

# nationalgrid

June 4, 2018

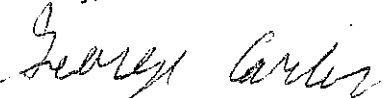
Commonwealth of Massachusetts  
Massachusetts Department of Public Utilities  
Attn: Mark D. Marini and Kevin M. Brannelly  
One South Station, 2<sup>nd</sup> Floor  
Boston, Massachusetts 02110

There are filed herewith three (3) copies of the refiled returns for the year ended December 31, 2016 for Colonial 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: 7001399826

Vendor ID: 1000013565	Amount of Invoices: \$5.00
Vendor Name: MASSACHUSETTS DEPARTMENT OF PUBLIC	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	016 ANNUAL FEE A	06/01/2018	06/05/2018	\$5.00	\$0.00	\$5.00		Colonial 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

DOCUMENTS PRINTED ON RECYCLED PAPER. PLEASE RECYCLE. THE FACT OF THIS PRINTING DOES NOT CONSTITUTE A WARRANTY OR ENDORSEMENT BY NATIONAL GRID USA.

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

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

62-20/311

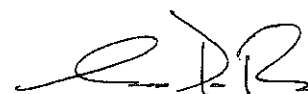
7001399826

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

⑈ 700 13998 26 ⑈ ⑆ 03 1 100 209 ⑆

38860647⑈



**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 - COLONIAL 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)
<b>OPERATING INCOME</b>		
Operating Revenues	\$ 244,346,642	\$ (28,046,952)
Operating Expenses:		
Operation Expenses	164,097,915	(30,478,396)
Maintenance Expense	3,976,426	(137,590)
Depreciation Expense	27,052,361	876,807
Amortization of Utility Plant	11,139	(44,119)
Amortization of Property Losses	-	-
Amortization of Regulatory Expenses	12,446,784	(29,356)
Taxes Other Than Income Taxes	9,764,190	452,653
Income Taxes	(27,204)	(1,181,124)
Provision for Deferred Income Taxes	8,431,085	2,410,272
Income Taxes Deferred in Prior Years -- CR.	-	-
Total Operating Expenses	225,752,696	(28,130,853)
Net Operating Revenues	18,593,946	83,901
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	18,593,946	83,901
<b>OTHER INCOME</b>		
Income from Mdse. Jobbing & Contract Work	-	-
Income from Nonutility Operations	-	-
Nonoperating Rental Income	-	-
Interest and Dividend Income	5,044,097	311,878
Miscellaneous Nonoperating Income	29,372	1,822
Total Other Income	5,073,469	313,700
Total Income	23,667,415	397,601
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>		
Miscellaneous Amortization	-	-
Other Income Deductions	2,666,246	(660,516)
Total Income Deductions	2,666,246	(660,516)
Income Before Interest Charges	21,001,169	1,058,117
<b>INTEREST CHARGES</b>		
Interest on Long-Term Debt	7,616,333	-
Amortization of Debt Disc. & Expense	147,416	403
Amortization of Premium on Debt -- Credit	-	-
Interest on Debt to Associated Companies	289,596	255,216
Other Interest Expense	1,824,466	(534,686)
Interest Charged to Construction -- Credit	(398,000)	(239,520)
Total Interest Charges	9,479,811	(518,587)
Net Income	\$ 11,521,358	\$ 1,576,704

BALANCE SHEET			
Title of Account	Balance End of Year	Title of Account	Balance End of Year
<b>UTILITY PLANT</b>		<b>PROPRIETARY CAPITAL</b>	
Utility Plant	\$ 965,353,162	<b>CAPITAL STOCK</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>		Common Stock Issued	\$ 100
Nonutility Property	-	Preferred Stock Issued	-
Capitalized Leases, net	-	Capital Stock Subscribed	-
Investment in Associated Companies	-	Premium on Capital Stock	419,429,145
Other Investments	3,740	Total	419,429,245
Special Funds	-	<b>SURPLUS</b>	
Total Other Property and Investments	3,740	Other Paid-In Capital	(158,990,562)
<b>CURRENT AND ACCRUED ASSETS</b>		Earned Surplus	140,179,524
Cash	-	Other Comprehensive Income	-
Special Deposits	-	Total	(18,811,038)
Working Funds	-	Total Proprietary Capital	400,618,207
Temporary Cash Investments	-	<b>LONG TERM DEBT</b>	
Notes and Accounts Receivable	32,378,007	Bonds	125,000,000
Receivables from Assoc. Companies	12,228,884	Advances from Associated Companies	-
Materials and Supplies	11,980,030	Capital Lease Obligations	-
Prepayments	5,997	Total Long-Term Debt	125,000,000
Interest and Dividends Receivable	-	<b>CURRENT AND ACCRUED LIABILITIES</b>	
Rents Receivable	-	Notes Payable	-
Accrued Utility Revenues	22,082,049	Accounts Payable	12,905,351
Misc. Current And Accrued Assets	-	Payables to Associated Companies	97,086,323
Recoverable Fuel	(37,264,791)	Customer Deposits	1,001,055
Total Current and Accrued Assets	41,410,176	Taxes Accrued	1,646,481
<b>DEFERRED DEBITS</b>		Interest Accrued	2,687,998
Unamortized Debt Discount and Expense	1,395,020	Dividends Declared	-
Extraordinary Property Losses	-	Matured Long-Term Debt	-
Preliminary Survey and Investigation Charges	-	Matured Interest	-
Clearing Accounts	(3,326)	Tax Collections Payable	194,877
Temporary Facilities	-	Misc. Current and Accrued Liabilities	3,234,567
Miscellaneous Deferred Debits	299,886,046	Total Current & Accrued Liabilities	118,756,652
Total Deferred Debits	301,277,740	<b>DEFERRED CREDITS</b>	
<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>		Unamortized Premium on Debt	-
Discount on Capital Stock	-	Customer Advances for Construction	-
Capital Stock Expense	-	Other Deferred Credits	31,540,058
Total Capital Stock Discount and Expense	-	Total Deferred Credits	31,540,058
<b>REACQUIRED SECURITIES</b>		<b>RESERVES</b>	
Reacquired Capital Stock	-	Reserves for Depreciation	316,106,017
Reacquired Bonds	-	Reserves for Amortization	13,585,692
Total Reacquired Securities	-	Reserve for Uncollectible Accounts	6,870,581
Total Assets and Other Debits	\$ 1,308,044,818	Operating Reserves	55,334,104
		Reserve for Depreciation and Amortization of Nonutility Property	-
		Reserves for Deferred Federal Income Taxes	240,233,507
		Total Reserves	632,129,901
		<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>	
		Contributions in Aid of Construction	0
		Total Liabilities and Other Credits	\$ 1,308,044,818

NOTES:

## Condensed Financial Return (Continued) - Colonial 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)	\$ 128,658,166	\$ 9,944,654
Balance Transferred from Income	11,521,358	1,576,704
Miscellaneous Credits to Surplus	-	-
Miscellaneous Debits to Surplus	-	-
Appropriations of Surplus	-	-
Net Additions to Earned Surplus	11,521,358	1,576,704
Dividends Declared -- Preferred Stock	-	-
Dividends Declared -- Common Stock	-	-
Unappropriated Earned Surplus (at end of period)	\$ 140,179,524	\$ 11,521,358
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

3a

Functional Classification	Operation	Maintenance	Total
Power Production Expenses			
Electric Generation			
Steam Power			
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			

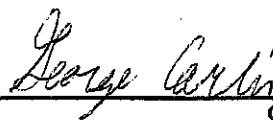
## Condensed Financial Return (Continued) - Colonial Gas Company

