

nationalgrid

June 4, 2018

Commonwealth of Massachusetts
Massachusetts Department of Public Utilities
Attn: Mark D. Marini and Kevin M. Brannelly
One South Station, 2nd Floor
Boston, Massachusetts 02110

There are filed herewith three (3) copies of the refiled returns for the year ended December 31, 2016 for Boston Gas Company.

We also enclosed a check for \$5.00 to cover filing fees.

Please acknowledge receipt of these returns on the duplicate of this letter. A stamped, self-addressed envelope is also enclosed for your convenience.

Sincerely,



George Carlin
Vice President
NE Controller
929-324-5249

Check Date: 06/06/2018

nationalgrid

Check Number: 7001399825

Vendor ID: 1000013565	Amount of Invoices: \$5.00
Vendor Name: MASSACHUSETTS DEPARTMENT OF PUBLIC UTILITIES	Discounts Taken: \$0.00
Value Date: 06/06/2018	Amount of Payment: \$5.00

Please be advised that NATIONAL GRID USA SERVICE COMPANY, INC has generated a payment on behalf of NATIONAL GRID USA SERVICE COMPANY, INC. The invoice payment details are as follows:

Origin	Invoice Number	Invoice Date	Invoice Received Date	Gross Amount	Discount Taken	Paid Amount	PO ID	Payment Message
NONPO	2016 ANNUAL FEE	06/01/2018	06/05/2018	\$5.00	\$0.00	\$5.00		Boston Gas Company -2016 Annual Filing Fee
				\$5.00	\$0.00	\$5.00		

Contact the Accounts Payable Department at 1-888-483-2123 to receive payments electronically, update account information or make inquiries.

National Grid USA - Accounts Payable Department - 300 Erie Blvd West, Syracuse, NY 13202 1-888-483-2123

DOCUMENT IS PRINTED ON RECYCLED PAPER. PLEASE RECYCLE. THIS DOCUMENT INCLUDES A CHEMICAL FREE VALENTINO BOX.

National Grid
300 Erie Boulevard West
Syracuse, NY 13202-4250

Citibank, NA
One Penn's Way
New Castle, DE 19720

62-20/311

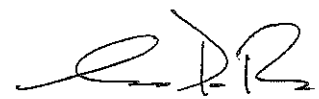
7001399825

Date 06/06/2018

Check Amount \$5.00****

Pay **** FIVE AND 00/100 DOLLARS ****

To The Order Of
MASSACHUSETTS DEPARTMENT OF PUBLIC UTILITIES
PIPELINE ENGINEERING AND SAFETY DIVISION
ONE SOUTH STATION
BOSTON, MA 02110



Authorized Signature

Void after 120 Days

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THE DEPARTMENT OF PUBLIC UTILITIES

This statement is filed in accordance with Chapter 164, Section 84A

CONDENSED FINANCIAL RETURN

for the year ended December 31, 2016

Full Name of Company - **BOSTON GAS COMPANY**

D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND

Location of Principal Business Office - One MetroTech Center 12th Fl, Brooklyn, New York 11201

Statement of Income for the Year

Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
OPERATING INCOME		
Operating Revenues	\$ 1,053,329,349	\$ (83,819,321)
Operating Expenses:		
Operation Expenses	680,745,997	(75,993,913)
Maintenance Expense	56,334,327	(4,199,411)
Depreciation Expense	146,589,696	9,385,058
Amortization of Utility Plant	39,565	(151,887)
Amortization of Property Losses	-	-
Amortization of Conversion Expenses	267,114	(53,423)
Taxes Other Than Income Taxes	54,617,114	(1,213,695)
Income Taxes	349,777	(5,831,148)
Provision for Deferred Income Taxes	33,321,486	2,946,774
Income Taxes Deferred in Prior Years -- CR.	-	-
Total Operating Expenses	972,265,076	(75,111,645)
Net Operating Revenues	81,064,273	(8,707,676)
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	81,064,273	(8,707,676)
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work	-	-
Income from Nonutility Operations	-	-
Nonoperating Rental Income	-	-
Interest and Dividend Income	1,624,569	862,558
Miscellaneous Nonoperating Income	124,303	5,312
Total Other Income	1,748,872	867,870
Total Income	82,813,145	(7,839,806)
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	-	-
Other Income Deductions	15,775,623	4,599,255
Total Income Deductions	15,775,623	4,599,255
Income Before Interest Charges	67,037,522	(12,439,061)
INTEREST CHARGES		
Interest on Long-Term Debt	31,393,825	(1,132,831)
Amortization of Debt Disc. & Expense	273,933	(22,700)
Amortization of Premium on Debt -- Credit	-	-
Interest on Debt to Associated Companies	3,768,769	2,164,874
Other Interest Expense	(15,784,323)	(7,060,512)
Interest Charged to Construction -- Credit	(932,124)	(627,166)
Total Interest Charges	18,720,080	(6,678,335)
Net Income	\$ 48,317,442	\$ (5,760,726)

BALANCE SHEET			
Title of Account	Balance End of Year	Title of Account	Balance End of Year
UTILITY PLANT			
Utility Plant	\$ 4,306,295,478	PROPRIETARY CAPITAL	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property	170,808	CAPITAL STOCK	
Capitalized Leases, net	-	Common Stock Issued	\$ 51,418,400
Investment in Associated Companies	-	Preferred Stock Issued	-
Other Investments	400	Capital Stock Subscribed	-
Special Funds	3,236,518	Premium on Capital Stock	640,069
Total Other Property and Investments	3,407,726	Total	52,058,469
CURRENT AND ACCRUED ASSETS			
Cash	4,944,434	SURPLUS	
Special Deposits	-	Other Paid-In Capital	851,324,403
Working Funds	-	Earned Surplus	452,733,759
Temporary Cash Investments	-	Other Comprehensive Income	69,366
Notes and Accounts Receivable	185,087,332	Total	1,304,127,528
Receivables from Assoc. Companies	20,473,699	Total Proprietary Capital	1,356,185,997
Materials and Supplies	62,013,676	LONG TERM DEBT	
Prepayments	960,581	Bonds	611,000,000
Interest and Dividends Receivable	-	Capital Lease Obligations	-
Rents Receivable	-	Other Long-Term Debt	-
Accrued Utility Revenues	75,420,009	Total Long-Term Debt	611,000,000
Misc. Current And Accrued Assets	271	CURRENT AND ACCRUED LIABILITIES	
Recoverable Fuel	217,243,927	Notes Payable	-
Total Current and Accrued Assets	566,143,929	Accounts Payable	59,533,051
DEFERRED DEBITS			
Unamortized Debt Discount and Expense	4,393,008	Payables to Associated Companies	679,527,132
Extraordinary Property Losses	-	Customer Deposits	1,752,142
Preliminary Survey and Investigation Charges	-	Taxes Accrued	(1)
Clearing Accounts	66,960	Interest Accrued	10,725,217
Temporary Facilities	-	Dividends Declared	-
Miscellaneous Deferred Debits	481,548,056	Matured Long-Term Debt	-
Total Deferred Debits	486,008,024	Matured Interest	-
CAPITAL STOCK DISCOUNT AND EXPENSE			
Discount on Capital Stock	-	Tax Collections Payable	1,044,925
Capital Stock Expense	-	Misc. Current and Accrued Liabilities	17,866,428
Total Capital Stock Discount and Expense	-	Total Current & Accrued Liabilities	770,448,894
REACQUIRED SECURITIES			
Reacquired Capital Stock	-	DEFERRED CREDITS	
Reacquired Bonds	-	Unamortized Premium on Debt	-
Total Reacquired Securities	-	Customer Advances for Construction	-
Total Assets and Other Debits	\$ 5,361,855,157	Other Deferred Credits	145,200,793
		Total Deferred Credits	145,200,793
		RESERVES	
		Reserves for Depreciation	1,411,454,151
		Reserves for Amortization	93,968,690
		Reserve for Uncollectible Accounts	41,217,383
		Operating Reserves	116,894,193
		Reserve for Depreciation and Amortization of Nonutility Property	-
		Reserves for Deferred Federal Income Taxes	815,485,056
		Total Reserves	2,479,019,473
		CONTRIBUTIONS IN AID OF CONSTRUCTION	
		Contributions in Aid of Construction	-
		Total Liabilities and Other Credits	\$ 5,361,855,157

NOTES:

Condensed Financial Return (Continued) - Boston Gas Company

December 31, 2016

STATEMENT OF EARNED SURPLUS		
Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
Unappropriated Earned Surplus (at beginning of period)	\$ 404,416,317	\$ 54,078,167
Balance Transferred from Income	48,317,442	(5,760,726)
Miscellaneous Credits to Surplus	-	-
Miscellaneous Debits to Surplus	-	-
Appropriations of Surplus	-	-
Net Additions to Earned Surplus	48,317,442	(5,760,726)
Dividends Declared - - Preferred Stock	-	-
Dividends Declared - - Common Stock	-	-
Unappropriated Earned Surplus (at end of period)	\$ 452,733,759	\$ 48,317,441

ELECTRIC OPERATING REVENUES		
Account	Operating Revenues	
	Amount For Year	Increase or (Decrease) from Preceding Year
SALES OF ELECTRICITY		
Residential Sales		
Commercial and Industrial Sales		
Small (or Commercial)		
Large (or Industrial)		
Public Street and Highway Lighting		
Other Sales to Public Authorities		
Sales to Railroad and Railways		
Interdepartmental Sales		
Miscellaneous Electric Sales		
Total Sales to Ultimate Consumers		
Sales for Resale		
Total Sales of Electricity		
OTHER OPERATING REVENUES		
Forfeited Discounts		
Miscellaneous Service Revenues		
Sales of Water and Water Power		
Rent from Electric Property		
Interdepartmental Rents		
Other Electric Revenues		
Total Other Operating Revenues		
Total Electric Operating Revenues		

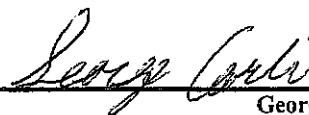
SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Power Production Expenses			
Electric Generation			
Hydraulic Power			
Other Power			
Other Power Supply Expenses			
Total Power Production Expenses			
Transmission Expenses			
Distribution Expenses			
Customer Accounts Expenses			
Sales Expenses			
Administrative and General Expenses			
Total Electric Operation and Maintenance Expenses			

GAS OPERATING REVENUES		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF GAS		
Residential Sales	\$ 599,739,787	\$ (96,012,910)
Commercial and Industrial Sales		
Small (or Commercial)	102,939,685	(25,246,629)
Large (or Industrial)	95,631,605	(29,910,447)
Other Sales to Public Authorities	1,036,575	(56,709)
Interdepartmental Sales	-	-
Quasi-Firm Revenue	-	-
Miscellaneous Gas Sales (Unbilled Revenue)	-	-
Total Sales to Ultimate Consumers	799,347,652	(151,226,694)
Sales for Resale	65,001,746	(24,770,767)
Total Sales of Gas	864,349,398	(175,997,461)
OTHER OPERATING REVENUES		
Adjustments	-	-
Miscellaneous Service Revenues	463,800	21,900
Revenues from Transportation of Gas of Others	148,221,666	10,494,947
Sales of Products Extracted from Natural Gas	-	-
Revenues from Natural Gas Processed by Others	-	-
Rent from Gas Property	1,388,190	989,278
Interdepartmental Rents	-	-
Other Gas Revenues	38,906,295	80,672,013
Total Other Operating Revenues	188,979,950	92,178,138
Total Gas Operating Revenues	\$ 1,053,329,349	\$ (83,819,321)

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				4a
Functional Classification	Operation	Maintenance	Total	
Steam Production				
Manufactured Gas Production	\$ 21,243	\$ 2,355	\$	23,598
Other Gas Supply Expenses	345,923,344	-		345,923,344
Total Production Expenses	345,944,587	2,355		345,946,942
Local Storage Expenses	11,935,629	(9,347,029)		2,588,600
Transmission and Distribution Expenses	46,670,558	65,661,858		112,332,416
Customer Accounts Expenses	128,326,336	-		128,326,336
Sales Expenses	1,786,875	-		1,786,875
Administrative and General Expenses	146,082,012	17,143		146,099,155
Total Gas Operation and Maintenance Expenses	\$ 680,745,997	\$ 56,334,327	\$	737,080,324

June 4, 2018, I hereby certify that the foregoing statements are full, just and true to the best of my knowledge and belief. This statement is signed under the penalties of perjury.



George Carlin
VP Controller NE

The Commonwealth of Massachusetts

ANNUAL RETURN

OF THE

BOSTON GAS COMPANY

D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND

TO THE

THE DEPARTMENT OF PUBLIC UTILITIES

OF MASSACHUSETTS

For the Year Ended December 31,

2016

Name of officer to whom correspondence
should be addressed regarding this report.

}
}

George Carlin

Official title: **VP Controller NE**

Office address: **One MetroTech Center 12th Fl
Brooklyn, New York 11201**

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

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Designate in column (c) by the terms "none" or "not applicable," as appropriate, in instances where no information or amounts have been reported in certain schedules. Pages may be omitted where the responses are "none" or "not applicable" to the schedules on such pages.

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Annual Report ofBoston Gas Company.....Year ended December 31, 2016

GENERAL INFORMATION

PRINCIPAL AND SALARIED OFFICERS*

Titles		Names	Addresses	Annual Salaries
President	(1)	Reed, Marcy L.	Waltham, MA	\$83,589
Vice President & Chief Financial Officer	(2)	Urban, Dennis	Waltham, MA	\$40,891
VP Controller NE	(3)	Carlin, George	Brooklyn, NY	\$14,828
Senior Vice President (Resigned 5/9/2016)	(4)	Warren, Cheryl	Albany, NY	\$4,378
Senior Vice President	(5)	Macklin, Ronald	Hicksville, NY	\$22,440
Senior Vice President	(6)	Way, David	Waltham, MA	\$18,349
Senior Vice President	(7)	Turrini, Ross	Hicksville, NY	\$65,579
Senior Vice President	(8)	Bruckner, John	Hicksville, NY	\$32,667
<u>DIRECTORS*</u>				
<u>Names</u>		<u>Addresses</u>		<u>Fees Paid During Year</u>
Reed, Marcy L.		Waltham, Massachusetts		No Fees Paid
Urban, Dennis		Waltham, Massachusetts		No Fees Paid
Proudman, Neil		Waltham, Massachusetts		No Fees Paid

- (1) Reed: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$224,576. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.
- (2) Urban: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$175,121. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.
- (3) Carlin: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$162,756. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.
- (4) Warren: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$46,556. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.
- (5) Macklin: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$249,400. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.
- (6) Way: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$201,137. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.
- (7) Turrini: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$172,544. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.
- (8) Bruckner: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$264,849. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.

