. No other customers represented 10% or more of the total accounts receivable balance at such date. We view our exposure to these customers to be within an acceptable level of risk.

tolerance considering PUCT rules and regulations; however, this concentration increases the risk that a default could have a material effect on cash flows, liquidity, financial position and/or results of operation.

Our net exposure to credit risk associated with accounts and other receivables from affiliates was zero at September 30, 2025.

In the ordinary course of our business, we may also mitigate risk by requiring counterparties to provide us with security. For instance, we require customers who do not meet certain credit quality thresholds to provide security before we commence construction on certain customer-requested construction projects for generation interconnection or new/expanded electricity delivery system facilities. See "Item 1A. Risk Factors—Risks Related to Our Business and Operations—*While we require security prior to beginning construction on certain customer-requested projects, there can be no assurance that if any such projects are cancelled, we will be able to recover all of the costs expended by us on those projects through such security or otherwise*" in our 2024 Form 10-K for more information on these customer collateral arrangements.

Except as discussed herein, the information required in this Item 3 is not significantly different from the information set forth in "Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our 2024 Form 10-K and is therefore not presented herein.

## FORWARD-LOOKING STATEMENTS

This report and other presentations made by us contain "forward-looking statements," which are subject to risks and uncertainties. All statements, other than statements of historical facts, that are included in this report, as well as statements made in presentations, in response to questions or otherwise, that address activities, events or developments that we expect or anticipate to occur in the future, including such matters as projections, capital allocation, future capital expenditures, business strategy, competitive strengths, goals, future acquisitions or dispositions, development or operation of facilities, market and industry developments and the growth of our business and operations (often, but not always, through the use of words or phrases such as "intends," "plans," "will likely result," "expects," "is expected to," "will continue," "is anticipated," "estimated," "forecast," "should," "projection," "target," "goal," "objective" and "outlook"), are forward-looking statements. Although we believe that in making any such forward-looking statement our expectations are based on reasonable assumptions, any such forward-looking statement involves risks, uncertainties and assumptions and is qualified in its entirety by reference to the discussion of risk factors under "Item 1A. Risk Factors" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2024 Form 10-K, "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" in this report and the following important factors, among others, that could cause our actual results to differ materially from those projected in such forward-looking statements:

- legislation, governmental policies and orders, and regulatory actions, including those of the U.S. Congress, the President of the U.S., the Texas Legislature, the Governor of Texas, the FERC, the PUCT, ERCOT, NERC, the Texas RE, the U.S. Department of Energy, the EPA, and the TCEQ, and including with respect to:
  - authorized rate of return;
  - permitted capital structure;
  - industry, market and rate structure;
  - rates and recovery of investments;
  - approvals of applications;
  - acquisition and disposal of assets and facilities;
  - ownership, operation and construction of assets and facilities;
  - changes in tax laws and policies; and
  - changes in and compliance with regulatory requirements, including environmental, sourcing/supply chain, reliability and safety laws and policies;
- legal and administrative proceedings and settlements, including the exercise of equitable powers by courts;
- weather conditions and other natural phenomena, including severe weather events, natural disasters or wildfires;
- cyber-attacks on us or our third-party vendors;
- changes in expected ERCOT and service territory growth;
- changes in, or cancellations of, anticipated projects, including customer requested interconnection projects;
- physical attacks on our system, acts of sabotage, wars, terrorist activities, wildfires, fires, explosions, natural disasters, hazards customary to the industry, or other emergency events;
- our ability to obtain adequate insurance on reasonable terms and the possibility that we may not have adequate insurance to cover all losses incurred by us or third-party liabilities;
- adverse actions by credit rating agencies;
- health epidemics and pandemics, including their impact on our business and the economy in general;
- interrupted or degraded service on key technology platforms, facilities failures, or equipment interruptions;
- economic conditions, including the impact of a recessionary environment, inflation, foreign policy, and global trade restrictions;
- supply chain disruptions, including as a result of tariffs, global trade disruptions, competition for goods and services, and service provider availability;
- unanticipated changes in electricity demand in ERCOT or our service territory;
- ERCOT grid needs and ERCOT market conditions, including insufficient electricity generation within the ERCOT market or disruptions at power generation facilities that supply power within the ERCOT market;
- changes in business strategy, development plans or vendor relationships;