December 31, 2016

<b>GAS OPERATING REVENUES</b>		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
<b>SALES OF GAS</b>		
Residential Sales	\$ 164,200,206	\$ (22,207,236)
Commercial and Industrial Sales	-	-
Small (or Commercial)	27,123,479	(7,616,239)
Large (or Industrial)	12,081,740	(4,587,049)
Other Sales to Public Authorities	17,020	1,444
Interdepartmental Sales	-	-
Quasi-Firm Revenue	-	-
Miscellaneous Gas Sales (Unbilled Revenue)	-	-
Total Sales to Ultimate Consumers	203,422,446	(34,409,081)
Sales for Resale	21,717,523	(3,745,130)
Total Sales of Gas	225,139,968	(38,154,211)
<b>OTHER OPERATING REVENUES</b>		
Adjustments	-	-
Miscellaneous Service Revenues	71,050	(19,425)
Revenues from Transportation of Gas of Others	18,273,516	(882,132)
Sales of Products Extracted from Natural Gas	-	-
Revenues from Natural Gas Processed by Others	-	-
Rent from Gas Property	191,829	23,063
Interdepartmental Rents	-	-
Other Gas Revenues	670,279	10,985,752
Total Other Operating Revenues	19,206,673	10,107,258
Total Gas Operating Revenues	\$ 244,346,642	\$ (28,046,953)

<b>SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES</b>				4a
Functional Classification	Operation	Maintenance	Total	
Steam Production				
Manufactured Gas Production	\$ 1,181,209	\$ 3,589	\$	1,184,798
Other Gas Supply Expenses	87,650,202	-		87,650,202
Total Production Expenses	88,831,411	3,589		88,835,000
Local Storage Expenses	967,526	(6,453,471)		(5,485,945)
Transmission and Distribution Expenses	8,502,850	10,421,527		18,924,377
Customer Accounts Expenses	31,320,416	-		31,320,416
Sales Expenses	1,005,907	-		1,005,907
Administrative and General Expenses	33,469,805	4,781		33,474,586
Total Gas Operation and Maintenance Expenses	\$ 164,097,915	\$ 3,976,426	\$	168,074,341

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  
Vice President, NE Controller

**The Commonwealth of Massachusetts**

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**ANNUAL RETURN**

OF THE

**COLONIAL 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: **Vice President, NE Controller**

Office address: One MetroTech Center 12<sup>th</sup> FL.  
Brooklyn, New York 11201



## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

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## Annual Report of .....Colonial 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	\$68,711
Vice President & Chief Financial Officer	(2) Urban, Dennis	Waltham, MA	\$9,267
Vice President & Controller	(3) Partridge, Sharon	Waltham, MA	\$3,975
Senior Vice President	(4) Macklin, Ronald J.	Hicksville, NY	\$5,052
Senior Vice President	(5) Turrini, Ross W.	Melville, NY	\$11,906
Senior Vice President	(6) Bruckner, John	Hicksville, NY	\$5,921
Senior Vice President	(7) Way, David C.	Waltham, MA	\$4,135
Senior Vice President (Resigned 05/19/2016)	(8) Warren, Cheryl A.	Albany, NY	\$973
Vice President	(9) Proudman, Neil	Waltham, MA	\$12,107
Vice President (Appointed 02/09/2017)	(10) Carlin, George	Brooklyn, NY	\$3,339
<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
<p>(1) Reed: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$239,454. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p> <p>(2) Urban: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$206,746. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p> <p>(3) Partridge: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$207,420. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p> <p>(4) Macklin: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$266,788. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p> <p>(5) Turrini: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$226,218. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p> <p>(6) Bruckner: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$291,595. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p> <p>(7) Way: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$215,351. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p> <p>(8) Warren: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$49,961. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2015 thru 12-31-2015.</p> <p>(9) Proudman: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$180,915. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p> <p>(10) Carlin: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$174,246. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2016 thru 12-31-2016.</p>			
<p>* 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 salary paid 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."</p>			

## GENERAL INFORMATION - Continued

- |   |  |  |        |
|---|--|--|--------|
| 1. Corporate name of company making this report,  | Colonial Gas Company<br>D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND                            |  |        |
| 2. Date of organization,  | May 2, 1849  |  |        |
| 3. Date of incorporation,   | May 2, 1849  |  |        |
| 4. Give location (including street and number) of principal business office:-   | One MetroTech Center, Brooklyn, New York 11201   |  |        |
| 5. Total number of stockholders,  | Common: 1 (recordholders)  |  |        |
| 6. Number of stockholders in Massachusetts,   | Common: 1 (recordholders)  |  |        |
| 7. Amount of stock held in Massachusetts,   | No. of Common Shares, 100  |  | \$100  |
| 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, 100 common shares, par value, \$1.00, outstanding<br>December 31 of the calendar year, 2015 |  | \$100  |
| 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 \$51,058,039 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 place.			
City or Town	Number of Customers Meters, 12/31/2016	City or Town	Number of Customers Meters, 12/31/2016
<u>FRANCHISE AREA</u>			
Barnstable	22,253		
Bedford	1		
Billerica	11,633		
Bourne	7,284		
Brewster	3,319		
Carlisle	1		
Chatham	5,884		
Chelmsford	12,173		
Dennis	11,345		
Dracut	9,543		
Dunstable	366		
Eastham	2,681		
Falmouth	14,983		
Groton	97		
Harwich	7,654		
Littletown	44		
Lowell	30,724		
Lynnfield	2		
Mashpee	8,779		
North Reading	3,181		
Orleans	2,094		
Pepperell	2,090		
Plymouth	1		
Sandwich	5,705		
Tewksbury	9,408		
Tyngsboro	3,479		
Wareham	8,229		
Westford	7,513		
Wilmington	3,605		
Yarmouth	14,600		
	208,671		
<u>NON FRANCHISE AREA</u>			
Andover	49		
Carver	4		
Methuen	24		
Otis	127		
Woburn	47		
	251		
<b>TOTAL</b>	<b>208,922</b>		

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

<b>COMPARATIVE BALANCE SHEET Assets and Other Credits</b>				
<b>Line No.</b>	<b>Title of Account (a)</b>	<b>Balance Beginning of Year (b)</b>	<b>Balance End of Year (c)</b>	<b>Increase or (Decrease) (d)</b>
1	<b>UTILITY PLANT</b>			
2	Utility Plant (101-107) p. 13	\$ 891,377,970	\$ 965,353,162	\$ 73,975,192
3	<b>OTHER PROPERTY AND INVESTMENTS</b>			
4	Nonutility Property (121) P. 19	-	-	-
4a	Capitalized Leases, net	-	-	-
5	Investment in Associated Companies (123) P. 20	-	-	-
6	Other Investments (124) P.20	3,740	3,740	-
7	Special Funds (125, 126, 127, 128) P. 21	-	-	-
8	Total Other Property and Investments	3,740	3,740	-
9	<b>CURRENT AND ACCRUED ASSETS</b>			
10	Cash (131)	-	-	-
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	27,105,898	32,378,007	5,272,109
15	Receivables from Assoc. Companies (145, 146) P. 23	21,255,793	12,228,884	(9,026,909)
16	Materials and Supplies (151-159, 163) P. 24	12,603,748	11,980,030	(623,718)
17	Prepayments (165)	166,177	5,997	(160,180)
18	Interest and Dividends Receivable (171)	-	-	-
19	Rents Receivable (172)	-	-	-
20	Accrued Utility Revenues (173)	14,336,135	22,082,049	7,745,914
21	Misc. Current and Accrued Assets (174)	-	-	-
21A	Recoverable Fuel (175) <sup>1</sup>	(53,278,141)	(37,264,791)	16,013,350
22	Total Current and Accrued Assets	22,189,610	41,410,176	19,220,566
23	<b>DEFERRED DEBITS</b>			
24	Unamortized Debt Discount and Expense (181) P.26	1,542,436	1,395,020	(147,416)
25	Extraordinary Property Losses (182) P.27	-	-	-
26	Preliminary Survey and Investigation Charges (183)	-	-	-
27	Clearing Accounts (184)	(410)	(3,326)	(2,916)
28	Temporary Facilities (185)	-	-	-
29	Miscellaneous Deferred Debits (186) P. 27	315,638,770	299,886,046	(15,752,724)
30	Total Deferred Debits	317,180,796	301,277,740	(15,903,056)
31	<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>			
32	Discount on Capital Stock (191) P. 28	-	-	-
33	Capital Stock Expense (192) P. 28	-	-	-
34	Total Capital Stock Discount and Expense	-	-	-
35	<b>REACQUIRED SECURITIES</b>			
36	Reacquired Capital Stock (196)	-	-	-
37	Reacquired Bonds (197)	-	-	-
38	Total Reacquired Securities	-	-	-
39	Total Assets and Other Debits	\$ 1,230,752,116	\$ 1,308,044,818	\$ 77,292,702

## NOTES:

1 - At December 31, 2016, the recoverable fuel includes \$(33,451,421) of cost of gas adjustment clause, \$9,544,176 of local distribution adjustment factor and \$(13,357,546) deferred gas costs.