* By General Laws, Chapter 164, Section 83, the Return must contain a "list of the names of all their salaried officers and the amount of the to each," and by Section 77, the department is required to include in its annual report "the names and addresses of the principal officers and of the directors."

GENERAL INFORMATION - Continued

- | | |
|---|---|
| 1. Corporate name of company making this report, | Boston Gas Company
D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND |
| 2. Date of organization, | December 11, 1903 |
| 3. Date of incorporation, | December 11, 1903 |
| 4. Give location (including street and number) of principal business office:- | |
| | One MetroTech Center 12 th Fl, Brooklyn New York 11201 |
| 5. Total number of stockholders, | Common: 1 |
| 6. Number of stockholders in Massachusetts, | Common: 1 |
| 7. Amount of stock held in Massachusetts, | No. of Common Shares, 514,184
\$51,418,400 |
| 8. Capital stock issued prior to June 5, 1894, | No. of shares, N/A
\$ N/A |
| 9. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or Department of Public Utilities since June 5, 1894, | |
| Total, 514,184 common shares, par value, \$100.00, outstanding December 31 of the calendar year, 2016 | \$51,418,400 |
| 10. If any stock has been issued during the last fiscal period, give the date and terms upon which such issue was offered to the stockholders, and if the whole or any part of the issue was sold at auction, the date or dates of such sale or sales, the number of shares sold and the amounts realized therefrom. | |
| 11. Management Fees and Expenses during the Year. | |
| List all individuals, corporations or concerns with whom the company has any contract or agreement covering management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc., and show the total amount paid to each for the year. | |
| In 2016, the Company was charged \$219,106,474.97 by National Grid Corporate Services for services, which included: executive and administrative, corporate affairs, customer services, environmental services, financial services (including accounting, auditing, risk management, tax, treasury/finance), human resources, information technology, legal, materials management and purchasing, and strategic planning. | |

GENERAL INFORMATION - Continued

1. Describe briefly all the important physical changes in the property during the last fiscal period including additions, alterations or improvements to the works or physical property retired.

In Gas Property:

No Important Changes

GENERAL INFORMATION - Continued					
Names of the cities or towns in which the company supplies GAS with the number of customers' meters in each City or Town					
NUMBER OF CUSTOMER METERS					
City or Town	Number of Customers	City or Town	Number of Customers	City or Town	Number of Customers
Abington	3,451	Lunenburg	665	Wellesley	7,603
Acton	5,202	Lynn	26,074	Wenham	708
Amesbury	4,792	Lynnfield	3,089	Westford	84
Arlington	14,500	Malden	18,067	West Brookfield	444
Ayer	2,146	Manchester	1,703	West Newbury	186
Bedford	4,289	Marblehead	7,132	Weston	3,281
Belmont	8,627	Medford	19,092	Weymouth	12,188
Beverly	10,221	Melrose	8,806	Whitman	3,642
Boston	24,156	Merrimac	1,834	Wilmington	26
Boxborough	531	Methuen	14	Winchester	5,692
Boxford	1,404	Middleton	1,615	Winthrop	6,185
Braintree	8,896	Milton	7,416	Woburn	9,661
Bridgewater	19,080	Nahant	1,312	Worcester	8,642
Brookfield	167	Natick	42		
Brookline	18,183	Needham	2		
Burlington	6,027	Newbury	456		
Byfield	236	Newburyport	6,996		
Carlisle	802	Newton	27,214		
Charlestown	5,156	North Andover	304		
Chelsea	10,703	North Brookfield	612		
Clinton	3,261	Norwood	10,058		
Cohasset	2,172	Oxford	144		
Concord	4,607	Peabody	12,399		
Danvers	6,608	Quincy	27,990		
Dorchester	46,536	Reading	4,830		
Dennis	0	Revere	14,351		
Dudley	1,034	Rockland	4,944		
East Boston	12,823	Rockport	105		
East Brookfield	203	Rochester	10,458		
Essex	740	Rowley	1,539		
Everett	14,423	Roxbury	9,805		
Framingham	13	Salem	13,982		
Georgetown	2,049	Salisbury	3,400		
Gloucester	7,615	Saugus	6,926		
Groton	1,105	Shirley	689		
Groveland	1,831	Somerville	9,157		
Hamilton	1,068	Southbridge	3,441		
Hanson	12	Southborough	14,385		
Harvard	317	Spencer	1,551		
Haverhill	20,988	Stoneham	4,456		
Hingham	5,209	Sudbury	4,150		
Hull	4,575	Swampscott	4,548		
Ipswich	2,973	Topsfield	1,340		
JPL	12,990	Wakefield	92		
Lancaster	360	Waltham	17,691		
Leicester	175	Warren	474		
Leominster	7,787	Watertown	13,278		
Lexington	6,551	Wayland	3,416		
Lincoln	1,177	Webster	2,956		
Littleton	1,673				
				TOTAL	712,786

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

COMPARATIVE BALANCE SHEET Assets and Other Credits				
Line No.	Title of Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or (Decrease) (d)
1	UTILITY PLANT			
2	Utility Plant (101-107) p. 13	\$ 3,997,952,204	\$ 4,306,295,478	\$ 308,343,274
3	OTHER PROPERTY AND INVESTMENTS			
4	Nonutility Property (121) P. 19	170,808	170,808	-
4a	Capitalized Leases, net	-	-	-
5	Investment in Associated Companies (123) P. 20	-	-	-
6	Other Investments (124) P.20	400	400	-
7	Special Funds (125, 126, 127, 128) P. 21	3,227,776	3,236,518	8,742
8	Total Other Property and Investments	3,398,984	3,407,726	8,742
9	CURRENT AND ACCRUED ASSETS			
10	Cash (131)	3,244,410	4,944,434	1,700,024
11	Special Deposits (132, 133, 134) P. 21	-	-	-
12	Working Funds (135)	-	-	-
13	Temporary Cash Investments (136) P. 20	-	-	-
14	Notes and Accounts Receivable (141, 142, 143) P. 22	150,826,021	185,087,332	34,261,311
15	Receivables from Assoc. Companies (145, 146) P. 23	45,570,831	20,473,699	(25,097,132)
16	Materials and Supplies (151-159, 163) P. 24	71,636,818	62,013,676	(9,623,142)
17	Prepayments (165) ¹	3,075,121	960,581	(2,114,540)
18	Interest and Dividends Receivable (171)	-	-	-
19	Rents Receivable (172)	-	-	-
20	Accrued Utility Revenues (173)	46,266,558	75,420,009	29,153,451
21	Misc. Current and Accrued Assets (174)	-	271	271
21A	Recoverable Fuel (175) ²	192,914,934	217,243,927	24,328,993
22	Total Current and Accrued Assets	513,534,693	566,143,929	52,609,236
23	DEFERRED DEBITS			
24	Unamortized Debt Discount and Expense (181) P.26	4,666,941	4,393,008	(273,933)
25	Extraordinary Property Losses (182) P.27	-	-	-
26	Preliminary Survey and Investigation Charges (183)	(2,824)	-	2,824
27	Clearing Accounts (184)	(5,085)	66,960	72,045
28	Temporary Facilities (185)	-	-	-
29	Miscellaneous Deferred Debits (186) P. 27	467,191,893	481,548,056	14,356,163
30	Total Deferred Debits	471,850,925	486,008,024	14,157,099
31	CAPITAL STOCK DISCOUNT AND EXPENSE			
32	Discount on Capital Stock (191) P. 28	-	-	-
33	Capital Stock Expense (192) P. 28	-	-	-
34	Total Capital Stock Discount and Expense	-	-	-
35	REACQUIRED SECURITIES			
36	Reacquired Capital Stock (196)	-	-	-
37	Reacquired Bonds (197)	-	-	-
38	Total Reacquired Securities	-	-	-
39	Total Assets and Other Debits	\$ 4,986,736,806	\$ 5,361,855,157	\$ 375,118,351

NOTES:

1 - The prepayment represents the total prepaid tax amount.

2 - At December 31, 2016, the recoverable fuel includes \$165,814,890 of cost of gas adjustment clause \$116,204,268 of local distribution adjustment factor and \$(64,775,231) deferred gas costs.

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

COMPARATIVE BALANCE SHEET Liabilities and Other Credits				
Line No.	Title of Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or (Decrease) (d)
1	PROPRIETARY CAPITAL			
2	CAPITAL STOCK			
3	Common Stock Issued (201) P.29	\$ 51,418,400	\$ 51,418,400	\$ -
4	Preferred Stock Issued (204) P.29	-	-	-
5	Capital Stock Subscribed (202, 205)	-	-	-
6	Premium on Capital Stock (207) P.29	640,069	640,069	-
7	Total	52,058,469	52,058,469	-
8	SURPLUS			
9	Other Paid-In Capital (208-211) P.30	838,550,854	851,324,403	12,773,549
10	Earned Surplus (215,216) P.12	404,416,317	452,733,759	48,317,442
11	Other Comprehensive Income	73,455	69,366	(4,089)
12	Total	1,243,040,626	1,304,127,528	61,086,902
13	Total Proprietary Capital	1,295,099,095	1,356,185,997	61,086,902
14	LONG-TERM DEBT			
15	Bonds (221) P.31	626,000,000	611,000,000	(15,000,000)
16	Capital Lease Obligations (221)	-	-	-
17	Other Long-Term Debt (224) P.31	-	-	-
18	Total Long-Term Debt	626,000,000	611,000,000	(15,000,000)
19	CURRENT AND ACCRUED LIABILITIES			
20	Notes Payable (231) P.32	-	-	-
21	Accounts Payable (232)	49,445,987	59,533,051	10,087,064
22	Payables to Associated Companies (233,234) P.32	457,302,137	679,527,132	222,224,995
23	Customer Deposits (235)	5,487,641	1,752,142	(3,735,499)
24	Taxes Accrued (236)	-	(1)	(1)
25	Interest Accrued (237)	11,223,662	10,725,217	(498,445)
26	Dividends Declared (238)	-	-	-
27	Matured Long-Term Debt (239)	-	-	-
28	Tax Collections Payable (241)	300,243	1,044,925	744,682
29	Misc. Current & Accrued Liab. (242) P.33	63,013,167	17,866,428	(45,146,739)
30	Total Current & Accrued Liability	586,772,837	770,448,894	183,676,057
31	DEFERRED CREDITS			
32	Unamortized Premium on Debt (251) P.26	-	-	-
33	Customer Advances for Construction (252)	-	-	-
34	Other Deferred Credits (253) P.33	101,246,638	145,200,793	43,954,155
35	Total Deferred Credits	101,246,638	145,200,793	43,954,155
36	RESERVES			
37	Reserves for Depreciation (254-256) P.13	1,377,714,605	1,411,454,151	33,739,546
38	Reserves for Amortization (257-259) P.13	93,929,126	93,968,690	39,564
39	Reserve for Uncollectible Accounts (260)	35,407,957	41,217,383	5,809,426
40	Operating Reserves (261-265) P.35	140,220,856	116,894,193	(23,326,663)
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	-	-	-
42	Reserve for Deferred Income Taxes (267, 268) P.36	730,345,692	815,485,056	85,139,364
43	Total Reserves	2,377,618,236	2,479,019,473	101,401,237
44	CONTRIBUTION IN AID OF CONSTRUCTION			
45	Contributions in Aid of Construction (271) P.36	-	-	-
46	Total Liabilities and Other Credits	\$ 4,986,736,806	\$ 5,361,855,157	\$ 375,118,351

STATEMENT OF INCOME FOR THE YEAR				
Line No.	Account (a)	Current Year (b)	Prior Year (c)	Increase or (Decrease) from Preceding Year (d)
1	OPERATING INCOME			
2	Operating Revenues (400) P. 37,43	\$ 1,053,329,349	\$ 1,137,148,670	\$ (83,819,321)
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	680,745,997	756,739,910	(75,993,913)
5	Maintenance Expense (402) P. 42,47	56,334,327	60,533,738	(4,199,411)
6	Depreciation Expense (403) P. 34	146,589,696	137,204,638	9,385,058
7	Amortization of Utility Plant (404 and 405)	39,565	191,452	(151,887)
8	Amortization of Investment Credit (406.0)	-	-	-
9	Amortization of Regulatory Expenses (407.3)	267,114	320,537	(53,423)
10	Taxes Other Than Income Taxes (408) P. 49	54,617,114	55,830,809	(1,213,695)
11	Income Taxes (409) P. 49	349,777	6,180,925	(5,831,148)
12	Provision for Deferred Income Taxes (410) P. 36	33,321,486	30,374,712	2,946,774
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	-	-	-
14	Total Operating Expenses	972,265,076	1,047,376,721	(75,111,645)
15	Net Operating Revenues	81,064,273	89,771,949	(8,707,676)
16	Income from Utility Plant Leased to Others	-	-	-
17	Other Utility Operating Income (414) P. 50	-	-	-
18	Total Utility Operating Income	81,064,273	89,771,949	(8,707,676)
19	OTHER INCOME			
20	Income from Mdse. Jobbing & Contract Work (415) P. 51	-	-	-
21	Income from Nonutility Operations (417)	-	-	-
22	Nonoperating Rental Income (418)	-	-	-
23	Interest and Dividend Income (419)	1,624,569	762,011	862,558
24	Miscellaneous Nonoperating Income (421)	124,303	118,991	5,312
25	Total Other Income	1,748,872	881,002	867,870
26	Total Income	82,813,145	90,652,950	(7,839,805)
27	MISCELLANEOUS INCOME DEDUCTIONS			
28	Miscellaneous Amortization (425)	-	-	-
29	Other Income Deductions (426)	15,775,623	11,176,368	4,599,255
30	Total Income Deductions	15,775,623	11,176,368	4,599,255
31	Income Before Interest Charges	67,037,522	79,476,582	(12,439,060)
32	INTEREST CHARGES			
33	Interest on Long-Term Debt (427) P. 31	31,393,825	32,526,656	(1,132,831)
34	Amortization of Debt Disc. & Expense (428) P. 26	273,933	296,633	(22,700)
35	Amortization of Prem. on Debt -- Credit (429) P. 26	-	-	-
36	Int. on Debt to Associated Companies (430) P. 31, 32	3,768,769	1,603,895	2,164,874
37	Other Interest Expense (431)	(15,784,323)	(8,723,811)	(7,060,512)
38	Interest Charged to Construction -- Credit (432)	(932,124)	(304,958)	(627,166)
39	Total Interest Charges	18,720,080	25,398,415	(6,678,335)
40	Net Income	48,317,442	54,078,167	(5,760,725)
41	EARNED SURPLUS			
42	Unappropriated Earned Surplus (at beginning of period) (216)	404,416,317	350,338,150	54,078,167
43	Balance Transferred from Income (433)	48,317,442	54,078,168	(5,760,726)
44	Miscellaneous Credits to Surplus (434)	-	-	-
45	Miscellaneous Debits to Surplus (435)	-	-	-
46	Appropriations of Surplus (436)	-	-	-
47	Net Additions to Earned Surplus	48,317,442	54,078,168	(5,760,726)
48	Dividends Declared -- Preferred Stock (437)	-	-	-
49	Dividends Declared -- Common Stock (438)	-	-	-
50	Unappropriated Earned Surplus (at end of period) (216)	\$ 452,733,759	\$ 404,416,317	\$ 48,317,442