- changes in interest rates, foreign currency exchange rates, or rates of inflation;
- significant changes in operating expenses, liquidity needs and/or capital expenditures;
- inability of various counterparties to meet their financial and other obligations to us, including failure of counterparties to timely perform under agreements;
- general industry and ERCOT trends;
- significant decreases in demand or consumption of electricity delivered by us, including as a result of increased consumer use of third-party DERs or other technologies;
- changes in technology used by and services offered by us;
- changes in employee and contractor labor availability and cost;
- significant changes in our relationship with our employees, and the potential adverse effects if labor disputes or grievances were to occur;
- changes in assumptions used to estimate costs of providing employee benefits, including pension and OPEB, and future funding requirements related thereto;
- significant changes in accounting policies or critical accounting estimates material to us;
- commercial bank and financial market conditions, macroeconomic conditions, access to capital, the cost of such capital, and the results of financing and refinancing efforts, including availability of funds and the potential impact of any disruptions in U.S. or foreign capital and credit markets;
- financial market volatility and the impact of volatile financial markets on investments, including investments held by our pension and OPEB plans;
- circumstances which may contribute to future impairment of goodwill, intangible or other long-lived assets;
- our adoption and deployment of artificial intelligence;
- financial and other restrictions under our debt agreements;
- our ability to generate sufficient cash flow to make interest payments on our debt instruments; and
- our ability to effectively execute our operational and financing strategy.

Any forward-looking statement speaks only as of the date on which it is made, and, except as may be required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict all of them; nor can we assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. As such, you should not unduly rely on such forward-looking statements.

#### **ITEM 4. CONTROLS AND PROCEDURES**

An evaluation was performed under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of the disclosure controls and procedures in effect at the end of the current period included in this quarterly report. Based on the evaluation performed, our management, including our principal executive officer and principal financial officer, concluded that the disclosure controls and procedures were effective.

There has been no change in our internal control over financial reporting during the most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

### **PART II. OTHER INFORMATION**

#### **ITEM 1. LEGAL PROCEEDINGS**

For a discussion of material regulatory matters, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Regulation and Rates—Regulatory Matters". We are also involved in other legal and administrative proceedings in the normal course of business, the ultimate resolution of which, in the opinion of management, should not have a material effect on our financial position, results of operations, or cash flows. For a discussion of certain of these proceedings, see Notes 2 and 6 to Financial Statements.

**ITEM 1A. RISK FACTORS**

There are various factors that affect our business and results of operations, many of which are beyond our control. In addition to the other information set forth in this report, including "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations", you should carefully consider the factors discussed in "Item 1A. Risk Factors" in our 2024 Form 10-K. Any of the risks and other information in this report or any of the risk factors discussed in "Item 1A. Risk Factors" in our 2024 Form 10-K, as well as additional risks and uncertainties not currently known to us or that we currently consider immaterial, could materially and adversely affect our results of operations, financial condition, cash flows, or future results.

**ITEM 5. OTHER INFORMATION**

- (a) None.
- (b) None.
- (c) During the quarter ended September 30, 2025, no director or officer (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended) of Oncor adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408 of Regulation S-K) relating to securities of Oncor.