## Annual Report of .....Colonial 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	<b>PROPRIETARY CAPITAL</b>			
2	<b>CAPITAL STOCK</b>			
3	Common Stock Issued (201) P.29	\$ 100	\$ 100	\$ -
4	Preferred Stock Issued (204) P.29	-	-	-
5	Capital Stock Subscribed (202, 205)	-	-	-
6	Premium on Capital Stock (207) P.29	419,429,145	419,429,145	-
7	Total	419,429,245	419,429,245	-
8	<b>SURPLUS</b>			
9	Other Paid-In Capital (208-211) P.30	(158,990,562)	(158,990,562)	-
10	Earned Surplus (215,216) P.12	128,658,166	140,179,524	11,521,358
11	Other Comprehensive Income	-	-	-
12	Total	(30,332,396)	(18,811,038)	11,521,358
13	Total Proprietary Capital	389,096,849	400,618,207	11,521,358
14	<b>LONG-TERM DEBT</b>			
15	Bonds (221) P.31	125,000,000	125,000,000	-
16	Capital Lease Obligations (221)	-	-	-
	Advances from Associated Companies (223) P. 31	-	-	-
17	Other Long-Term Debt (224) P.31	-	-	-
18	Total Long-Term Debt	125,000,000	125,000,000	-
19	<b>CURRENT AND ACCRUED LIABILITIES</b>			
	Capitalized Lease Obligation	-	-	-
20	Notes Payable (231) P.32	-	-	-
21	Accounts Payable (232)	11,091,709	12,905,351	1,813,642
22	Payables to Associated Companies (233,234) P.32	39,926,857	97,086,323	57,159,466
23	Customer Deposits (235)	991,042	1,001,055	10,013
24	Taxes Accrued (236)	7,751,067	1,646,481	(6,104,586)
25	Interest Accrued (237)	2,792,392	2,687,998	(104,394)
26	Dividends Declared (238)	-	-	-
27	Matured Long-Term Debt (239)	-	-	-
	Matured Interest (240)	-	-	-
28	Tax Collections Payable (241)	181,056	194,877	13,821
29	Misc. Current & Accrued Liab. (242) P.33	11,041,413	3,234,567	(7,806,846)
30	Total Current & Accrued Liability	73,775,536	118,756,652	44,981,116
31	<b>DEFERRED CREDITS</b>			
32	Unamortized Premium on Debt (251) P.26	-	-	-
33	Customer Advances for Construction (252)	-	-	-
34	Other Deferred Credits (253) P.33	22,404,466	31,540,058	9,135,592
35	Total Deferred Credits	22,404,466	31,540,058	9,135,592
36	<b>RESERVES</b>			
37	Reserves for Depreciation (254-256) P.13	313,768,346	316,106,017	2,337,671
38	Reserves for Amortization (257-259) P.13	13,574,554	13,585,692	11,138
39	Reserve for Uncollectible Accounts (260)	6,210,788	6,870,581	659,793
40	Operating Reserves (261-265) P.35	59,681,238	55,334,104	(4,347,134)
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	-	-	-
42	Reserve for Deferred Income	-	-	-
	Taxes (267, 268) P.36	227,240,339	240,233,507	12,993,168
43	Total Reserves	620,475,265	632,129,901	11,654,636
44	<b>CONTRIBUTION IN AID OF CONSTRUCTION</b>			
45	Contributions in Aid of Construction (271) P.36	-	-	-
46	Total Liabilities and Other Credits	\$ 1,230,752,116	\$ 1,308,044,818	\$ 77,292,702



## STATEMENT OF INCOME FOR THE YEAR

Line No.	Account (a)	Current Year (b)	Prior Year (c)	Increase or (Decrease) from Preceding Year (d)
1	<b>OPERATING INCOME</b>			
2	Operating Revenues (400) P. 37,43	\$ 244,346,642	\$ 272,393,594	\$ (28,046,952)
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	164,097,915	194,576,311	(30,478,396)
5	Maintenance Expense (402) P. 42,47	3,976,426	4,114,016	(137,590)
6	Depreciation Expense (403) P. 34	27,052,361	26,175,554	876,807
7	Amortization of Utility Plant (404 and 405)	11,139	55,258	(44,119)
8	Amortization of Investment Credit (406.0)	-	-	-
9	Amortization of Regulatory Expenses (407.3)	12,446,784	12,476,140	(29,356)
10	Taxes Other Than Income Taxes (408) P. 49	9,764,190	9,311,537	452,653
11	Income Taxes (409) P. 49	(27,204)	1,153,920	(1,181,124)
12	Provision for Deferred Income Taxes (410) P. 36	8,431,085	6,020,813	2,410,272
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	-	-	-
14	Total Operating Expenses	225,752,696	253,883,549	(28,130,853)
15	Net Operating Revenues	18,593,946	18,510,045	83,901
16	Income from Utility Plant Leased to Others	-	-	-
17	Other Utility Operating Income (414) P. 50	-	-	-
18	Total Utility Operating Income	18,593,946	18,510,045	83,901
19	<b>OTHER INCOME</b>			
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)	5,044,097	4,732,219	311,878
24	Miscellaneous Nonoperating Income (421)	29,372	27,550	1,822
25	Total Other Income	5,073,469	4,759,769	313,700
26	Total Income	23,667,415	23,269,814	397,601
27	<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
28	Miscellaneous Amortization (425)	-	-	-
29	Other Income Deductions (426)	2,666,246	3,326,762	(660,516)
30	Total Income Deductions	2,666,246	3,326,762	(660,516)
31	Income Before Interest Charges	21,001,169	19,943,052	1,058,117
32	<b>INTEREST CHARGES</b>			
33	Interest on Long-Term Debt (427) P. 31	7,616,333	7,616,333	-
34	Amortization of Debt Disc. & Expense (428) P. 26	147,416	147,013	403
35	Amortization of Prem. on Debt -- Credit (429) P. 26	-	-	-
36	Int. on Debt to Associated Companies (430) P. 31, 32	289,596	34,380	255,216
37	Other Interest Expense (431)	1,824,466	2,359,152	(534,686)
38	Interest Charged to Construction -- Credit (432)	(398,000)	(158,480)	(239,520)
39	Total Interest Charges	9,479,811	9,998,398	(518,587)
40	Net Income	11,521,358	9,944,654	1,576,704
41	<b>EARNED SURPLUS</b>			
42	Unappropriated Earned Surplus (at beginning of period) (216)	128,658,166	118,713,512	9,944,654
43	Balance Transferred from Income (433)	11,521,358	9,944,654	1,576,704
44	Miscellaneous Credits to Surplus (434)	-	-	-
45	Miscellaneous Debits to Surplus (435)	-	-	-
46	Appropriations of Surplus (436)	-	-	-
47	Net Additions to Earned Surplus	11,521,358	9,944,654	1,576,704
48	Dividends Declared -- Preferred Stock (437)	-	-	-
49	Dividends Declared -- Common Stock (438)	-	-	-
50	Unappropriated Earned Surplus (at end of period) (216)	\$ 140,179,524	\$ 128,658,166	\$ 11,521,358

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

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)
1	<b>UNAPPROPRIATED EARNED SURPLUS (Account 216)</b>		
2	Balance - - Beginning of year		\$ 128,658,166
3	Charges: (identify by prescribed earned surplus accounts)		
4	Transfer from income (loss)		11,521,358
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		\$ 140,179,524
28	<b>APPROPRIATED EARNED SURPLUS (Account 215)</b>		
29	State balance and purpose of each appropriated earned surplus amount at end		
30	of year and give accounting entries for any applications of appropriated		
31	earned surplus during year.		
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			