STATEMENT OF INCOME FOR THE YEAR (CONTINUED)

Note:

None

STATEMENT OF EARNED SURPLUS (Accounts 215-216)

1. Report in this schedule an accounting for changes in appropriated and unappropriated earned surplus for the year.

2. Each credit and debit during the year should be identified as to the surplus account in which included (Accounts 433-438) inclusive) and the contra primary account affected shown. Minor items may be grouped by classes, however, the number of items in each group should be shown.

3. For each reservation of appropriation of earned surplus state the purpose, amount, and in the case

of reservations, the reserve account credited. Explain in a footnote the basis for determining the amount reserved or appropriated and if such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.

4. Dividends should be shown for each class and series of capital stock. Show amounts of dividends per share.

5. List credits first; then debits.

Line No.	Item (a)	Contra Primary Account Affected (b)	(c)
UNAPPROPRIATED EARNED SURPLUS (Account 216)			
2	Balance -- Beginning of year		\$ 404,416,317
3	Charges: (identify by prescribed earned surplus accounts)		
4	Transfer from income (loss)		48,317,442
5			
6			
7			
8			
9	Dividends Declared - Common Stock	438	-
10	Less: Dividends Declared - Preferred Stock	438	-
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27	Balance -- end of year		\$ 452,733,759
APPROPRIATED EARNED SURPLUS (Account 215)			
29	State balance and purpose of each appropriated earned surplus amount at end of year and give accounting entries for any applications of appropriated earned surplus during year.		
30			
31			
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION							
Line No.		Total (b)	Electric (c)	Gas (d)	(e)	(f)	Common (g)
1	UTILITY PLANT						
2	In Service:						
3	101 Plant in Service (Classified)	\$3,882,001,833		\$3,882,001,833			
4	106 Completed Construction not Classified	\$317,680,239		\$317,680,239			
5	Total P. 16, 18	\$4,199,682,072		\$4,199,682,072			
6	104 Leased to Others	\$0		0			
7	105 Held for Future Use	\$515,704		\$515,704			
8	107 Construction Work in Progress	\$106,097,702		\$106,097,702			
9	Total Utility Plant	\$4,306,295,478		\$4,306,295,478			
10	DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION						
11	In Service:						
12	254 Depreciation P. 34	\$1,411,454,151		\$1,411,454,151			
13	257 Amortization	\$93,968,690		93,968,690			
14	Total, in Service	\$1,505,422,841		\$1,505,422,841			
15	Leased to Others:						
16	255 Depreciation						
17	258 Amortization						
18	Total, Leased to Others						
19	Held for Future Use:						
20	256 Depreciation						
21	259 Amortization						
22	Total, Held for Future Use						
23	Total Reserves for Depreciation and Amortization	\$1,505,422,841		\$1,505,422,841			

UTILITY PLANT - GAS

		1. Report below the cost of utility plant in service according to prescribed accounts. 2. Do not include as adjustments, corrections of additions and retirements for the current or			the preceding year. Such items should be included in column (c) or (d) as appropriate. 3. Credit adjustments of plant accounts should be enclosed in parentheses to indicate the negative effect		of such amounts. 4. Reclassifications or transfers within utility plant accounts should be shown in column (f).	
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)	
1	1. INTANGIBLE PLANT							
2	301 Organization							
3	303 Miscellaneous Intangible Plant	\$ 75,722,749	-	\$ -	\$ -	\$ -	\$ 75,722,749	
3a	303 Goodwill	396,321,766	-	\$ -	\$ -	\$ -	396,321,766	
4	Total Intangible Plant	472,044,515	-	-	-	-	472,044,515	
5	2. PRODUCTION PLANT							
6	Manufactured Gas Production Plant							
7	304 Land and Land Rights	618,826	259,488	-	-	-	878,314	
8	305 Structures and improvements	7,018,455	12,136,590	-	-	-	19,155,045	
9	306 Boiler Plant Equipment	790,869	-	-	-	-	790,869	
10	307 Other Power Equipment	945,276	-	-	-	-	945,276	
11	310 Water Gas Generating Equipment	-	-	-	-	-	-	
12	311 Liquefied Petroleum Gas Equipment	7,340,240	62,720	-	(1)	-	7,402,959	
13	312 Oil Gas Generating Equipment	-	-	-	-	-	-	
14	313 Generating Equipment -- Other Processes & LNG Equipment	-	-	-	-	-	-	
15	315 Catalytic Cracking Equipment	-	-	-	-	-	-	
16	316 Other Reforming Equipment	7,335,820	1,657	-	1	-	7,337,478	
17	317 Purification Equipment	-	-	-	-	-	-	
18	318 Residual Refining Equipment	-	-	-	-	-	-	
19	319 Gas Mixing Equipment	1,259,211	-	-	-	-	1,259,211	
19	320 Other Equipment	24,514,377	771,357	-	1	-	25,285,735	
20	339 PRD Prod-ARO	1,332	(778)	-	-	-	554	
21	Total Manufactured Gas Production Plant	49,824,406	13,231,034	-	1	-	63,055,441	
22	3. STORAGE PLANT							
23	360 Land and Land Rights	2,397,883	-	-	-	-	2,397,883	
24	361 Structures and Improvements	6,562,275	-	-	-	-	6,562,275	
25	362 Gas Holders	29,314,720	-	-	-	-	29,314,720	
26	363 Other Equipment	789,920	-	-	-	-	789,920	
27	363.6 Sto-Other Equip ARO	402	233	-	-	-	635	
27	Total Storage Plant	39,065,200	233	-	-	-	39,065,433	

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UTILITY PLANT - GAS (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	4. TRANSMISSION AND DISTRIBUTION PLANT						
2	365.1 Land and Land Rights	1,043,629	-	-	-	-	1,043,629
3	365.2 Rights-of-Way	-	-	-	-	-	-
4	366 Structures and Improvements	7,613,280	-	-	-	-	7,613,280
5	367 Mains	1,823,343,612	248,285,802	(4,691,209)	-	-	2,066,938,205
6	368 Compressor Station Equipment	-	-	-	-	-	-
7	369 Measuring and Regulating Station Equipment	64,125,796	15,397,890	-	(1)	-	79,523,685
8	372 T&D-AROs	1,841,094	6,346,615	-	-	-	8,187,709
9	380 Services	1,150,887,032	42,607,208	(8,304,879)	1	-	1,185,189,362
10	381 Meters	159,675,954	14,057,432	(50,471,599)	(6,025,239)	-	117,236,548
11	382 Meter Installations	45,662,831	21,794,744	(8,551,414)	17,120	-	58,923,281
12	383 House Regulators	435,521	-	-	-	-	435,521
13	386 Other Property on Cust's Prem	1,001,580	-	-	-	-	1,001,580
14	387 Other Equipment	11,588,712	1,938,789	-	-	-	13,527,501
15	388 T&D-AROs	55,788	75,456	-	-	-	131,244
	Total Transmission and Distribution Plant	3,267,274,831	350,503,936	(72,019,101)	(6,008,119)	-	3,539,751,545
	5. GENERAL PLANT						
16	389 Land-Land Rights	153,225	37,833	-	-	-	191,058
17	390 Structures and Improvements	30,621,418	7,167,462	(34,411)	(13,125)	-	37,741,344
18	391 Office Furniture and Equipment	8,941,661	5,497,549	(4,327,717)	13,125	-	10,124,618
19	392 Transportation Equipment	30,721	-	-	-	-	30,721
20	393 Stores Equipment	697,405	-	-	-	-	697,405
21	394 Tools, Shop and Garage Equipment	17,817,239	1,571,342	(1,519,942)	-	-	17,868,639
22	395 Laboratory Equipment	4,320	-	-	-	-	4,320
23	396 Power Operated Equipment	238,315	-	(238,315)	-	-	-
24	397 Communication Equipment	2,319,172	18,007	(1,988,060)	-	-	349,119
25	398 Miscellaneous Equipment	7,881,689	2,942,320	(692,385)	-	-	10,131,624
26	399 Gen-ARO's	6,446,976	11,730	-	2,167,584	-	8,626,290
27	Total General Plant	75,152,140	17,246,243	(8,800,830)	2,167,584	-	85,765,137
28	Total Gas Plant in Service	3,903,361,092	380,981,446	(80,819,931)	(3,840,534)	-	4,199,682,073
29	104 Utility Plant Leased to Others	-	-	-	-	-	-
	Sub Total	-	-	-	-	-	-
30	105 Property Held for Future Use	515,704	-	-	-	-	515,704
31	107 Construction Work in Progress	94,075,409	(7,507,897)	-	19,530,190	-	106,097,702
32	Total Utility Plant -- Gas	\$ 3,997,952,204	\$ 373,473,549	\$ (80,819,931)	\$ 15,689,656	\$ -	\$ 4,306,295,478

Note: Completed Construction Not Classified, Acct. 106, shall be classified in this schedule according to prescribed accounts, on an estimated basis if necessary, and the entries included in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (c). Likewise, if the respondent has a significant amount of plant retirements which

have not been classified to primary accounts at the end of the year, a tentative distribution of such retirements, on an estimated basis with appropriate contra entry to the Depreciation Reserve Account, shall be included in column (d). Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach an insert page showing the

account distributions of these tentative classifications in column (c) and (d) including the reversals of the prior years tentative account distributions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

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NONUTILITY PROPERTY (Account 121)

Give particulars of all investments of the respondent in physical property not devoted to utility operations.

Line No.	Description of Location (a)	Book Value at End of Year (b)	Revenue for the year (c)	Expense for the year (d)	Net Revenue for Year (e)
1	Land - 97,120 Sq. Feet off				
2	Broad St., Danvers	50,701	0	8,525	(8,525)
3					
4	Land - 18,080 Sq. Feet				
5	Endicott St., Danvers	1,647	0	1,082	(1,082)
6					
7	Land - 36,282 Sq. Feet off				
8	Railroad St., Revere	12,750	0	1,441	(1,441)
9					
10	Land - 2,614 Sq. Feet				
11	Main St., Leominster	206	0	51	(51)
12					
13	Land - 145,673 Sq. Feet				
14	Robin & Rover Sts., Everett	98,866	424,367	87,589	336,778
15					
16	Land - 9,550 Sq. Feet				
17	Pleasant St., Clinton	645	0	508	(508)
18					
19	Land - 780 Sq. Feet				
20	Grove St., Arlington	2,000	0	470	(470)
21					
22	Land - 30,202 Sq. Feet				
23	River St., Beverly	2,671	0	4,514	(4,514)
24					
25	Land - 14,990 Sq. Feet				
26	River St., Beverly	1,322	0	2,240	(2,240)
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTALS	\$170,808	\$424,367	\$106,420	\$317,947

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

INVESTMENTS (Accounts 123, 124, 136) Give particulars of investments in stocks, bonds, notes, etc., held by the respondent at end of year. Provide a subheading for each account and list thereunder the information called for.		
Line No.	Description of Security Held by Respondent (a)	Amount (b)
1	Account 123 - Investments in Associated Companies	\$ -
2		
3	Account 124 - Other Investments	
4	Bond - Haverhill Golf & Country Club	250
5	Other	150
6		
7		
8		
9		
10		
11		
12		
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39		
40		
41		
42		
43		
44	TOTAL	\$ 400

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

SPECIAL FUNDS (Accounts 125, 126, 127, 128)		
(Sinking Funds, Depreciation Fund, Amortization Fund-Federal, Other Special Fund)		
Report below the balance at end of year of each special fund maintained during year. Identify each fund as to account in which included. Indicate nature of any fund included in Account 128 Other Special Funds		
Line No.	Name of Fund and Trustee If Any (a)	Balance End of Year (b)
1	Cushion Gas - Underground Storage (Account 128)	\$ 2,546,204
2	Other Special Funds	
3	Employee Stock Ownership and Compensation Plan	\$690,314
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL	\$ 3,236,518
SPECIAL DEPOSITS (Accounts 132, 133, 134)		
1. Report below the amount of special deposits by classes at end of year.		
2. If any deposit consists of assets other than cash, give a brief description of such assets.		
3. If any deposit is held by an associated company, give name of company.		
Line No.	Description and Purpose of Deposit (a)	Balance End of Year (b)
20	Interest Special Deposits (Account 132)	\$ -
21	Dividend Special Deposits (Account 133)	-
22		
23	Other Special Deposits (Account 134):	-
24	(specify purpose of each other special deposit):	
25	Derivative counterparties' collateral position based on mark to market	
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	\$ -

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

NOTES RECEIVABLE (Account 141)

1. Give the particulars called for below concerning notes receivable at end of year.
 2. Give particulars of any note pledged or discounted.
 3. Minor items may be grouped by classes, showing number of such items.
 4. Designate any note the maker of which is a director, officer or other employee.