**ITEM 6. EXHIBITS**

(a) Exhibits provided as part of Part II are:

<b>Exhibits</b>	<b>Previously Filed With File Number*</b>	<b>As Exhibit</b>	
<b>4</b>	<b>Instruments Defining the Rights of Security Holders, Including Indentures.</b>		
4(a)	333-100240 Form 8-K (filed September 29, 2025)	4.1	— <a href="#">Officer's Certificate, dated September 26, 2025, establishing the terms of Oncor Electric Delivery Company LLC's 4.20% Senior Secured Notes due 2035.</a>
<b>(31)</b>	<b>Rule 13a-14(a)/15d-14(a) Certifications.</b>		
31(a)			— <a href="#">Certification of E. Allen Nye, Jr., Chief Executive of Oncor Electric Delivery Company LLC, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31(b)			— <a href="#">Certification of Don J. Clevenger, Senior Vice President and Chief Financial Officer of Oncor Electric Delivery Company LLC, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
<b>(32)</b>	<b>Section 1350 Certifications.</b>		
32(a)			— <a href="#">Certification of E. Allen Nye, Jr., Chief Executive of Oncor Electric Delivery Company LLC, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32(b)			— <a href="#">Certification of Don J. Clevenger, Senior Vice President and Chief Financial Officer of Oncor Electric Delivery Company LLC, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
<b>(101)</b>	<b>Interactive Data File.</b>		
101.INS			— Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH			— Inline XBRL Taxonomy Extension Schema Document.
101.CAL			— Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF			— Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB			— Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE			— Inline XBRL Taxonomy Extension Presentation Linkbase Document.
<b>(104)</b>	<b>Cover Page Interactive Data File.</b>		
104			— Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

\* Incorporated herein by reference.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**ONCOR ELECTRIC DELIVERY COMPANY LLC**

By:

\_\_\_\_\_  
/s/ Don J. Clevenger  
Don J. Clevenger  
Senior Vice President and  
Chief Financial Officer  
(Principal Financial Officer and  
Duly Authorized Officer)

Date: November 5, 2025

**ONCOR ELECTRIC DELIVERY COMPANY LLC**  
**Certificate of Chief Executive Officer**  
**Pursuant to Section 302 of Sarbanes – Oxley Act of 2002**

I, E. Allen Nye, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oncor Electric Delivery Company LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2025

Name:  
Title:

\_\_\_\_\_  
/s/ E. Allen Nye, Jr.  
E. Allen Nye, Jr.  
Chief Executive

**ONCOR ELECTRIC DELIVERY COMPANY LLC**  
**Certificate of Chief Financial Officer**  
**Pursuant to Section 302 of Sarbanes – Oxley Act of 2002**

I, Don J. Clevenger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oncor Electric Delivery Company LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2025

Name:  
Title:

\_\_\_\_\_  
/s/ Don J. Clevenger  
Don J. Clevenger  
Senior Vice President and Chief Financial Officer

**ONCOR ELECTRIC DELIVERY COMPANY LLC**  
**Certificate of Chief Executive Officer**  
**Pursuant to Section 906 of Sarbanes – Oxley Act of 2002**

The undersigned, E. Allen Nye, Jr., Chief Executive of Oncor Electric Delivery Company LLC (the “Company”), DOES HEREBY CERTIFY that:

1. The Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2025 (the “Report”) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed this 5<sup>th</sup> day of November, 2025.

Name: \_\_\_\_\_ /s/ E. Allen Nye, Jr.  
Title: E. Allen Nye, Jr.  
Chief Executive

A signed original of this written statement required by Section 906 has been provided to Oncor Electric Delivery Company LLC and will be retained by Oncor Electric Delivery Company LLC and furnished to the Securities and Exchange Commission or its staff upon request.

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**ONCOR ELECTRIC DELIVERY COMPANY LLC**  
**Certificate of Chief Financial Officer**  
**Pursuant to Section 906 of Sarbanes – Oxley Act of 2002**

The undersigned, Don J. Clevenger, Senior Vice President and Chief Financial Officer of Oncor Electric Delivery Company LLC (the “Company”), DOES HEREBY CERTIFY that:

1. The Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2025 (the “Report”) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed this 5<sup>th</sup> day of November, 2025.

Name: \_\_\_\_\_ /s/ Don J. Clevenger  
Don J. Clevenger  
Title: Senior Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Oncor Electric Delivery Company LLC and will be retained by Oncor Electric Delivery Company LLC and furnished to the Securities and Exchange Commission or its staff upon request.

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