Annual Report of .....Colonial Gas Co.....Year ended December 31, 2016					
SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION					
Line No.		Total (b)	Electric (c)	Gas (d)	Common (g)
1	<b>UTILITY PLANT</b>				
2	In Service:				
3	101 Plant in Service (Classified)	\$875,479,332		\$875,479,332	
4	106 Completed Construction not Classified	\$68,779,972		\$68,779,972	
5	Total P. 16, 18	\$944,259,304		\$944,259,304	
6	104 Leased to Others			-	
7	105 Held for Future Use			-	
8	107 Construction Work in Progress	21,093,858		21,093,858	
9	Total Utility Plant	\$965,353,162		\$965,353,162	
10	<b>DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION</b>				
11	In Service:				
12	254 Depreciation P. 34	316,106,017		316,106,017	
13	257 Amortization	13,585,692		13,585,692	
14	Total, in Service	\$329,691,709		\$329,691,709	
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	\$329,691,709		\$329,691,709	

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

## UTILITY PLANT - GAS

		the preceding year. Such items should be included in column (c) or (d) as appropriate.				of such amounts.	
		3. Credit adjustments of plant accounts should be enclosed in parentheses to indicate the negative effect				4. Reclassifications or transfers within utility plant accounts should be shown in column (f).	
		Balance					
Line No.	Account (a)	Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	<b>1. INTANGIBLE PLANT</b>						
2	301 Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	303 Miscellaneous Intangible Plant	13,559,797	-	-	1	-	13,559,798
3a	303 Goodwill	54,563,911	-	-	(490,215)	-	54,073,696
4	Total Intangible Plant	68,123,708	-	-	(490,214)	-	67,633,494
5	<b>2. PRODUCTION PLANT</b>						
6	Manufactured Gas Production Plant	-	-	-	-	-	-
7	304 Land and Land Rights	669,111	-	-	-	-	669,111
8	305 Structures and Improvements	12,666,764	1,429,572	-	-	-	14,096,336
9	306 Boiler Plant Equipment	689,530	-	(84,248)	-	-	605,282
10	307 Other Power Equipment	2,591,515	645,798	(15,220)	-	-	3,222,093
11	310 Water Gas Generating Equipment	-	-	-	-	-	-
12	311 Liquefied Petroleum Gas Equipment	1,909,682	10,373	-	(1)	-	1,920,054
13	312 Oil Gas Generating Equipment	-	-	-	-	-	-
14	313 Generating Equipment - - Other Processes & LNG Equipment	17,564,283	10,292,342	-	-	-	27,856,625
15	315 Catalytic Cracking Equipment	-	-	-	-	-	-
16	316 Other Reforming Equipment	-	-	-	-	-	-
17	317 Purification Equipment	-	-	-	-	-	-
18	318 Residual Refining Equipment	-	-	-	-	-	-
19	319 Gas Mixing Equipment	-	-	-	-	-	-
19	320 Other Equipment	5,480,118	161,397	-	(1)	-	5,641,514
20	339 PRD Prod-ARO	7,526	21,313	-	-	-	28,839
21	Total Manufactured Gas Production Plant	41,578,529	12,560,795	(99,468)	(2)	-	54,039,854
22	<b>3. STORAGE PLANT</b>						
23	360 Land and Land Rights	-	-	-	-	-	-
24	361 Structures and Improvements	12,972,077	-	-	-	-	12,972,077
25	362 Gas Holders	725,398	-	-	-	-	725,398
26	363 Other Equipment	26,344	56,306	-	-	-	82,650
27	363.6 Sto-Other Equip ARO	-	-	-	-	-	-
27	Total Storage Plant	\$ 13,723,818	\$ 56,306	\$ -	\$ -	\$ -	\$ 13,780,125

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 Land and Land Rights	\$ 184,282	\$ -	\$ -	\$ -	\$ -	\$ 184,282
3	365.2 Rights-of-Way	-	-	-	-	-	-
4	366 Structures and Improvements	4,094,113	-	-	-	-	4,094,113
5	367 Mains	392,365,311	66,516,364	(2,141,176)	445,594	-	457,186,093
6	368 Compressor Station Equipment	-	-	-	-	-	-
7	369 Measuring and Regulating Station Equipment	14,217,410	1,080,411	(65,110)	-	-	15,231,711
8	372 T&D-AROs	549,511	865,269	-	-	-	1,414,780
9	380 Services	246,457,446	9,059,367	(2,687,370)	-	-	252,829,443
10	381 Meters	39,567,097	4,253,042	(3,679,446)	(832,042)	-	39,308,651
11	382 Meter Installations	19,300,843	1,229,206	(5,383,263)	832,042	-	15,978,828
12	383 House Regulators	-	-	-	-	-	-
13	386 Other Property on Cust's Prem	-	-	-	-	-	-
14	387 Other Equipment	1,028,174	(45,377)	-	1	-	982,798
15	388 T&D-AROs	737,227	49,026	-	(721,292)	-	64,961
	Total Transmission and Distribution Plant	718,501,416	83,007,308	(13,957,365)	(275,697)	-	787,275,660
16	5. GENERAL PLANT						
17	389 Land-Land Rights	126,670	75,201	-	-	-	201,871
18	390 Structures and Improvements	13,126,500	915,764	-	(45,705)	-	13,996,559
19	391 Office Furniture and Equipment	3,395,491	388,686	(2,352,189)	45,705	-	1,477,693
20	392 Transportation Equipment	337,703	-	-	-	-	337,703
21	393 Stores Equipment	35,576	-	-	-	-	35,576
22	394 Tools, Shop and Garage Equipment	5,377,701	794,082	(1,390,592)	-	-	4,781,191
23	395 Laboratory Equipment	8,784	-	(8,784)	-	-	-
24	396 Power Operated Equipment	-	-	-	-	-	-
25	397 Communication Equipment	744,154	16,124	(684,594)	(11)	-	75,683
26	398 Miscellaneous Equipment	659,621	-	(45,030)	-	-	614,591
27	399 Gen-ARO's	6,840	2,462	-	-	-	9,302
28	Total General Plant	23,819,039	2,192,319	(4,481,189)	(11)	-	21,530,169
29	Total Gas Plant in Service	865,746,510	97,816,728	(18,538,022)	(765,914)	-	944,259,304
30	104 Utility Plant Leased to Others	-	-	-	-	-	-
31	Sub Total	-	-	-	-	-	-
32	105 Property Held for Future Use	-	-	-	-	-	-
33	107 Construction Work in Progress	25,631,460	92,288,814	-	(96,826,416)	-	21,093,858
34	Total Utility Plant -- Gas	891,377,970	190,105,542	(18,538,022)	(97,592,330)	-	965,353,162

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.

<b>NONUTILITY PROPERTY (Account 121)</b> 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					
2					
3					
4					
5					
6					
7	NONE				
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
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36					
37					
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39					
40					
41					
42					
43	TOTALS	\$0	\$0	\$0	\$0

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

<b>INVESTMENTS (Accounts 123, 124, 136)</b> 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		
2	Account 124 - Other Investments	\$ 3,740
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
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38		
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41		
42		
43		
44	TOTAL	\$ 3,740



Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

<b>SPECIAL FUNDS (Accounts 125, 126, 127, 128)</b>		
(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		
2	NONE	
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL	

<b>SPECIAL DEPOSITS (Accounts 132, 133, 134)</b>		
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		
21	NONE	
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	

Annual Report of .....Colonial 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.		3. Minor items may be grouped by classes, showing number of such items.			
2. Give particulars of any note pledged or discounted.		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	Customers Accounts Receivable (Account 142)	\$ 29,612,522
20		
21	Other Accounts Receivable (Account 143)	
22	Off-System Sales	838,972
23	Other Customer Billing	525,615
24	Miscellaneous Other Receivables	1,400,898
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	\$ 32,378,007

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

**RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)**

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. Report particulars of notes and accounts receivable from associated companies at end of year.</li> <li>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.</li> <li>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.</li> </ol> | <ol style="list-style-type: none"> <li>4. If any note was received in satisfaction of open account, state the period covered by such.</li> <li>5. Include in column (d) interest recorded as income during the year, including interest on accounts and notes held any time during the year.</li> <li>6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.</li> </ol> |
|---|--|

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	NGUSA Service Company	\$ 3,276,054		
3	Boston Gas Company	4,806,146		
4	Transgas Inc	3,228,620		
5	Other associated companies	918,064		
6				
7				
8				
9				
10				
11				
12				
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32				
33				
34				
35				
36	TOTALS	\$ 12,228,884		

\* These accounts receivable from associated companies do not bear interest.