Line No.	Name of Maker and Purpose for Which Received (a)	Date of Issue (b)	Date of Maturity (c)	Interest Rate (d)	Amount End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8	NONE				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
TOTAL					

ACCOUNTS RECEIVABLE (Accounts 142, 143)

1. Give the particulars called for below concerning accounts receivable at end of year.
 2. Designate any account included in Account 143 in excess of \$5,000.

Line No.	Description (a)	Amount End of Year (b)
19	Customer Accounts Receivable (Account 142)	\$ 168,070,336
20		
21	Other Accounts Receivable (Account 143)	
22	Gas Sale for Resale	4,493,768
23	Employee Appliance Purchase	(9,456)
24	Other Customer Billing	4,845,170
25	Receivable from Boston Public Schools	183,850
26	ESCO billing	7,503,664
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
TOTAL		\$ 185,087,332

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)

1. Report particulars of notes and accounts receivable from associated companies at end of year.
2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts.
3. For notes receivable list each note separately and state purpose for which received. Show also in column (a) date of note and date of maturity.
4. If any note was received in satisfaction of open account, state the period covered by such.
5. Include in column (d) interest recorded as income during the year, including interest on accounts and notes held any time during the year.
6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.

Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
1	Accounts Receivable from Associated Companies*:			-
2	<i>Colonial Gas Company</i>	\$14,838,135		
3	<i>NG Engineering Svcs, LLC</i>	1,961,748		
4	<i>NGUSA Service Company</i>	1,776,339		
5	<i>KeySpan Corporation</i>	1,078,297		
6	Other	819,180		
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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23				
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32				
33				
34				
35				
36	TOTALS	\$ 20,473,699		-

* These receivables from associated companies do not bear interest.

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

MATERIALS AND SUPPLIES (Accounts 151-159, 163)**Summary Per Balance Sheet**

Line No.	Account (a)	Amount End of Year	
		Electric (b)	Gas (c)
1	Fuel (Account 151) (See Schedule, Page 25)		\$ -
2	Supplemental Fuel Stock		44,186,496
3	Residuals (Account 153)		-
4	Plant Materials and Operating Supplies (Account 154)		17,802,410
5	Merchandise (Account 155)		-
6	Other Materials and Supplies (Account 154)		-
7	Nuclear Fuel Assemblies and Components - In Reactor (Account 157)		-
8	Nuclear Fuel Assemblies and Components - Stock Account (Account 158)		-
9	Nuclear Byproduct Materials (Account 159)		-
10	Stores Expenses (Account 163)		24,770
11	Total Per Balance Sheet		\$ 62,013,676

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PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)						
(Except Nuclear Materials)						
1. Report below the information called for concerning production fuel and oil stocks. 2. Show quantities in tons of 2,000 lbs., gal., or Mcf., whichever unit of quantity is applicable. 3. Each kind of coal or oil should be shown separately. 4. Show gas and electric fuels separately by specific use.						
Line No.	Item (a)	Total Cost (b)	Kinds of Fuel and Oil			
			PROPANE		LIGHT OIL	
			Quantity (c)	Cost (d)	Quantity (e)	Cost (f)
1	On Hand Beginning of Year	NONE				
2	Received During Year					
3	Other charges					
4	TOTAL					
5	Used During Year (Note A)					
6	Liquid Propane					
7	SNG					
8	Fuel					
9						
10	Sold or Transferred					
11	TOTAL DISPOSED OF					
12	BALANCE END OF YEAR					
Line No.	Item (g)	Total Cost (b)	Kinds of Fuel and Oil - Continued			
			PROPANE		LIGHT OIL	
			Quantity (h)	Cost (i)	Quantity (j)	Cost (k)
13	On Hand Beginning of Year	NONE				
14	Received During Year					
15	TOTAL					
16	Used During Year (Note A)					
17						
18						
19	Sold or Transferred					
20	TOTAL DISPOSED OF					
21	BALANCE END OF YEAR					

NOTE A -- Indicate specific purpose for which used. e.g. Boiler Oil, Make Oil, Generator Fuel, etc. To run airAir Stabilization Compressors.

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (Accounts 181, 251)

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.

2. Show premium amounts by enclosure in parentheses.

3. In column (b) show the principal amount of bonds or other long-term debt originally issued.

4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.

5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Department's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Set out separately and identify undisposed amounts applicable to issues which were redeemed prior years.

7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debit-Credit.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1	Senior Unsecured Note								
2	4.487%	\$ 500,000,000	4,025,678	02-17-12	02-15-42	3,507,747		134,532	3,373,215
3	Medium-Term Notes								
4	2019 Series 8.97%	7,000,000	119,302	12-22-89	12-15-19	15,757	-	3,991	11,766
5	Medium-Term Notes								
6	2020 Series 9.75%	5,000,000	37,500	12-05-90	12-01-20	6,107	-	1,244	4,863
7	Medium-Term Notes								
8	2021 Series 9.05%	15,000,000	112,500	09-06-91	09-01-21	21,216	-	3,749	17,467
9	Medium - Term Notes								
10	2022 Series 8.33%	10,000,000	75,000	07-10-92	07-05-22	16,250	-	2,501	13,749
11	Medium - Term Notes								
12	2018 Series 8.33%	10,000,000	75,000	07-10-92	07-10-18	7,258	-	2,881	4,377
13	Medium - Term Notes								
14	2017 Series 8.33%	8,000,000	60,000	07-10-92	07-10-17	3,466	-	2,278	1,188
15	Medium-Term Notes								
16	2019 Series 6.93%	10,000,000	75,000	01-20-94	01-15-19	9,102	-	2,999	6,103
17	Medium-Term Notes								
18	2024 Series 6.98%	6,000,000	45,000	01-20-94	01-15-24	12,040	-	1,500	10,540
19	Medium-Term Notes								
20	2016 Series 6.93%	5,000,000	37,500	01-18-94	01-15-16	70	-	70	-
21	Medium - Term Notes								
22	2024 Series 6.95%	5,000,000	423,397	12-05-95	12-01-24	130,479	-	14,658	115,821
23	Medium-Term Notes								
24	2016 Series 6.93%	10,000,000	143,983	01-18-94	04-01-16	1,664	-	1,664	-
25									
26									
27									
28	SUBTOTAL see page 26 a.	\$ 591,000,000	\$ 5,229,860			\$ 3,731,156	\$ -	\$ 172,067	\$ 3,559,088

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (Accounts 181, 251)

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
 2. Show premium amounts by enclosure in parentheses.
 3. In column (b) show the principal amount of bonds or other long-term debt originally issued.

4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
 5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Department's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Set out separately and identify undisposed amounts applicable to issues which were redeemed prior years.
 7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debit-Credit.

Line No.	Designation of Long-Term Debt (a)	Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
29	Medium-Term Notes								
30	2025 Series 7.25%	\$ 20,000,000	\$ 1,699,499	10-03-95	10-01-25	\$ 556,690	-	\$ 57,201	\$ 499,489
31	Medium-Term Notes								
32	2025 Series 7.25%	5,000,000	424,646	10-03-95	10-01-25	139,097	-	14,292	124,805
33	Medium - Term Notes								
34	2023 Series 6.95%	10,000,000	849,750	12-01-95	12-02-23	239,999	-	30,373	209,626
35									
36									
37									
38									
39									
40									
41									
42									
43									
44									
45									
46									
47									
48									
49									
50	SUBTOTALS FROM PAGE 26	591,000,000	5,229,860			3,731,156	-	172,067	3,559,088
51									
52	TOTALS	\$ 626,000,000	\$ 8,203,755			\$ 4,666,941	\$ -	\$ 273,933	\$ 4,393,008

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EXTRAORDINARY PROPERTY LOSSES (Account 182)

1. Report below particulars concerning the accounting for extraordinary property losses.
2. In column (a) describe the property abandoned for extraordinary loss suffered, date of abandonment or loss, date of Department authorization of use of Account 182, and period over which amortization is being made.

Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written off (c)	Written Off During Year		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4	None					
5						
6						
7						
8						
9						
10	TOTALS					

MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized show period of amortization.
3. Minor items may be grouped by classes, showing number of such items.

Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
11	Deferred Environmental	\$ 54,505,906	\$ 7,537,875	253	\$ 13,398,216	\$ 48,645,565
12	Pension and Other Postretirement Benefits	80,883,043	22,127,284	228,926.5, 926.7	41,721,601	61,288,726
13	Derivatives	29,850,889	94,754,601	143, 232, 242, 253,	100,145,765	24,459,725
14	Deferred Income Tax	292,500,219	1,060,194,244	253, 282, 283, 409,	1,015,247,392	337,447,071
15	Miscellaneous Deferred Debits	-	284,494,055	Various	284,542,915	(48,860)
16	Asset Retirement Obligation	8,882,428	1,135,805	403,411	265,751	9,752,482
17	Deferred Rate Case Expenses	267,115	-	928, 407.3	267,115	-
18	Deferred Attorney General Cost	302,294	40,050	928	338,997	3,347
19						-
20						-
21						-
22						-
23						-
24						-
25						-
26						-
27						-
28						-
29						-
30						-
	TOTALS	\$ 467,191,893	\$ 1,470,283,914		\$ 1,455,927,752	\$ 481,548,056

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DISCOUNT ON CAPITAL STOCK (Account 191)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock.

balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off during the year and specify the amount charged.

2. If any change occurred during the year in the

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
1		
2		
3		
4		
5		
6		
7	NONE	
8		
9		
10		
11		
12		
13		
14	TOTAL	

CAPITAL STOCK EXPENSE (Account 192)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock.

balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of capital stock expense & specify the account charged.

2. If any change occurred during the year in the

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
15		
16		
17		
18		
19		
20		
21		
22		
23		
24	NONE	
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36	TOTAL	

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

CAPITAL STOCK AND PREMIUM (Accounts 201, 204 and 207)

- 1. Report below the particulars called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show totals separately for common and preferred stock.
- 2. Entries in column (b) should represent the number of shares authorized by the Department.
- 3. Give particulars concerning shares of any class and series of stock authorized to be issued by the Department which have not yet been issued.
- 4. The designation of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
- 5. State if any capital stock which has been nominally issued is nominally outstanding at end of year.
- 6. Give particulars of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledge and purpose of pledge.

Line No.	Class and Series of Stock (a)	Number of Shares Authorized (b)	Par Value per Share (c)	Outstanding per Balance Sheet*			Premium at End of Year (g)
				Amount Authorized (d)	Shares (e)	Amount (f)	
1							
2							
3							
4	Capital Stock - Common Stock	514,184	\$ 100	\$ 51,418,400	514,184	\$ 51,418,400	\$ 640,069
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTALS	514,184		\$ 51,418,400	514,184	\$ 51,418,400	\$ 640,069

* Total amount outstanding without reduction for amounts held by respondent.

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

OTHER PAID-IN CAPITAL (Accounts 208-211)

1. Report below balance at end of year and the information specified in the instructions below for the respective other paid-in capital accounts. Provide a conspicuous sub-heading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet. Additional columns may be added for any account if deemed necessary. Explain the change in any account during the year and give the accounting entries effecting such change.

State amount and give brief explanation of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

4. Gain on Cancellation of Reacquired Capital Stock (Account 210) - - Report balance at beginning of year, credits, debits, and balance at end of year with a succinct designation of the nature of each credit and debit identified as to class and series of stock to which related.

5. Misc. Paid-In Capital (Acct. 211) - - Classify amounts included in this account at end of year according to captions which, together with brief explanations, disclose the general nature of transactions which gave rise to the reported amounts.

2 Donations Received from Stockholders (Account 208)

State Amount and give brief explanation of the origin and purpose of each donation.

3 Reduction in Par Value of Capital Stock (Account 209)

Line No.	Item (a)	Amount (b)
1		
2	Donations Received from Stockholders (208)	\$ 16,087,517
3	Gain on Capital Stock (210)	(2,475,015)
4	Other Paid In Capital (211)	837,711,900
5		
6		
7		
8		
9		
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12		
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33		
34		
35		
36		
37	TOTAL	\$ 851,324,403

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

LONG-TERM DEBT (Accounts 221, 223-224)									
Report by balance sheet accounts particulars concerning long-term debt in Accounts 221, Bonds: 223 Advances from Associated Companies; and 224, Other Long-Term Debt									
Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Amount Authorized (d)	Amount Actually Outstanding at End of Year (e)	Interest Provisions		Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)
						Rate Per Cent (f)	Dates Due (g)		
1	Account 221:								
2									
3	Senior Unsecured Note	02-17-12	02-15-42	500,000,000	500,000,000	4.487	4/1, 10/1	22,435,000	22,435,000
4	Medium-Term Note - 2019 Series	12-22-89	12-15-19	7,000,000	7,000,000	8.97	4/1, 10/1	627,900	627,900
5	Medium-Term Note - 2020 Series	12-05-90	12-01-20	5,000,000	5,000,000	9.75	4/1, 10/1	487,500	487,500
6	Medium-Term Note - 2021 Series	09-06-91	09-01-21	15,000,000	15,000,000	9.05	4/1, 10/1	1,357,500	1,357,500
7	Medium-Term Note - 2017 Series	07-10-92	07-10-17	8,000,000	8,000,000	8.33	4/1, 10/1	666,400	666,400
8	Medium-Term Note - 2018 Series	07-10-92	07-10-18	10,000,000	10,000,000	8.33	4/1, 10/1	833,000	833,000
9	Medium-Term Note - 2022 Series	07-10-92	07-10-22	10,000,000	10,000,000	8.33	4/1, 10/1	833,000	833,000
10	Medium-Term Note - 2016 Series	01-18-94	04-01-16	10,000,000	0	6.93	4/1, 10/1	173,250	346,500
11	Medium-Term Note - 2016 Series	01-18-94	01-15-16	5,000,000	0	6.93	4/1, 10/1	13,475	100,100
12	Medium-Term Note - 2019 Series	01-20-94	01-15-19	10,000,000	10,000,000	6.93	4/1, 10/1	693,000	693,000
13	Medium-Term Note - 2024 Series	01-20-94	01-15-24	6,000,000	6,000,000	6.98	4/1, 10/1	418,800	418,800
14	Medium-Term Note - 2025 Series	10-03-95	10-01-25	20,000,000	20,000,000	7.25	4/1, 10/1	1,450,000	1,450,000
15	Medium-Term Note - 2025 Series	10-03-95	10-01-25	5,000,000	5,000,000	7.25	4/1, 10/1	362,500	362,500
16	Medium-Term Note - 2023 Series	12-01-95	12-01-23	10,000,000	10,000,000	6.95	4/1, 10/1	695,000	695,000
17	Medium-Term Note - 2024 Series	12-05-95	12-01-24	5,000,000	5,000,000	6.95	4/1, 10/1	347,500	347,500
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28		TOTALS		626,000,000	611,000,000			31,393,825	31,653,700

For issues of long-term debt made during current year state purpose for which issued, date of issue, Department authorization date and D.P.U. #.