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		11,846,153
3	Residuals (Account 153)		-
4	Plant Materials and Operating Supplies (Account 154)		130,008
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)		3,869
11	Total Per Balance Sheet		\$ 11,980,030

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					
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 air/Air Stabilization Compressors.

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**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									
2	Series CH	\$ 25,000,000	\$ 655,923	06/30/92	06/30/22	\$ 142,174	\$ -	\$ 21,919	\$ 120,255
3	MTA-1	10,000,000	348,671	10/12/95	10/14/25	113,280	-	11,597	101,683
4	MTA-2	10,000,000	1,761,058	12/15/95	12/15/25	583,674	-	58,737	524,938
5	MTA-3	10,000,000	1,176,422	02/05/96	02/05/26	394,921	-	39,182	355,739
6	MTB-1	20,000,000	345,500	04/07/98	04/07/28	96,424	-	7,876	88,548
7									
8	Unsecured note								
9	Series A	25,000,000	59,897	03/15/12	03/15/22	52,988	-	2,026	50,962
10	Series B	25,000,000	179,690	03/15/12	03/15/42	158,975	-	6,079	152,896
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27		\$ 125,000,000	\$ 4,527,160			\$ 1,542,436	\$ -	\$ 147,416	\$ 1,395,020

**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)	Written Off During Year			Balance End of Year (f)
			Previously Written off (c)	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	4,531,218	874,311	143, 232, 242, 253,	1,026,920	4,378,609
12	Pension and Other Postretirement Benefits	30,914,547	7,356,557	228, 926.5, 926.7	14,265,824	24,005,280
13	Derivatives	8,547,037	43,130,155	253, 282, 283, 409, 254, 495	45,815,238	5,861,954
14						
15	Deferred Income Tax	77,442,125	261,986,716	410	257,126,601	82,302,240
16	Merger Savings	194,066,667	4,100,005	407	12,300,005	185,866,667
17	Miscellaneous Deferred Debits	989,928	29,033,159	Various	30,013,223	9,864
18	Revenue Decoupling Mechanism	(2,203,954)	129,043,132	495	130,567,214	(3,728,036)
19	Asset Retirement Obligation	1,204,420	148,969	419	163,921	1,189,468
20	Deferred Rate Case Expenses	146,782	-	928, 407.3	146,782	-
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33	TOTALS	\$ 315,638,770	\$ 475,673,004		\$ 491,425,728	\$ 299,886,046

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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	



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**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	100	\$1.00	\$ 100.00	100	\$ 100.00	\$ 419,429,145
5							
6							
7							
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10							
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14							
15							
16							
17							
18							
19							
20	TOTALS	100		\$100	100	\$100	\$419,429,145

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

**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.

2. Donations Received from Stockholders (Account 208)  
State Amount and give brief explanation of the origin and purpose of each donation.

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.

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

Line No.	Item (a)	Amount (b)
1		
2		
3		
4	Gain-Capital Stock (210) - no change during 2016	(5,781,655)
5	Other Paid In Capital (211) - no change during 2016	(153,208,907)
6		
7		
8		
9		
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32		
33		
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35		
36		
37	<b>TOTAL</b>	<b>(\$158,990,562)</b>

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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										
2	SERIES CH	06/30/92	06/30/22	\$ 25,000,000	\$ 25,000,000	8.800%	J - D	\$ 2,200,000	\$ 2,200,000	
3	MTA-1	10/12/95	10/14/25	10,000,000	10,000,000	Note 1, 3	A - O	706,667	738,000	
4	MTA-2	12/15/95	12/15/25	10,000,000	10,000,000	Note 2, 3	F - A	662,667	690,000	
5	MTA-3	02/05/96	02/05/26	10,000,000	10,000,000	6.940%	F - A	694,000	694,000	
6	MTB-1	04/07/98	04/07/28	20,000,000	20,000,000	Note 3, 4	F - A	1,372,000	1,424,000	
7										
8	Unsecured Note									
9	Series A	03/15/12	03/15/22	25,000,000	25,000,000	3.296%	M - S	824,000	824,000	
10	Series B	03/15/12	3/15/2042	25,000,000	25,000,000	4.628%	M - S	1,157,000	1,157,000	
11										
12										
13										
14										
15										
16										
17										
18	Note 1: For the period 10/12/95 through 10/14/05, the Rate Per Cent is 6.44%. For the period 10/15/05 through 10/14/25 the Rate Per Cent will be 7.38%.									
19	Note 2: For the period 12/15/95 through 12/14/05, the Rate Per Cent is 6.08%. For the period 12/15/05 through 12/15/25 the Rate Per Cent will be 6.90%.									
20	Note 3: These issues of bonds can be redeemed by the holder within a 30 day period at the end of ten years .									
21	Note 4: For the period 4/7/98 through 4/6/08, the Rate Per Cent is 6.34%. For the period 4/7/08 through 4/7/28 the Rate Per Cent will be 7.12%.									
22										
23										
24										
25										
26										
27	TOTALS				\$ 125,000,000	\$ 125,000,000			\$ 7,616,333	\$ 7,727,000
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. #.										

**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	Payable to intercompany Regulated Money Pool*	\$ 76,558,015		\$ 289,596
15	Accounts Payable to Associated Companies:**			
16	Boston Gas Company	\$ 14,838,953		
17	NGUSA Service Company	3,303,005		
18	Other associated companies	2,386,350		
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37	TOTALS	\$ 97,086,323		\$ 289,596

\* 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 Gain Sharing	\$ 340,211
4	Accrued Miscellaneous	668,147
5	Accrued Vacation	1,077,359
6	Accrued Payroll	290,525
7	Short Term Derivative Liability	858,325
8		
9		
10		
11		
12	TOTAL	3,234,567

**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	\$ (306,377)	408-409	\$ 128,440	\$ -	(434,817)
14	Deferred Postemployment Benefits	76,798	926	558,142,582	558,078,951	13,167
15	Derivatives	1,592,374	186	21,282,312	26,094,027	6,404,089
16	Asset Retirement Obligation	2,176,248	411	2,642,528,268	2,642,475,058	2,123,038
17	Deferred Off System Sales Profit	13,259,319	495	36,204,667	38,156,477	15,211,129
18	Miscellaneous Deferred Credits	1,322,384	Various	9,518,360	10,829,378	2,633,402
19	Deferred Sales Tax	838,664	408/431	620,432	374,149	592,381
20	Deferred Equity Return on Capital Tracker	3,445,056	426	33,845,683	35,398,296	4,997,669
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	\$ 22,404,466		\$ 3,302,270,744	\$ 3,311,406,336	\$ 31,540,058

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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	Balance at beginning of year		313,768,346	313,768,346
2	Credits to Depreciation Reserve during year:			
3	Account 403 Depreciation		27,052,361	27,052,361
4	Other Accounts (Rental Equipment)			
5				
6	TOTAL CREDITS DURING YEAR		27,052,361	27,052,361
7	Net Charges for Plant Retired:			
8	Book Cost of Plant Retired		18,538,023	18,538,023
9	Cost of Removal		6,176,667	6,176,667
10	Salvage (Credit)			
11	Transfer/Reclass			
12	ARO Entries Journalled into the Account			
13	NET CHARGES DURING YEAR		24,714,690	24,714,690
14	Balance December 31		316,106,017	316,106,017

**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	27,052,361
16	The Composite Depreciation Rate as a Percentage of the Average Depreciable	2.99%
17	Depreciation taken for Federal Income Tax purposes	33,589,628
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)	Rate Per Cent		Amount of Capital Stock on Which Dividend was Declared (d)	Amount of Dividend (e)	Date	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
21	NONE						
22							
23							
24							
25							
26							
27							
28							
29							
30		TOTALS	0.00			0.00	
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	\$ 82,556	\$ 233,420	\$ 142,818	925, 131, 253	\$ 173,158
4	Injuries & Damages Reserve (includes Gen, Auto and OCIP)	695,000	4,311	479,310	131	220,001
5	Incurred but not reported (IBNR)	5,177,136		450	925	5,176,686
6						
7						
8	Account 263:					
9						
10	Pensions	40,980,614	3,351,257	4,458,838	926, 131	39,873,033
11	Other Post Employment Benefits Reserve	5,600,866	590,094	3,481,554	926, 131	2,709,406
12						
13						
14						
15						
16	Account 265:					
17	Environmental Reserve	7,145,066	460,890	424,136	926, 131	7,181,820
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	<b>TOTALS</b>	<b>\$ 59,681,238</b>	<b>\$ 4,639,972</b>	<b>\$ 8,987,107</b>		<b>\$ 55,334,104</b>

<b>RESERVES FOR DEFERRED FEDERAL INCOME TAXES (Accounts 267, 268)</b>					
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	211,144,260	4,276,198		215,420,459
12	Trueup and Other				
13	Totals	211,144,260	4,276,198	-	215,420,459
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	211,144,260	4,276,198		215,420,459
18	Trueup and Other				
19	Totals	\$ 211,144,260	\$ 4,276,198	\$ -	\$ 215,420,459
20					
21	(1) Account 410, Provision for Deferred Federal Income Taxes				
22	(2) Account 411, Federal Income Taxes Deferred in Prior Years - - Credit				
22	Note: The table above does not include the property and other taxes.				

<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (Account 271)</b>						
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						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -





## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

**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							
2	480	R-1 Residential No-Heat	102,454	\$ 2,056,378.48	\$20.0712	7,372	7,196
3	480	R-2 Residential SSI Non Heat	7,303	102,855	\$14.0841	252	254
4	480	R-31 Residential Heat	12,484,665	152,696,946	\$12.2308	171,487	172,288
5	480	R-32 Residential SSI Heat	1,023,169	9,344,027	\$9.1324	9,153	9,077
6	480	R-5 Residential -Non Heat			\$0.0000		
7	481	G-17 Unmetered Gas Lamps	1,296	17,020	\$13.1328	0	0
8	481	G-41 Commercial Low Load - Small	2,135,237	21,320,413	\$9.9850	14,836	14,735
9	481	G-42 Commercial Low Load - Medium	744,751	6,105,263	\$8.1977	286	235
10	481	G-43 Commercial Low Load - Large	399,537	2,944,891	\$7.3708	39	28
11	481	G-51 Commercial High Load - Small	673,864	5,803,066	\$8.6116	2,413	2,577
12	481	G-52 Commercial High Load - Medium	178,507	1,368,777	\$7.6679	60	65
13	481	G-53 Commercial High Load - Large	248,148	1,662,809	\$6.7009	12	10
14	481	Lost Margin			\$0.0000		
15	481	Interruptibles	0	0	\$0.0000	0	0
16	481						
17		G-27 CNG Fuel					
18		G-90 Special Contracts (Broker Sales)					
19	TOTAL SALES TO ULTIMATE						
20	CONSUMERS (Page 43 line 10)		17,998,931	\$ 203,422,446	11.3019	205,910	206,465

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

## 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							
2							
3	489	Contract Firm Transportation					
4		G-41 Low-Load Firm Transp.	589,723	\$ 2,903,369.79	\$4.9233	1,527	1,587
5		G-42 Low-Load Firm Transp.	1,098,796	3,986,472	\$3.6280	331	288
6		G-43 Low-Load Firm Transp.	631,324	1,807,509	\$2.8630	67	57
7		G-31 Res Heating Transp	144,583	1,027,178	\$7.1044	1,737	1,886
8		G-46 Small Load Transp.	0	0	\$0.0000	0	0
9		G-47 Medium Load Transp.	0	0	\$0.0000	0	0
10		G-48 Large Load Transp.	0	0	\$0.0000	0	0
11		G-51 High-Load Firm Transp.	344,426	1,468,499	\$4.2636	493	534
12		G-52 High-Load Firm Transp.	448,600	1,515,291	\$3.3778	109	104
13		G-53 High-Load Firm Transp.	1,713,471	4,097,423	\$2.3913	53	52
14		G-56 Firm Small Load Transp.	0	0	\$0.0000	0	0
15		G-57 Firm Medium Load Transp.	0	0	\$0.0000	0	0
16		G-58 Firm Large Load Transp.	0	0	\$0.0000	0	0
17		G-61 Firm Small Load Transp.	0	0	\$0.0000	0	0
18		G-81 Low-Load Contract Transp.	0	(14,093)	\$0.0000	0	0
19		G-82 High-Load Contract Transp.	1,328,676	1,471,767	\$1.1077	11	11
20		R-1 Residential Non-Heat	764	10,100	\$13.2232	42	48
21		Interruptible	0	0	\$0.0000	0	0
22		Broker Fee	0	0	\$0.0000	0	0
23		R-5 Transport Res Seasonal					
24	<b>Total Revenues from Transportation</b>						
25	<b>of Gas for Others (Page 43, Line 16)</b>		6,300,364	\$ 18,273,516.20	2.9004	4,370	4,567
28							
29							
30							
31							
32							
33							
34							
35							
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38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49	<b>Total Revenues from Transportation</b>						
50	<b>of Gas for Others (Page 43, Line 16)</b>		6,300,364	18,273,516	3	4,370	4,567

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

<b>GAS OPERATION AND MAINTENANCE EXPENSES</b>				
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	<b>PRODUCTION EXPENSE</b>			
2	<b>MANUFACTURED GAS PRODUCTION EXPENSES</b>			
3	<b>STEAM PRODUCTION</b>			
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	<b>MANUFACTURED GAS PRODUCTION</b>			
19	Operation:			
20	Production labor and expenses:			
21	711 Steam expenses	-	-	-
22	712 Other power expenses	-	-	-
23	715 Water gas generating expenses	-	-	-
24	716 Oil gas generating expenses	-	-	-
25	717 Liquefied petroleum gas expenses	1,181,209	1,158,571	22,638
26	718 Other process production expenses	-	-	-
27	Gas fuels:			
28	721 Water gas generator fuel	-	-	-
29	722 Fuel for oil gas	-	-	-
30	723 Fuel for liquefied petroleum gas process	-	-	-
31	724 Other gas fuels	-	-	-
32	Gas raw materials:			
33	726 Oil for water gas	-	-	-
34	727 Oil for oil gas	-	-	-
35	728 Liquefied petroleum gas	-	-	-
36	729 Raw materials for other gas processes	-	-	-
37	730 Residuals expenses	-	-	-
38	731 Residuals produced -- Cr	-	-	-
39	732 Purification expenses	-	-	-
40	733 Gas mixing expenses	-	-	-
41	734 Duplicate charges -- Cr	-	-	-
42	735 Miscellaneous production expenses	-	-	-
43	736 Rents	-	-	-
44	Total operation	1,181,209	1,158,571	22,638
45	Maintenance:			
46	740 Maintenance supervision and engineering	-	-	-
47	741 Maintenance of structures and improvements	-	-	-
48	742 Maintenance of production equipment	3,589	28,749	(25,160)
49	Total maintenance	3,589	28,749	(25,160)
50	Total manufactured gas production	\$ 1,184,798	\$ 1,187,320	\$ (2,522)