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NOTES PAYABLE (Account 231)

Report the particulars indicated concerning notes payable at end of year.

Line No	Payee (a)	Date of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance End of Year (e)
1	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13		TOTAL			

PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)

Report particulars of notes and accounts payable to associated companies at end of year.

Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
14				
15				
16	Payable to Regulated Money Pool*	606,635,891	0.98%	3,768,769
17				
18				
19				
20	Accounts Payable to Associated Companies**			
21	<i>NGUSA Service Company</i>	52,323,756		
22	<i>KeySpan Corporation</i>	13,626,230		
23	<i>Colonial Gas Company</i>	4,806,146		
24	<i>Other</i>	2,135,109		
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48	TOTALS	679,527,132		\$3,768,769

* The average rate on intercompany borrowings from the Regulated Money Pool was 0.98% during 2016.

** These accounts payable to associated companies do not bear interest.

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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

1. Report the amount and description of other current and accrued liabilities at end of year.
2. Minor items may be grouped under appropriate title.

Line No.	Item (a)	Amount (b)
1		
2		
3	Accrued Payroll	\$ 1,725,856
4	Accrued Miscellaneous	210,656
5	Accrued Vacation	5,935,091
6	Accrued Incentive Compensation	1,981,506
7	Accrued Regulatory Commission	1,038,433
8	Accrued Benefits	1,624,682
9	Short-Term Derivative Liability	5,350,204
10		
11		
12		
	TOTAL	\$ 17,866,428

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars called for concerning other deferred credits.
2. For any deferred credits being amortized show the period of amortization.
3. Minor items may be grouped by classes. Show number of items.

Line No.	Description of Other Deferred Credit (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
13	Deferred Tax Surplus	\$ 3,350,531	408-409			\$ 3,350,531
14	Deferred Postemployment Benefits	1,153,441	926	3,289,330	2,321,585	185,696
15	Derivatives	2,956,393	186	39,120,531	60,140,945	23,976,807
16	Asset Retirement Obligation	14,130,375	411	12,066,237	12,798,994	14,863,132
17	Investment Tax Credit Post-1970	1,895,842	236	1,948,928	53,086	-
18	Deferred Off System Sales Profit	38,402,709	495	100,770,250	97,457,496	35,089,955
19	Miscellaneous Deferred Credits	5,938,357	Various	86,943,034	82,397,146	1,392,469
20	Deferred Sales Tax	5,780,780	408,431	2,310,058	2,474,678	5,945,400
21	Revenue Decoupling Mechanism	3,842,986	495	385,505,459	409,234,664	27,572,191
22	Deferred Equity Return on Capital Trackers	23,795,225	426	247,254,177	256,283,564	32,824,612
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	\$ 101,246,638		\$ 879,208,004	\$ 923,162,158	\$ 145,200,793

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RESERVE FOR DEPRECIATION OF UTILITY PLANT IN SERVICE (Account 254)

Show below the amount credited during the year to Depreciation Reserve, and the amount charged to Depreciation Reserve on account of property retired. Also the balance in the account at the end of the year.

Line No.	(a)	Electric (b)	Gas (c)	Total (d)
1				
2	Balance at beginning of the Year		\$1,377,714,605	\$1,377,714,605
3	Credits to Depreciation Reserve during year:			
4	Account 403 Depreciation		146,589,696	\$146,589,696
5	Account 404-405 Amortization		\$39,565	\$39,565
6				
7	Other Accounts (Rental Equipment)			
8	TOTAL CREDITS DURING YEAR		\$146,629,261	\$146,629,261
9	Net Charges for Plant Retired:			
10	Book Cost of Plant Retired		\$80,819,932	\$80,819,932
11	Cost of Removal		32,069,783	32,069,783
12	Salvage (Credit)		0	0
13				
14				
15				
16	Other Adjustment Entries		0	0
17	NET CHARGES DURING YEAR		112,889,715	\$112,889,715
18	Balance December 31		\$1,411,454,151	\$1,411,454,151

METHOD OF DETERMINATION OF DEPRECIATION CHARGES

Give in detail the rule and rates, by which the respondent determined the amount charged to operating expenses and other accounts, and credited to Depreciation Reserve. Report also the depreciation taken for the year for federal income tax purposes.

15	Depreciation -	\$146,589,696	
16	The Composite Depreciation Rate as a Percentage of the Average Depreciable Property in Service was -		3.62%
17	Taken for Federal Income Taxes		\$189,586,609
18			
19			
20			

DIVIDENDS DECLARED DURING THE YEAR (Accounts 437, 438)

Give particulars of dividends declared on each class of stock during the year, and charged to Earned Surplus. This schedule shall include only dividends that have been declared by the Board of Directors during the fiscal year.

Line No.	Name of Security on Which Dividend was Declared (a)	Amount of Capital Stock on Which Dividend was			Amount of Dividend (e)	Date	
		Regular (b)	Extra (c)	Declared (d)		Declared (f)	Payable (g)
21	Common Stock	\$0.0000		0	\$0		
22							
23	Preferred Stock	\$0.0000		0	\$0		
24		\$0.0000		0	\$0		
25		\$0.0000		0	\$0		
26							
27	Added Accrual				\$0		
28							
29							
30	TOTALS	\$0.0000			\$0		
Dividend rates on Common Stock and Premium					0.00%		
Dividend rates on Common Stock, Premium and Surplus					0.00%		

OPERATING RESERVES (Accounts 261, 262, 263, 264, 265)

1. Report below an analysis of the changes during the year for each of the above-named reserves.
2. Show name of reserve and account number, balance beginning of year, credits, debits, and balance at end of year. Credit amounts should be shown in black, debit amounts enclosed by parentheses.
3. Each credit and debit amount should be described as to its general nature and the contra account debited or credited shown. Combine the amounts of monthly accounting entries of the same general nature.

- If respondent has more than one utility department, contra accounts debited or credited should indicate the utility department affected.
4. For Accounts 261, Property Insurance Reserve and 262, Injuries and Damages Reserve, explain the nature of the risks covered by the reserve.
 5. For Account 265, Miscellaneous Operating Reserves, report separately each reserve comprising the account and explain briefly its purpose.

Line No.	Name of Reserve (a)	Bal. Beg. of Year (b)	Credits (c)	Debits (d)	Contra Acct. Debited or Credited (e)	Amount (f)
1	Account 262:					
2						
3	Workers Compensation Reserve	\$ 724,189	\$ 1,688,264	\$ 1,240,159	925, 131	\$ 1,172,294
4	Injuries & Damages Reserve (includes Gen, Auto and OCIP)	2,303,808	903,701	1,360,543	926, 131	1,846,966
5	Incurred but not reported (IBNR)	12,846,656	-	1,040,368	925	11,806,288
6						
7						
8	Account 263:					
9						
10	Pensions	(7,940,173)	8,975,701	14,551,638	926, 131	(13,516,110)
11	Other Post Employment Benefits Reserve	92,548,173	444,371	9,075,431	926, 131	83,917,113
12						
13						
14						
15						
16	Account 265:					
17	Environmental Reserve	39,738,202	1,525,484	9,596,044	186	31,667,642
18						
19						
20						
21						
22						
23						
24						
25						
26						
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30						
31						
32						
33						
34						
35	TOTALS	\$ 140,220,856	\$ 13,537,521	\$ 36,864,183		\$ 116,894,193

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RESERVES FOR DEFERRED FEDERAL INCOME TAXES (Accounts 267, 268)					
1. Report the information called for below concerning the respondent's accounting for deferred federal income taxes.		(b) Liberalized Depreciation - - State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated useful lives and classes of plant to which each method is being applied. Furnish a table showing for each year, 1954 to date of this report, the annual amounts of tax deferral, the total debits thereto which have been accounted for as credits to Acct. 411, Federal Income Taxes Deferred in Prior Years - - Credit or comparable account of the previous system of accounts.			
2. In the space provided furnish significant explanations, including the following:					
(a) Accelerated Amortization - - State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax amounts.					
Line No.	Account Subdivisions (a)	Balance Beginning of Year (b)	Changes During Year		Balance End of Year (e)
			Amts. Debited Account 410 ⁽¹⁾ (c)	Amts. Credited Account 411 ⁽²⁾ (d)	
1	Accelerated Amortization				
2	(Account 267)				
3	Electric				
4	Gas	\$ -	\$ -	\$ -	\$ -
5	Other (Specify)				
6	Totals	-	-	-	-
7					
8	Liberalized Depreciation				
9	(Account 268)				
10	Electric				
11	Gas	644,079,257	83,492,602		727,571,859
	Prov Deferred Merger Cost				
12	Trueup and Other				
13	Totals	644,079,257	83,492,602	-	727,571,859
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	644,079,257	83,492,602	-	727,571,859
	Prov Deferred Merger Cost				
18	Trueup and Other	-	-	-	-
19	Totals	\$ 644,079,257	\$ 83,492,602	\$ -	\$ 727,571,859
20					
21	(1) Account 410, Provision for Deferred Federal Income Taxes				
22	(2) Account 411, Federal Income Taxes Deferred in Prior Years - - Credit				
	Note: The table above does not include property and other taxes.				

CONTRIBUTIONS IN AID OF CONSTRUCTION (Account 271)

Report below the amount of contributions in aid of construction applicable to each utility department.

Line No.	Class of Utility Service (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
23	CONTRIB-AID OF CONSTRUCTION			\$ -	\$ -	\$ -
24						
25	None					
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	\$ -	0	\$ -	\$ -	\$ -

GAS OPERATING REVENUES (Account 400)										
1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.			counted for each group of meters so added. The average number of customers means the average of the 12 figures at the close of each month. If the customer count in the residential service classification includes customers counted more than once because of special services, such as water heating, etc., indicate in a footnote the number of such duplicate customers included in the classification.			4. Unmetered sales should be included below. The details of such sales should be given in a footnote.				
2. If increases and decreases are not derived from previously reported figures explain any inconsistencies.						5. Classification of Commercial and Industrial Sales, Acct. 481, according to Small (or Commercial) and Large (or Industrial) may be according to the basis of classification regularly used by the respondent.				
3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be										
Line No	Account (a)	Operating Revenues			Dth Sold (1000 BTU)			Average No. of Cust. Per Month		
		Amount for Year (b)	Prior Year	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Prior Year	Increase or (Decrease) from Preceding Year (e)	Number for Year (f)	Prior Year	Increase or (Decrease) from Preceding Year (g)
1	SALES OF GAS									
2	480 Residential Sales	\$599,739,787	\$695,752,697	(96,012,910)	46,499,367	54,227,798	(7,728,431)	643,135	623,322	19,813
3	481 Commercial and Industrial Sales:									
4	Small (or Commercial) see instr. 5	102,939,685	128,186,314	(25,246,629)	9,652,578	11,125,579	(1,473,001)	47,312	43,554	3,758
5	Large (or Industrial) see instr. 5	95,631,605	125,542,052	(29,910,447)	51,356,707	33,675,807	17,680,900	5,894	5,692	202
6	482 Other Sales to Public Authorities	1,036,575	1,093,284	(56,709)	88,857	96,114	(7,257)	0	0	0
7	484 Interdepartmental Sales	0	0	0	0	0	0	0	0	0
8		0	0	0	0	0	0	0	0	0
9	485 Miscellaneous Gas Sales	0	0	0	0	0	0	0	0	0
10	Total Sales to Ultimate Consumers	\$799,347,652	\$950,574,346	(151,226,694)	107,597,509	99,125,298	8,472,211	696,341	672,568	23,773
11	483 Sales for Resale*	65,001,746	89,772,513	(24,770,767)	25,464,294	33,246,043	(7,781,749)	0	0	0
12	Total Sales of Gas	\$864,349,398	\$1,040,346,859	(175,997,461)	133,061,803	132,371,341	690,462	696,341	672,568	23,773
13	OTHER OPERATING REVENUES									
14	487 Adjustments	0	0	0						
15	488 Miscellaneous Service Revenues	463,800	441,900	21,900						
16	489 Revenues from Trans. of Gas or Others	148,221,666	137,726,718	10,494,947						
17	490 Sales of Products Extracted from Natural Gas	0	0	0						
18	491 Rev. from Natural Gas Processed by Others	0	0	0						
19	493 Rent from Gas Property	1,388,190	398,912	989,278						
20	494 Interdepartmental Rents	0	0	0						
21	495 Other Gas Revenues	38,906,295	(41,765,718)	80,672,013						
22	Total Other Operating Revenues	\$ 188,979,950	\$ 96,801,812	\$ 92,178,138						
23	Total Gas Operating Revenues	\$ 1,053,329,349	\$ 1,137,148,670	\$ (83,819,321)						

* Sales for Resale are off-system sales contracted by National Grid utilities with counterparties. These sales occur on interstate pipelines at points that National Grid utilities do not have access to the meter data maintained by the counterparty. The best available data that National Grid has access to are pipeline statements providing volumetric deliveries.