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

<b>GAS OPERATION AND MAINTENANCE EXPENSES - - Continued</b>				
Line No.	Account (a)	Amount for Year (b)	Prior year amount	Increase/(Decrease) From Preceding Year (c)
1	<b>OTHER GAS SUPPLY EXPENSES</b>			
2	Operation:			
3	804 Natural gas city gate purchases	\$ 94,960,140	\$ 119,724,466	\$ (24,764,326)
4	805 Other gas purchases	-	-	-
5	808.10 Liquified natural gas	156,110	12,103,957	(11,947,847)
6	808-20 Deferred cost of gas	(7,467,109)	(8,122,338)	655,229
7	812 Gas used for other utility operations - - Cr	1,061	-	1,061
8	813 Other gas supply expenses	-	-	-
9	814 Environmental Costs	-	-	-
10	815 Conservation & Load Management Expense	-	-	-
11				
12		87,650,202	123,706,085	(36,055,883)
13	Total production expenses	88,835,000	124,893,405	(36,058,405)
14	<b>LOCAL STORAGE EXPENSES</b>			
15	Operation:			
16	840 Operation supervision and engineering	-	-	-
17	841 Operation labor and expenses	967,526	983,977	(16,451)
18	842 Rents	-	-	-
19	Total operation	967,526	983,977	(16,451)
20	Maintenance:			
21	843-60 Maintenance supervision and engineering	-	-	-
22	844 Maintenance of structures and improvements	-	-	-
23	845 Maintenance of gas holders	-	-	-
24	846 Maintenance of other equipment	-	-	-
	847 Maintenance Supervision and Engineering	-	-	-
25	849 Joint Expenses-Credit	(6,453,471)	(6,383,817)	(69,654)
26	Total maintenance	(6,453,471)	(6,383,817)	(69,654)
27	Total storage expenses	(5,485,945)	(5,399,840)	(86,105)
28	<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>			
29	Operation:			
30	850 Operation supervision and engineering	1,588,854	2,104,645	(515,791)
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	382,469	340,308	42,161
36	858 Transmission and compression of gas by others	-	-	-
36	860 Transmission Rents	-	-	-
37	874 Mains and services expenses	3,127,782	2,229,010	898,772
38	878 Meter and house regulator expenses	615,019	2,641,258	(2,026,239)
39	879 Customer installations expenses	867,825	444,074	423,751
40	880 Other expenses	1,920,901	1,098,261	822,640
41	881 Rents	-	3,255	(3,255)
42	882 Transportation expense	-	-	-
43	Total operation	8,502,850	8,860,811	(357,961)
44	Maintenance:			
45	885 Maintenance supervision and engineering	491,329	501,971	(10,642)
46	886 Maintenance of structures and improvements	-	-	-
47	887 Maintenance of mains	1,580,183	2,319,577	(739,394)
48	888 Maintenance of compressor station equipment	-	-	-
49	889 Maintenance of measuring and regulating station equipment	565,914	304,994	260,920
50	892 Maintenance of services	4,480,582	4,837,547	(356,965)
51	893 Maintenance of meters and house regulators	2,905,954	2,137,274	768,680
52	894 Maintenance of other equipment	397,565	363,437	34,128
54	Total maintenance	10,421,527	10,464,800	(43,273)
55	Total transmission and distribution expenses	\$ 18,924,377	\$ 19,325,611	\$ (401,234)

## Annual Report of .....Colonial 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)
<b>CUSTOMER ACCOUNTS EXPENSES</b>				
1	Operation:			
2	901 Supervision	\$ 178,524	\$ 147,302	\$ 31,222
3	902 Meter reading expenses	1,126,931	923,321	203,610
4	903 Customer records and collection expenses	3,338,905	3,114,573	224,332
5	904 Uncollectible accounts	5,064,571	5,072,764	(8,193)
6	905 Miscellaneous customer accounts expenses	21,611,485	22,884,016	(1,272,531)
7	Total customer accounts expenses	31,320,416	32,141,976	(821,560)
<b>SALES EXPENSES</b>				
9	Operation:			
10	911 Supervision	-	-	-
11	912 Demonstrating and selling expenses	360,683	361,012	(329)
12	913 Advertising expenses	645,224	861,940	(216,716)
13	916 Miscellaneous sales expenses	-	-	-
14	Total sales expenses	1,005,907	1,222,952	(217,045)
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>				
16	Operation:			
17	920 Administrative and general salaries	5,840,068	5,369,406	470,662
18	921 Office supplies and expenses	4,611,752	2,820,618	1,791,134
19	922 Administrative expenses transferred - - Cr	-	-	-
20	923 Outside services employed	3,211,032	2,082,759	1,128,273
21	924 Property Insurance	170,539	335,277	(164,738)
22	925 Injuries and damages	826,319	1,735,458	(909,139)
23	926 Employees pensions and benefits	14,724,110	10,094,519	4,629,591
24	927 Franchise Requirements	-	-	-
25	928 Regulatory commission expenses	567,058	380,449	186,609
26	929 Duplicate charges - - Cr	-	-	-
27	930 Miscellaneous general expenses	39,912	914,978	(875,066)
28	931 Rents	3,479,015	2,768,475	710,540
29	Total operation	33,469,805	26,501,939	6,967,866
30	Maintenance:			
31	932 Maintenance of general plant	4,781	4,284	497
32	Total administrative and general expenses	33,474,586	26,506,223	6,968,363
33	Total gas operation and maintenance expenses	\$ 168,074,341	\$ 198,690,327	\$ (30,615,986)
<b>SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
34	Steam production			
35	Manufactured gas production	\$ 1,181,209	\$ 3,589	\$ 1,184,798
36	Other gas supply expenses	87,650,202	-	87,650,202
37	Total production expenses	88,831,411	3,589	88,835,000
38	Local storage expenses	967,526	(6,453,471)	(5,485,945)
39	Transmission and distribution expenses	8,502,850	10,421,527	18,924,377
40	Customer accounts expenses	31,320,416	-	31,320,416
41	Sales expenses	1,005,907	-	1,005,907
42	Administrative and general expenses	33,469,805	4,781	33,474,586
43	Total gas operation and maint. expenses.	\$ 164,097,915	\$ 3,976,426	\$ 168,074,341
44	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			84.95%
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			\$ 24,558,116
50	Total number of employees of gas department at end of year, including administrative,			
51	operating, maintenance, construction and other employees - National Grid Massachusetts.			88

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

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	8,648,208	2.51	21,717,523
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	TOTALS				

**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		SEE PAGES 48a & 48b			
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27	TOTALS				

**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				NONE			
17							
18							
19							
20							
21							
22							
23	TOTALS						

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

Line No.	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) MCF 1,000 BTU	(d) Rate Per MCF	(e) Amount
1	<b>Algonquin Gas Transmission</b>	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				6,263,912
8	Other Charges				-
9	<b>TOTAL ALGONQUIN</b>		-		6,263,912
10	<b>Tennessee Gas Pipeline</b>	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				12,843,220
20	Other Charges				-
21	<b>TOTAL TENNESSEE</b>		-		12,843,220
22	<b>Texas Eastern</b>				
23	Transportation and Capacity Costs				7,023,803
24	Other Charges				-
25	<b>TOTAL TEXAS EASTERN</b>		-		7,023,803
26	<b>Canadian</b>				
27					
28	Commodity Cost		10,445	1.94	20,263
29	Transportation and Capacity Costs				-
30	Other Charges				-
31	<b>TOTAL CANADIAN</b>		10,445		20,263
32					
33	<b>Direct Purchases</b>				
34					
35	Commodity Cost		29,197,007	2.27	66,391,979
36	Transportation and Capacity Costs				2,416,963
37	Other Charges				-
38	<b>TOTAL DIRECT PURCHASES</b>		29,197,007		68,808,942
39					
40					
41					
42					
43					
44					



## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) MCF 1,000 BTU	(d) Rate Per MCF	(e) Amount
1					
2	<b>Distrigas</b>	Metered at Everett			
3	Commodity Cost		-	-	-
4	Capacity Costs				-
5	<b>TOTAL DISTRIGAS</b>				-
6					
7					
8					
9					
10					
11	Total Commodity Cost		29,207,452	2.27	66,412,241
12	Total Transportation & Capacity Costs				28,547,898
13	Total Other Charges				-
14					
15	Unbilled Gas Cost				5,067,427
16	Total Purchased Gas Cost		<u>29,207,452</u>		100,027,566
17	Marketers and Other				4,492,174
18	Net Change in Holder Gas *				1,386,569
19	Deferred Cost of Gas 808-20,21,23,29				(18,256,107)
20	<b>Purchased Gas Expense</b>		29,207,452		87,650,202
					(0)
	* Add (Decreases) / Deduct Increases in Holder Gas - Note: Column (e) of this line includes those inventory transactions necessary to reconcile "Purchased Gas Expense" to Gas Costs expensed as presented on Lines 3 through 6 on page 46.				