SALES OF GAS TO ULTIMATE CONSUMERS							
Report by Account the M.C.F. sold, the amount derived and the number of customers under each filed schedule or contract. Contract sales and unbilled sales may be reported separately in total.							
Line No.	Account No.	Schedule (a)	DTH (b)	Revenue (c)	Average Revenue per DTH (\$0.0000) (d)	Number of Customers (Per Bills Rendered)	
						July 31 (e)	December 31 (f)
1		Total Company					
2							
3	480	R-1 Residential Non-Heat	1,227,191	25,265,309	20.5879	94,573	92,868
4		R-2 Residential SSI Non-Heat	146,405	2,125,790	14.5199	6,379	6,153
5		R-31 Residential Heat	41,150,453	533,713,110	12.9698	503,152	508,103
6		R-32 Residential SSI Heat	3,975,318	38,635,578	9.7189	36,831	36,011
7							
8	481	G-17 Unmetered Gas Lamps	784	36,200	46.1672	75	75
9		G-41 Low Load - Small	3,551,020	42,948,495	12.0947	30,150	29,934
10		G-42 Low Load - Medium	3,394,138	34,204,187	10.0774	7,558	7,468
11		G-43 Low Load - Large	6,204,986	56,749,252	9.1458	4,330	4,309
12		G-44 Low Load - Extra Large	1,926,457	17,862,524	9.2722	409	378
13		G-51 High Load - Small	1,253,668	12,759,417	10.1777	6,808	7,029
14		G-52 High Load - Medium	1,452,967	12,991,387	8.9413	2,698	2,806
15		G-53 High Load - Large	1,306,782	11,320,381	8.6628	1,131	1,146
16		G-54 High Load - Extra Large	525,446	4,365,490	8.3082	55	56
17		G-55 High Load - Metered Demand / Essex	6,970	53,856	7.7272	1	1
18		G-62 Summer Load - Medium	0	0	0.0000	0	0
19		G-63 Summer Load - Large	0	0	0.0000	0	0
20		G-64 Summer Load-Extra Large	0	0	0.0000	0	0
21		Non-Core, Special Contracts	0.00	0	0.0000	0	0
22		Interruptible (808)	0	22,912	0.0000	0	0
23							
24							
25		G-27 CNG Fuel	0	0	0.0000		
26		G-92 Special Contract	41,386,066	5,257,190	0.1270	5	4
27							
28							
29							
30							
31	482	G-7 Street Lighting (807)	88,857	1,036,575	11.6656	0	0
32							
33							
34							
35							
36							
37							
38							
39	TOTAL SALES TO ULTIMATE						
40	CONSUMERS (Page 43 line 10)		107,597,509	799,347,652	\$7.4291	694,155	696,341

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REVENUES FROM TRANSPORTATION							
Report by account the M.C.F. sold, the amount derived and the number of customers under each filed schedule or contract. Municipal sales, contract sales and unbilled sales may be reported separately in total.							
Line No.	Acct. No.	Schedule (a)	DTH (b)	Revenue (c)	Average Revenue per DTH (0.0000) (d)	Number of Customers (per Bills Rendered)	
						July 31 (e)	Dec. 31 (f)
1		<u>Total Company</u>					
2							
3	489	Contract Firm Transportation					
4		G-41 Low-Load Firm Transp.	696,294	\$ 4,425,845	6.3563	2,387	2,507
5		G-42 Low-Load Firm Transp.	2,011,457	10,136,182	5.0392	2,335	2,335
6		G-43 Low-Load Firm Transp.	8,198,669	36,050,595	4.3971	3,370	3,379
7		G-44 Low-Load Firm Transp.	4,773,402	20,331,589	4.2593	625	656
8		G-51 High-Load Firm Transp.	380,098	2,056,242	5.4098	907	906
9		G-52 High-Load Firm Transp.	849,291	3,784,298	4.4558	778	801
10		G-53 High-Load Firm Transp.	2,358,623	9,476,752	4.0179	811	862
11		G-54 High-Load Firm Transp.	4,780,638	14,887,197	3.1141	261	264
12		G-55 High -Load Metered Demand- Essex	288,157	992,086	3.4429	8	8
13		G-61 Summer-Load Firm Transp.	-	-	0.0000	-	-
14		G-62 Summer-Load Firm Transp.	-	-	0.0000	-	-
15		G-63 Summer-Load Large Transp.	-	-	0.0000	-	-
16		G-64 Summer-Load Extra-Large Transp.	-	-	0.0000	-	-
17		G-81 Low-Load Firm	2,362,179	6,591,503	2.7904	12	12
18		G-82 High-Load Firm	11,334,909	31,490,746	2.7782	92	94
19		G-83 Low-Load Firm Optional Svc.	2,758,013	202,901	0.0736	0	0
20		G-84 High-Load Firm Optional Svc.	108,839	682,216	6.2681	-	0
21		Non-Firm Transportation	41,449	0	0	0	0
22		R-1 Residential Non-Heat	29,384	461,823	15.7168	1,835	2,209
23		R-10 Interruptible Transport	6,911	0	0	-	-
24		R-31 Residential Heat	665,582	6,651,693	9.9938	11,084	12,736
25		Broker (48900-005590 Broker Balance Charges)	232,993	0	0	0	0
		Special Contracts (82) 4810K-V882 and 48100-005182	-	0	0.0000	-	-
26		Special Contracts (83)	0	\$ -	0.0000	-	0
27		Special Contracts (84)	0.00	\$ -	0.0000	-	0
28		Total Revenues from Transportation					
		of Gas for Others (Page 43, Line 16)					
		for Others (Page 43, Line 16)	41,876,886	\$ 148,221,666	3.5395	24,505	26,769

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GAS OPERATION AND MAINTENANCE EXPENSES

1. Enter in the space provided the operation and maintenance expenses for the year.
 2. If the increases and decreases are not derived from previously reported figures explain in footnote.

Line No.	Account (a)	Amount for Year (b)	Prior Year amount	Increase/(Decrease) from Preceding Year (c)
1	PRODUCTION EXPENSE			
2	MANUFACTURED GAS PRODUCTION EXPENSES			
3	STEAM PRODUCTION			
4	Operation:			
5	700 Operation supervision and engineering	\$ -	\$ -	\$ -
6	701 Operation labor	-	-	-
7	702 Boiler fuel	-	-	-
8	703 Miscellaneous steam expenses	-	-	-
9	704 Steam transferred - - Cr	-	-	-
10	Total operation	-	-	-
11	Maintenance:			
12	705 Maintenance supervision and engineering	-	-	-
13	706 Maintenance of structures and improvements	-	-	-
14	707 Maintenance of boiler plant equipment	-	-	-
15	708 Maintenance of other steam production plant	-	-	-
16	Total maintenance	-	-	-
17	Total steam production	-	-	-
18	MANUFACTURED GAS PRODUCTION			
19	Operation:			
20	710 Operation supervision and engineering	-	-	-
21	Production labor and expenses:			
22	711 Steam expenses	-	-	-
23	712 Other power expenses	-	-	-
24	715 Water gas generating expenses	-	-	-
25	716 Oil gas generating expenses	-	-	-
26	717 Liquefied petroleum gas expenses	-	-	-
27	718 Other process production expenses	-	-	-
28	Gas fuels:	21,243	101,220	(79,977)
29	721 Water gas generator fuel	-	-	-
30	722 Fuel for oil gas	-	-	-
31	723 Fuel for liquefied petroleum gas process	-	-	-
32	724 Other gas fuels	-	-	-
33	Gas raw materials:			
34	726 Oil for water gas	-	-	-
35	727 Oil for oil gas	-	-	-
36	728 Liquefied petroleum gas	-	-	-
37	729 Raw materials for other gas processes	-	-	-
38	730 Residuals expenses	-	-	-
39	731 Residuals produced - - Cr	-	-	-
40	732 Purification expenses	-	-	-
41	733 Gas mixing expenses	-	-	-
42	734 Duplicate charges - - Cr	-	-	-
43	735 Miscellaneous production expenses	-	-	-
44	736 Rents	-	-	-
45	Total operation	21,243	101,220	(79,977)
46	Maintenance:			
47	740 Maintenance supervision and engineering	-	-	-
48	741 Maintenance of structures and improvements	-	-	-
49	742 Maintenance of production equipment	2,355	1,776	579
50	Total maintenance	2,355	1,776	579
51	Total manufactured gas production	\$ 23,598	\$ 102,996	\$ (79,398)

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

GAS OPERATION AND MAINTENANCE EXPENSES - - Continued				
Line No.	Account (a)	Amount for Year (b)	Prior year amount	Increase/(Decrease) From Preceding Year (c)
1	OTHER GAS SUPPLY EXPENSES			
2	Operation:			
3	804 Natural gas city gate purchases	\$ 311,610,927	\$ 460,434,679	\$ (148,823,752)
4	805 Other gas purchases	\$ -	10,307	(10,307)
5	808-10 Liquefied natural gas	\$ 1,550,509	47,931,518	(46,381,009)
6	808-20 Deferred cost of gas	\$ 32,733,581	(30,114,736)	62,848,317
7	812 Gas used for other utility operations - - Cr	\$ -	-	-
8	813 Other gas supply expenses	\$ 28,327	1,262	27,065
9	814 Environmental Costs	\$ -	-	-
10	815 Conservation & Load Management Expense	\$ -	-	-
11				
12		345,923,344	478,263,030	(132,339,686)
13	Total production expenses	345,946,942	478,366,026	(132,419,084)
14	LOCAL STORAGE EXPENSES			
15	Operation:			
16	840 Operation supervision and engineering	\$ 14,470	1,047	13,423
17	841 Operation labor and expenses	\$ 11,921,159	7,578,469	4,342,690
18	842 Rents	\$ -	-	-
19	Total operation	11,935,629	7,579,516	4,356,113
20	Maintenance:			
21	843 Maintenance supervision and engineering	-	-	-
22	844 Maintenance of structures and improvements	-	-	-
23	845 Maintenance of gas holders	-	-	-
24	846 Maintenance of other equipment	-	-	-
25	849 Joint Expenses-Credit	(9,347,029)	(9,859,340)	512,311
26	Total maintenance	(9,347,029)	(9,859,340)	512,311
27	Total storage expenses	2,588,600	(2,279,824)	4,868,424
28	TRANSMISSION AND DISTRIBUTION EXPENSES			
29	Operation:			
30	850 Operation supervision and engineering	3,246,816	7,333,716	(4,086,900)
31	851 System control and load dispatching	-	-	-
32	852 Communication system expenses	-	-	-
33	853 Compressor station labor and expenses	-	-	-
34	855 Fuel and power for compressor stations	-	-	-
35	857 Measuring and regulating station expenses	987,542	376,618	610,924
36	858 Transmission and compression of gas by others	-	-	-
37	860 Transmission Rents	-	-	-
38	874 Mains and services expenses	15,318,079	17,011,400	(1,693,321)
39	878 Meter and house regulator expenses	3,278,456	9,435,143	(6,156,687)
40	879 Customer installations expenses	2,108,290	3,136,100	(1,027,810)
41	880 Other expenses	19,214,996	3,016,910	16,198,086
42	881 Rents	2,516,379	132,926	2,383,453
43	882 Transportation expense	-	-	-
44	Total operation	46,670,558	40,442,813	6,227,745
45	Maintenance:			
46	885 Maintenance supervision and engineering	2,473,007	1,689,723	783,284
47	886 Maintenance of structures and improvements	-	-	-
48	887 Maintenance of mains	22,465,531	38,928,963	(16,463,432)
49	888 Maintenance of compressor station equipment	-	-	-
50	889 Maintenance of measuring and regulating station equipment	5,863,757	2,319,963	3,543,794
51	892 Maintenance of services	21,850,893	16,840,545	5,010,348
52	893 Maintenance of meters and house regulators	12,914,906	10,427,322	2,487,584
53	894 Maintenance of other equipment	93,764	189,630	(95,866)
54	Total maintenance	65,661,858	70,396,146	(4,734,288)
55	Total transmission and distribution expenses	\$ 112,332,416	\$ 110,838,959	\$ 1,493,457

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GAS OPERATION AND MAINTENANCE EXPENSES - - Continued				
Line No.	Account (a)	Amount for Year (b)	Prior yr amount	Increase/(Decrease) from Preceding Year (c)
CUSTOMER ACCOUNTS EXPENSES				
1	Operation:			
2	901 Supervision	\$ 750,775	\$ 805,541	\$ (54,766)
3	902 Meter reading expenses	\$ 2,180,840	1,817,059	363,781
4	903 Customer records and collection expenses	\$ 16,311,229	13,755,493	2,555,736
5	904 Uncollectible accounts	\$ 23,119,640	25,178,382	(2,058,742)
6	905 Miscellaneous customer accounts expenses	\$ 85,963,853	86,483,189	(519,336)
7	Total customer accounts expenses	128,326,336	128,039,664	286,673
SALES EXPENSES				
9	Operation:			
910	Miscellaneous Customer Service and Info Expense	\$ 211,620	57,002	154,618
911	Supervision	-	-	-
912	Demonstrating and selling expenses	\$ 1,058,646	1,339,617	(280,971)
913	Advertising expenses	\$ 581,758	631,857	(50,099)
916	Miscellaneous sales expenses	\$ (65,149)	(82,834)	17,685
14	Total sales expenses	1,786,875	1,945,642	(158,767)
ADMINISTRATIVE AND GENERAL EXPENSES				
16	Operation:			
920	Administrative and general salaries	\$ 30,157,255	18,998,917	11,158,338
921	Office supplies and expenses	\$ 22,837,008	11,954,174	10,882,834
922	Administrative expenses transferred - - Cr	-	-	-
923	Outside services employed	\$ 13,690,757	9,290,117	4,400,640
924	Property Insurance	\$ 547,132	802,155	(255,023)
925	Injuries and damages	\$ 3,643,714	5,118,785	(1,475,071)
926	Employees pensions and benefits	\$ 55,463,965	41,444,312	14,019,653
927	Franchise Requirements	-	-	-
928	Regulatory commission expenses	\$ 2,253,877	1,872,033	381,844
929	Duplicate charges - - Cr	-	-	-
930	Miscellaneous general expenses	\$ 373,568	(3,361,462)	3,735,030
931	Rents	\$ 17,114,736	14,248,995	2,865,741
29	Total operation	146,082,012	100,368,026	45,713,986
30	Maintenance:			
932	Maintenance of general plant	17,143	(4,845)	21,988
32	Total administrative and general expenses	146,099,155	100,363,181	45,735,974
33	Total gas operation and maintenance expenses	\$ 737,080,324	\$ 817,273,648	\$ (80,193,323)
SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				
Line	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
34	Steam production	\$ -	\$ -	\$ -
35	Manufactured gas production	21,243	2,355	23,598
36	Other gas supply expenses	345,923,344	-	345,923,344
37	Total production expenses	345,944,587	2,355	345,946,942
38	Local storage expenses	11,935,629	(9,347,029)	2,588,600
39	Transmission and distribution expenses	46,670,558	65,661,858	112,332,416
40	Customer accounts expenses	128,326,336	-	128,326,336
41	Sales expenses	1,786,875	-	1,786,875
42	Administrative and general expenses	146,082,012	17,143	146,099,155
43	Total gas operation and maint. expenses.	\$ 680,745,997	\$ 56,334,327	\$ 737,080,324
44	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			83.92%
45	Compute by dividing Revenues (Acct. 400) into the sum of Operation and			
46	Maintenance Expenses (P. 47, line 43 (d), Depreciation (Acct. 403) and			
47	Amortization (Acct. 407)			
48	Total salaries and wages of gas department for year, including amounts charged to			
49	operating expenses, construction and other accounts			\$118,819,145
50	Total number of employees of gas department at end of year, including administrative,			
51	operating, maintenance, construction and other employees - National Grid Massachusetts.			622

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If gas is purchased or sold at two or more different rates, the amounts at each rate should be shown in the following tables.

SALES FOR RESALE (Account 483)

Line No.	Names of Companies to Which Gas Is Sold (a)	Where Delivered and Where and How Measured (b)	M.C.F. (1000 BTU) (c)	Rate Per M.C.F. (\$0.0000) (d)	Amount (e)
1	Off-System Sales	Delivered to customers, various points of delivery	25,464,294	2.55	65,001,746
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	TOTALS		25,464,294		65,001,746

PURCHASED GAS (Accounts 804-806)

Line No.	Names of Companies to Which Gas Is Sold (a)	Where Delivered and Where and How Measured (b)	M.C.F. (1000 BTU) (c)	Rate Per M.C.F. (\$0.0000) (d)	Amount (e)
13					
14					
15					
16		SEE PAGES 48a & 48b			
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27	TOTALS		0	\$0.0000	\$0

SALES OF RESIDUALS (Accounts 730,731)

State the revenues and expenses of the respondent resulting from the sale of residuals.

Line No.	Kind (a)	Revenue (b)	Inventory Cost (c)	Labor Handling Selling, Etc (d)	(e)	Total Cost (f)	Net Revenue (g)
16							
17							
18							
19				NONE			
20							
21							
22							
23	TOTALS						

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Line No.	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) M.C.F. 1,000 BTU	(d) Rate Per M.C.F.	(e) Amount
1	Algonquin Gas Transmission	Metered at Everett,			
2		Weston, Waltham,			
3		Braintree, Norwood,			
4		Wellesley, Milton,			
5		Waltham Polaroid, Mansfield,			
6		Medford & Potter Street			
7	Transportation and Capacity Costs				\$ 21,294,768
8	Other Charges				0
9	TOTAL ALGONQUIN		-		21,294,768
10	Tennessee Gas Pipeline	Metered at Leominster,			
11		Clinton, Southbridge,			
12		Spencer, Lynn, Acton,			
13		Lynnfield, Arlington,			
14		Burlington, Lexington,			
15		Reading, Revere, West			
16		Peabody, Beverly/Salem,			
17		& Gloucester			
18					
19	Transportation and Capacity Costs				43,041,897
20	Other Charges				0
21	TOTAL TENNESSEE		-		43,041,897
22	Texas Eastern				
23	Transportation and Capacity Costs				22,531,268
24	Other Charges				0
25	TOTAL TEXAS EASTERN		-		22,531,268
26	Canadian				
27					
28	Commodity Cost		40,893	1.92	78,497
29	Transportation and Capacity Costs				0
30	Other Charges				0
31	TOTAL CANADIAN		40,893		78,497
32					
33	Direct Purchases				
34					
35	Commodity Cost		96,607,530	2.25	216,955,824
36	Transportation and Capacity Costs				7,708,673
37	Other Charges				
38	TOTAL DIRECT PURCHASES		96,607,530		224,664,497
39					
40					
41	Distrigas	Metered at Everett			
42	Commodity Cost		-		
43	Capacity Costs				
44	TOTAL DISTRIGAS				0

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	(a)	(b)	(c)	(d)	(e)
	Name of Companies From Which Gas is Purchased	Where Rec'd & Where & How Measured	M.C.F. 1,000 BTU	Rate Per M.C.F.	Amount
1					
2					
3	Commonwealth Gas - Commodity	Metered at customers'			
4		houses in Wellesley,			
5		Acton & Medford			
6					
7	Total Commodity Cost		96,648,423	2.25	217,034,321
8	Total Transportation & Capacity Costs				94,576,606
9	Total Other Charges				
10	Marketers and other				9,968,437
11	Unbilled Gas Cost				23,252,128
12	Total Purchased Gas Cost		96,648,423		311,610,927
13	Net Change in Holder Gas *				8,193,905
14	Deferred Cost of Gas 808-20,21,23,29				(7,102,053)
15	Purchased Gas Expense		96,648,423		345,923,344
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35	* Add (Decreases) / Deduct Increases in Holder Gas - Note: Column (e) of this line includes those				
36	inventory transactions necessary to reconcile "Purchased Gas Expense" to Gas Costs expensed				
37	as presented on Lines 3 through 6 on page 46.				
38					
39					
40					
41					
42					

TAXES CHARGED DURING YEAR

1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.

2. Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts.

3. The aggregate of each kind of tax should be listed under the appropriate heading of "Federal," "State," and "Local" in such manner that the total tax for each State and for all subdivisions can readily be ascertained.

4. The accounts to which the taxes charged were distributed should be shown in columns (c) to (i). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet account or subaccount.

5. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis for apportioning such tax.

6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (omit cents) (b)	Distribution of Taxes Charged (omit cents) (Show utility department where applicable and account charged)						
			Gas Acct. 107 &/or Accts. 300-398(c)	Gas (Acct.408,409) (d)	Surplus Acct. (e)	Future Use (Acct 105) (f)	Taxes included in O&M (g)	Gas Acct. 418 (h)	Gas Acct. 419 (i)
1	Federal:								
2	Income	349,777		349,777					
3	Payroll	12,834,420	4,882,827	7,487,905			463,688		
4	Transportation Fleet								
5	Excise	2,534		2,609			(75)		
6									
7	State:								
8	Income	(1)		(1)					
9	Use	(299,402)		(299,402)					
10	Payroll	689,595	341,200	348,395					
11	Fuel	1,725		1,725					
12									
13	Local:								
14	Excise								
15	Cities & Towns	47,075,883		47,075,883					
16									
TOTALS		\$60,654,531	\$5,224,027	\$54,966,891	\$0	\$0	\$463,613	\$0	\$0

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

OTHER UTILITY OPERATING INCOME (Account 414)					
Report below the particulars called for in each column.					
Line No.	Property (a)	Amount of Investment (b)	Amount of Revenue (c)	Amount of Operating Expenses (d)	Gain or (Loss) from Operation (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15	NONE				
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41	TOTALS				

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

INCOME FROM MERCHANDISING, JOBBING AND CONTRACT WORK (Account 415)

Report by utility department the revenues, costs, expenses, and net income from merchandising, jobbing, and contract work during year.

Line No.	Item (a)	Electric Department (b)	Gas Department (c)	Other Utility Department (d)	Total (e)
1		NONE			
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	TOTAL COSTS AND EXPENSES				
35	Net Profit (or Loss)				

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

RECORD OF SENDOUT FOR THE YEAR IN DTH							
Line No.	Item	Total	January	February	March	April	May
1	<u>Gas Made</u>						
2							
3							
4	Propane	0	0	0	0	0	0
5							
6	TOTAL	0	0	0	0	0	0
7							
8	<u>Gas Purchased</u>						
9	Natural	96,648,423	11,940,560	11,477,731	10,056,273	8,163,293	6,366,355
10	Other						
11	TOTAL	96,648,423	11,940,560	11,477,731	10,056,273	8,163,293	6,366,355
12	TOTAL MADE AND						
13	PURCHASED	96,648,423	11,940,560	11,477,731	10,056,273	8,163,293	6,366,355
14	Net Change in Holder						
15	Gas (1)	(24,893,497)	1,390,376	415,977	(1,614,575)	(2,025,186)	(3,190,479)
16	TOTAL SENDOUT	71,754,926	13,330,936	11,893,708	8,441,698	6,138,107	3,175,876
17	GAS TRANSPORTED	46,133,910	5,679,248	4,675,765	4,555,641	4,103,739	3,345,794
18	TOTAL THROUGHPUT	117,888,836	19,010,184	16,569,473	12,997,339	10,241,846	6,521,670
19							
20	Gas Sold	69,745,766	9,283,936	12,386,239	10,880,165	8,023,484	5,246,770
21	Gas Used by Company	136,655	23,188	24,235	13,775	15,731	10,847
22	Gas Transported	41,873,116	4,404,068	5,369,658	5,002,496	4,306,913	3,487,416
23	Gas Accounted for	111,755,536	13,711,192	17,780,132	15,896,437	12,346,128	8,745,032
24	Gas Unaccounted for (2)	6,133,300	5,298,992	(1,210,659)	(2,899,098)	(2,104,282)	(2,223,362)
25	% Unaccounted						
26	for (0.00%) (2)	5.20%					
27							
28							
29	<u>Sendout in 24 hours</u>						
30	<u>in DTH</u>						
31	Maximum - DTH		850,057	1,048,412	661,184	679,644	363,515
32	Maximum - Date		1/19/16	2/14/16	3/4/16	4/4/16	5/5/16
33	Minimum - DTH		376,249	335,032	187,580	155,631	125,606
34	Minimum - Date		1/31/16	2/20/16	3/31/16	4/22/16	5/28/16
35							
36							
37							
38							
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						
42							

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

RECORD OF SENDOUT FOR THE YEAR IN DTH (continued)							
Line No.	June	July	August	September	October	November	December
1							
2							
3							
4	0	0	0	0	0	0	0
5							
6	0	0	0	0	0	0	0
7							
8							
9	5,671,254	5,570,523	5,458,656	5,016,247	6,813,699	8,794,536	11,319,295
10							
11	5,671,254	5,570,523	5,458,656	5,016,247	6,813,699	8,794,536	11,319,295
12							
13	5,671,254	5,570,523	5,458,656	5,016,247	6,813,699	8,794,536	11,319,295
14							
15	(3,871,866)	(4,124,687)	(4,072,004)	(3,394,747)	(3,027,965)	(2,061,285)	682,945
16	1,799,388	1,445,836	1,386,652	1,621,500	3,785,734	6,733,251	12,002,240
17	2,385,682	2,509,325	2,530,075	2,568,067	3,507,102	4,460,622	5,812,850
18	4,185,070	3,955,161	3,916,727	4,189,567	7,292,836	11,193,873	17,815,090
19							
20	2,976,427	2,072,252	1,773,430	1,713,828	2,421,586	4,584,470	8,383,178
21	8,426	1,405	1,320	20,764	2,519	4,734	9,712
22	2,856,009	2,215,699	2,124,291	2,147,599	2,348,801	3,208,266	4,401,901
23	5,840,862	4,289,355	3,899,041	3,882,190	4,772,906	7,797,470	12,794,791
24	(1,655,792)	(334,194)	17,686	307,377	2,519,930	3,396,403	5,020,299
25							
26							
27							
28							
29							
30							
31	156,863	142,839	139,477	183,698	432,939	580,216	899,640
32	6/9/2016	7/6/2016	8/11/2016	9/29/2016	10/26/2016	11/21/2016	12/15/2016
33	125,379	109,698	112,121	114,124	144,112	209,221	378,659
34	6/18/2016	7/3/2016	8/20/2016	9/4/2016	10/8/2016	11/2/2016	12/1/2016
35							
36							
37							
38							
39							
40							
41							
42							

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

GAS GENERATING PLANT			
Line No.	General Description--Location, Size, Type, etc.	No. of Sets	24 Hour Cap. (MCF)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22	Liquefied Natural Gas:		
23			
24	Commercial Point Vaporization of LNG	4	250,000
25	331,000 Barrels of LNG		
26			
27			
28	Haverhill Vaporization of LNG	2	38,500
29	116,000 Barrels of LNG		
30			
31	Lynn Vaporization of LNG	4	115,000
32	290,000 Barrels of LNG		
33			
34	Salem Vaporization of LNG	2	30,000
35	290,000 Barrels of LNG		
36			
37			
38			
39			
40			
41			
42			
43	Note: Vap. Capacity is determined by pump capacity 36,000 MCFD		
44			
45		TOTAL	433,500

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

BOILERS *						
Line No.	Location	Kind of Fuel and Method of Firing	Rated Pressure in Lbs.	Rated Steam Temp.	Number	Output Rating M. Lbs. Steam Per Hour
1	Broad Street, Danvers**	Gas Or Oil				
2	Rover St., Everett	Gas				
3	Victory Rd., Dorchester	Gas				
4	Victory Rd., Dorchester	Gas				
5						
6						
7	LNG Vaporizer	Nat. Gas	300 Lbs @ 250 F	NA	2	20 MMSCFD
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	*Includes only those boilers that produce steam used in the production or conditioning of gas.					
26	** Broad Street, Danver was removed for LNG					
27						
28						
SCRUBBERS, CONDENSERS AND EXHAUSTERS. 24 HOUR CAPACITY (MCF)						
Line No.		Kind of Gas				Total Capacity
29						
30						
31	Scrubbers					NONE
32						
33						
34						
35						
36	Condensers					NONE
37						
38						
39						
40						
41						
42	Exhausters					NONE
43						
44						
45						
46						
47						
48						

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

PURIFIERS				
Line No.	Location	Kind of Gas	Kind of Purifying Material	Estimated 24 Hour Capacity
1	NONE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				

HOLDERS (Including Relief Holders). Indicate Relief Holders by the letters R.H.							
Line No.	Location	Type of Tank	Dimensions		No. of Lifts	Number	Working Capacity
			Diam.	Height			
23	NONE						
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

TRANSMISSION AND DISTRIBUTION MAINS

Report by size, for all mains and lines, the information called for below for cast iron, welded, wrought iron and steel mains.
Sub-totals should be shown for each type.

Line No.	Diameter	Boston Gas				Total Length in Feet at End of Year
		Total Length in Feet at Beginning of Year	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	
1	STREET MAINS - CAST IRON					
2	3" &					
3	smaller	582,237	0	0	30,404	551,833
4	4"	3,629,973	0	0	138,456	3,491,517
5	5"	0	0	0	0	0
6	6"	4,168,096	0	0	150,807	4,017,289
7	8"	816,554	0	0	32,462	784,092
8	10"	327,657	0	0	3,091	324,566
9	12"	954,071	0	0	15,754	938,317
10	14"	6,252	0	0	0	6,252
11	16"	153,071	0	0	696	152,375
12	18"	16,280	0	0	208	16,072
13	20"	107,876	0	0	433	107,443
14	24"	180,093	0	0	352	179,741
15	30"	65,666	0	0	0	65,666
16	36"	63,980	0	0	0	63,980
17	42"	13,278	0	0	0	13,278
18	54"	1,004	0	0	0	1,004
19	Total	11,086,088	0	0	372,663	10,713,425
20						
21	STREET MAINS - STEEL OR WROUGHT IRON					
22						
23	2" &					
24	smaller	2,737,711	2,949	0	156,070	2,584,590
25	2 1/2"	19,341	0	0	38	19,303
26	3"	2,397,090	0	0	23,849	2,373,241
27	3 1/2"	278	0	0	0	278
28	4"	2,967,812	810	0	62,476	2,906,146
29	5"	11,894	0	0	175	11,719
30	6"	2,158,482	409	0	23,844	2,135,047
31	8"	837,747	2,329	0	5,076	835,000
32	10"	79,920	47	0	1,803	78,164
33	12"	994,462	8,662	0	6,733	996,391
34	14"	1,197	0	0	0	1,197
35	16"	201,797	692	0	0	202,489
36	18"	531	0	0	0	531
37	20"	106,925	248	0	0	107,173
38	24"	78,099	71	0	100	78,070
39	30"	14,640	0	0	0	14,640
40	36"	3,516	0	0	65	3,451
41	42"	1,542	0	0	0	1,542
	Total	12,612,984	16,217	0	280,229	12,348,972
	SUB-TOTALS	23,699,072	16,217	0	652,892	23,062,397
	Normal Operating Pressure - Mains and Lines - Maximum			Minimum		
	Normal Operating Pressure - Services		- Maximum	Minimum		

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TRANSMISSION AND DISTRIBUTION MAINS (continued)

Report by size, for all mains and lines, the information called for below for cast iron, welded, wrought iron and steel mains.
Sub-totals should be shown for each type.

Line No.	Diameter	Boston Gas Total Length in Feet at Beginning of Year	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
1	STREET MAINS - PLASTIC PIPE FUSED					
2	2" &					
3	smaller	4,892,152	281,883	0	4,110	5,169,925
4	3" &		0			
5	smaller	275,114	194	0	596	274,712
6	4"	3,502,390	211,401	0	6,078	3,707,713
7	5"	118,225	0	0	0	118,225
8	6"	4,211,923	452,925	0	7,360	4,657,488
9	8"	1,981,589	260,260	0	4,386	2,237,463
10	10"	645	0	0	0	645
11	12"	117,524	86,028	0	400	203,152
12	16"	6,647	0	0	0	6,647
13	Total	15,106,208	1,292,691	0	22,930	16,375,969
14						
15						
16	STREET MAINS - WELDED STEEL PIPE FUSED					
17	2.0"	653,023	0	0	0	653,023
18	4.0"	561,300	0	0	0	561,300
19	5.0"	43,690	0	0	0	43,690
20	6.0"	249,374	0	0	0	249,374
21	8.0"	171,473	0	0	0	171,473
22	10.0"	64,678	0	0	0	64,678
23	12.0"	97,086	0	0	0	97,086
24	16.0"	34,388	0	0	0	34,388
25	20.0"	2,424	0	0	0	2,424
26	24.0"	146	0	0	0	146
27	Total	1,877,582	0	0	0	1,877,582
28						
29	No category	40,988	23,065	0	0	64,053
30						
31						
32						
33						
34						
35						
36						
37						
38						
39	GRAND TOTAL	40,723,850	1,331,973	0	675,822	41,380,001
40	Normal Operating Pressure - Mains and Lines - Maximum 60 PSIG Minimum 4" W.C.					
41	Normal Operating Pressure - Services - Maximum 60 PSIG Minimum 4" W.C.					
42						

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

GAS DISTRIBUTION SERVICES, HOUSE GOVERNORS AND METERS

Report below the information called for concerning Distribution Services, House Governors and Meters

Line No.	Item	Gas Services	House Governors	Meters
1	Number at beginning of year	636,414		1,299,068
2	Additions during year:			
3	Purchased.....			76,775
4	Installed.....	13,957		
5	Associated with Plant acquired.....			
6	Total Additions.....	13,957		76,775
7	Reductions during year:			
8	Retirements.....	5,542		333,179
9	Associated with Plant sold.....			
10	Total Reductions.....	5,542		333,179
11	Number at end of year.....	644,829		1,042,664
	In Stock.....			319,542
12	On Customers' Premises--Inactive.....			22,965
13	On Customers' Premises--Active.....			700,157
14	In Company Use.....			0
15	Number at end of year.....			1,042,664
16				
17				
18	Number of Meters Tested by State Inspectors			
19	During Year.....			123,752
20				

RATE SCHEDULE INFORMATION

1. Attach copies of all Filed Rates for General Consumers.
2. Show below the changes in rate schedules during year and the estimated increase or decrease in annual revenue predicated on the previous year's operations.

Date Effective	M.D.P.U. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
May 1, 2013	6.2	Residential Non-Heating Rate R-1	4%	
May 1, 2013	7.2	Residential Assistance Non-Heating Rate R-2	7%	
May 1, 2013	8.2	Residential Heating Rate R-3	15%	
May 1, 2013	9.2	Residential Assistance Heating Rate R-4	16%	
May 1, 2013	10.2	Commercial/Industrial, Small - Low Load Factor Rate G-41B	11%	
May 1, 2013	11.2	Commercial/Industrial, Medium - Low Load Factor Rate G-42B	13%	
May 1, 2013	12.2	Commercial/Industrial, Large - Low Load Factor Rate G-43B	14%	
May 1, 2013	13.2	Commercial/Industrial, Extra Large - Low Load Factor Rate G-44B	14%	
May 1, 2013	14.2	Commercial/Industrial, Small - High Load Factor Rate G-51B	17%	
May 1, 2013	15.2	Commercial/Industrial, Medium - High Load Factor Rate G-52B	16%	
May 1, 2013	16.2	Commercial/Industrial, Large - High Load Factor Rate G-53B	17%	
May 1, 2013	17.2	Commercial/Industrial, Extra Large - High Load Factor Rate G-54B	18%	
May 1, 2013	18.2	Commercial/Industrial, Small - Low Load Factor Rate G-41E	18%	
May 1, 2013	19.2	Commercial/Industrial, Medium - Low Load Factor Rate G-42E	19%	
May 1, 2013	20.2	Commercial/Industrial, Large - Low Load Factor Rate G-43E	12%	
May 1, 2013	21.2	Commercial/Industrial, Small - High Load Factor Rate G-51E	21%	
May 1, 2013	22.2	Commercial/Industrial, Medium - High Load Factor Rate G-52E	24%	
May 1, 2013	23.2	Commercial/Industrial, Large - High Load Factor Rate G-53E	24%	
Total			16%	
Overall Average			14.5%	

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EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES (Account 426.4)

1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referrals, legislation or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or refocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities; Account 426.4.
2. Advertising expenditures in this Account shall be classified according to subheadings, as follows:
 (a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customers' bills; (d) inserts in reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.
3. Expenditures within the definition of par. (1) other than advertising shall be reported according to captions or descriptions, clearly indicating the nature and purpose of the activity.
4. If respondent has not incurred any expenditures contemplated by the instruction of Acct. 426.4, so state.
5. For reporting years which begin during the calendar year 1963 only, minor amounts may be grouped by classes if the number of items so grouped is shown.

NOTE: The classification of expenses as nonoperating and their inclusion in this account is for accounting purposes. It does not preclude Commission consideration of proof to the contrary ratemaking or other purposes.

Line No.	Item (a)	Amount (b)
1		
2	Expenditures for Certain Civic, Political and Related Activities	\$ 153,389
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
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19		
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23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33	TOTAL	\$ 153,389

Annual Report ofBoston Gas Company.....Year ended December 31, 2016

913. Advertising Expenses

Line No.	Type (a)	General Description (b)	Amount for Year (c)
1			
2	Corporate Advertising, Advertising	Media, Direct Mail, Other	
3	Residential Advertising		\$ 581,758
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
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28			
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31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42		TOTAL	\$ 581,758

DEPOSITS AND COLLATERAL

1. Statement of money and the value of any collateral held as guaranty for the payment of charges pursuant to Massachusetts General Laws. Chapter 164, Section 128.

Line No.	Name of City of Town	Amount
1		
2	Pursuant to Mass. General Laws Chapter 164, Section 128	
3	Security Deposits - Commercial And Industrial Accounts	
4		\$ 1,752,142
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
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26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	TOTAL	\$ 1,752,142

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

George Carlin

..... Vice President and Controller

.....
.....
.....
.....
.....

SIGNATURES OF PARTIES AFFIXED OUTSIDE THE COMMONWEALTH OF MASSACHUSETTS MUST BE PROPERLY SWORN TO

Kings, New York, ss

June 4, 2018

Then personally appeared *George Carlin*

.....
.....

and severally made oath to the truth of the foregoing statement by them subscribed to their best knowledge and belief.

June 21, 2018
My Commission Expires:

[Signature]

.....Notary Public

YAN JUN MA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MA6223847
Qualified in Kings County
My Commission Expires *June 21, 2018*

Boston Gas Company
Return on Average Common Equity
For the year ended December 31, 2016

2016

Net Income Calculation:

1	Utility Operating Income DPU page 10, Line 18	\$	81,064,273
2	Adjustments		
3	Exogenous Cost - Bad Debts		
4	Incremental Cost Adjustment		
5			
6	Add: Amortization of Acquisition Premium		-
7			
8	Add: service quality penalties		-
2			
3	Less: Allocated Interest (See Below)		(18,705,278)
4			
5			
6	Net Utility Income Available for Common Shareholders	\$	<u>62,358,995</u>
7			
8			
9			

Calculation of Allocated Interest:

12	Interest + Preferred Dividends - DPU page 10, Lines 39 and 48	\$	18,720,080
13			
14	Utility Plant-DPU page 8, Line 2	\$	4,306,295,478
15	Other Property & Investments - DPU page 8, Line 8		3,407,726
16	Total	\$	<u>4,309,703,204</u>
17			
18	% of Line 14 to Line 16		<u>99.92%</u>
19			
24			
25	Allocated Interest(Line 18 above multiplied by Line 12)		<u>18,705,278</u>
26			
27			
28			
29			

Total Utility Common Equity:

32	Proprietary Capital - DPU page 9, Line 13	\$	1,356,185,997
33			
34	Less preferred DPU Page 9, Line 4		-
35			
36	Less Goodwill DPU Page 17, Line 3a		(396,321,766)
37			
38			
39	Long Term Debt - DPU Page 9, Line 18		611,000,000
40			
41	Subtotal	\$	<u>1,570,864,231</u>
42			
43	50%/50% Capital Structure DPU 10-55		50%
44	Hypothetical Common Equity, December 31, 2016	\$	<u>785,432,116</u>
45			
46			
47			
48			
49			
50			
51			
52	Ending Hypothetical Utility Common Equity Multiplied by Utility % at 12-31-2016	\$	784,811,066
53			
54	Beginning Hypothetical Utility Common Equity Multiplied by Utility % at 12-31-2015		<u>761,741,047</u>
55			
56	Total	\$	<u>1,546,552,113</u>
57			
58	Average Hypothetical Common Equity	\$	<u>773,276,057</u>
59			
60			
61	NET UTILITY INCOME DIVIDED BY AVERAGE HYPOTHETICAL EQUITY		<u><u>8.06%</u></u>

Commonwealth of Massachusetts
Department of Public Utilities

One South Street
Boston, MA 02110

STATEMENT OF OPERATING REVENUES

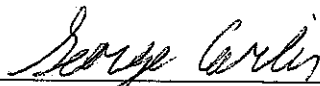
YEAR 2016

Name of Company Boston Gas Company
D/B/A National Grid Energy Delivery New England
Address One Metrotech Center 12th Floor
Brooklyn, NY 11201

		Location on <u>Annual Return</u>
Massachusetts Operating Revenues (Intrastate)	\$ <u>\$1,053,329,349</u>	<u>p.10,ln.2; p.43,ln.23</u>
Other Revenues (outside Massachusetts)	\$ _____	_____
Total Revenues	\$ <u>\$1,053,329,349</u>	<u>p.10,ln.2; p.43,ln.23</u>

I hereby certify under the penalties of perjury that the foregoing statement is true to the best of my knowledge and belief.

Signature
Name
Title


George Carlin
VP, NE Financial Controller

The purpose of this statement is to provide the Department of Public Utilities with the amount of intrastate operating revenues for the annual assessment made pursuant to G.L. c. 25, § 18.

If invoices or correspondence are to be addressed to a particular individual or department of the Company, please provide the name, title, and address below.

Name _____
Title _____
Address _____