**TAXES CHARGED DURING YEAR**

- |   |   |   |
|---|---|---|
| <p>1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.</p> <p>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.</p> <p>3 The aggregate of each kind of tax should be</p> | <p>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.</p> <p>4. The accounts to which the taxes charged were distributed should be shown in columns (c) to (h). 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.</p> | <p>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.</p> <p>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.</p> |
|---|---|---|

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	\$ (27,201)		\$ (27,201)					
3	Payroll	\$ 2,880,622	1,273,464	1,607,158					
4	Transportation/Fleet	\$ -		-					
5	Excise	\$ 3,495		-			3,495		
6									
7	State:								
8	Income	\$ (3)		(3)					
9	Use	\$ 20,854		20,854					
10	Sales and Use tax reserve adjustment	\$ 111,585		111,585					
11	Payroll	\$ 110,856	55,428	66,438			(11,010)		
12	Fuel			-					
13									
14	Local:								
15	Excise	\$ -		-					
16	Cities & Towns	\$ 7,958,155		7,958,155					
	<b>TOTALS</b>	\$ 11,058,363	\$ 1,328,892	\$ 9,736,986			\$ (7,515)		

Annual Report of .....Colonial Gas Company..... Year ended December 31, 2016

<b>OTHER UTILITY OPERATING INCOME (Account 414)</b>					
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	<b>NONE</b>				
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
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35					
36					
37					
38					
39					
40					
41	<b>TOTALS</b>				

Annual Report of .....Colonial 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					
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33					
34	TOTAL COSTS AND EXPENSES				
35	Net Profit (or Loss)				

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

## RECORD OF SENDOUT FOR THE YEAR IN DKTH

Line		Total	January	February	March	April	May
No.	<u>Item</u>						
1	Gas Made						
2							
3							
4	Propane	-	-	-	-	-	-
5							
6	TOTAL	-	-	-	-	-	-
7							
8	Gas Purchased						
9	Natural	29,207,452	3,030,236	2,794,364	2,365,096	2,848,193	1,820,255
10	Other						
11	TOTAL	29,207,452	3,030,236	2,794,364	2,365,096	2,848,193	1,820,255
12	TOTAL MADE AND						
13	PURCHASED	29,207,452	3,030,236	2,794,364	2,365,096	2,848,193	1,820,255
14	Net Change in Holder						
15	Gas (1)	(9,006,307)	510,502	324,006	(43,044)	(1,081,954)	(910,305)
16	TOTAL SENDOUT	20,201,145	3,540,738	3,118,370	2,322,052	1,766,239	909,950
17	GAS TRANSPORTED	5,704,150	679,324	595,493	553,717	514,015	437,797
18	TOTAL THROUGHPUT	25,905,295	4,220,062	3,713,863	2,875,769	2,280,254	1,347,747
19							
20	Gas Sold *	18,733,256	2,567,937	3,122,131	2,845,393	2,814,892	1,308,985
21	Gas Used by Company	108,360	17,701	19,122	9,939	9,520	6,303
22	Gas transported *	6,300,364	612,762	720,234	660,307	624,558	530,706
23	Gas Accounted for	25,141,980	3,198,400	3,861,487	3,515,639	3,448,969	1,845,994
24	Gas Unaccounted for (2)	763,315	1,021,662	(147,624)	(639,870)	(1,168,715)	(498,247)
25	% Unaccounted						
26	for (0.00%) (2)	2.95%					
27							
28							
29	<u>Sendout in 24 hours</u>						
30	in DTH						
31	Maximum - DTH		194,107	246,825	149,548	151,031	81,794
32	Maximum - Date		1/19/2016	2/14/2016	3/4/2016	4/4/2016	5/5/2016
33	Minimum - DTH		82,658	75,105	45,889	38,501	27,231
34	Minimum - Date		1/31/2016	2/3/2016	3/9/2016	4/22/2016	5/30/2016
35							
36							
37							
38							
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

## RECORD OF SENDOUT FOR THE YEAR IN DTH

Line No.	June	July	August	September	October	November	December
1							
2							
3							
4	-	-	-	-	-	-	-
5							
6	-	-	-	-	-	-	-
7							
8							
9	2,227,818	2,034,438	2,040,705	1,895,091	2,176,520	2,942,662	3,032,075
10							
11	2,227,818	2,034,438	2,040,705	1,895,091	2,176,520	2,942,662	3,032,075
12							
13	2,227,818	2,034,438	2,040,705	1,895,091	2,176,520	2,942,662	3,032,075
14							
15	(1,664,172)	(1,411,769)	(1,364,811)	(1,287,038)	(1,206,611)	(1,108,735)	237,623
16	563,646	622,669	675,894	608,053	969,909	1,833,927	3,269,698
17	329,387	292,790	297,982	311,548	463,911	562,789	665,397
18	893,033	915,459	973,876	919,601	1,433,820	2,396,716	3,935,095
19							
20	689,881	512,540	440,997	428,115	581,991	1,113,709	2,306,685
21	5,947	5,534	4,670	4,948	6,508	7,520	10,648
22	406,533	359,506	419,315	465,634	432,059	463,295	605,455
23	1,102,360	877,580	864,982	898,696	1,020,559	1,584,525	2,922,788
24	(209,327)	37,879	108,894	20,905	413,261	812,191	1,012,307
25							
26							
27							
28							
29							
30							
31	37,052	35,057	35,418	39,947	91,329	127,621	206,779
32	6/21/2016	7/5/2016	8/10/2016	9/29/2016	10/26/2016	11/21/2016	12/15/2016
33	24,168	23,239	27,155	23,841	23,643	44,723	74,933
34	6/25/2016	7/3/2016	8/22/2016	9/4/2016	10/21/2016	11/2/2016	12/1/2016
35							
36							
37							
38							
39							
40							
41							
42							

Annual Report of .....Colonial 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) (A)
1	Propane Air:		
2	Lowell Division: High Pressure Mix	0	-
3			
4			
5	Liquefied Natural Gas:		
6	Lowell Division: Tewksbury, MA	4	80,000
7			
8			
9	Cape Cod Division: South Yarmouth, MA	4	40,800
10	Wareham, MA	4	4,300
11			
12			
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35			
36	NOTE (A): Assumes 1,000 BTU per cubic foot.		
37			
38			
39			
40		<b>Total</b>	<b>125,100</b>

Annual Report of .....Colonial 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	Location						
2	Lowell, MA						
3	School and Rock Sts.		PSIG			AT 212F	
4						100C	
5							
6							
7							
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25							
Line No.	SCRUBBERS, CONDENSERS AND EXHAUSTERS. 24 HOUR CAPACITY (MCF)						
26							Total Capacity
27							
28	Scrubbers						
29		NONE					
30							
31							
32							
33	Condensers						
34							
35							
36							
37							
38							
39	Exhausters						
40							
41							
42							
43							
44							
45							
46							
47							



Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

<b>PURIFIERS</b>				
Line No.	Location	Kind of Gas	Kind of Purifying Material	Estimated 24 Hour Capacity
1	NONE			
2				
3				
4				
5				
6				
7				
8				
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<b>HOLDERS (Including Relief Holders). Indicate Relief Holders by the letters R.H.</b>							
	Location	Type of Tank	Dimensions		No. of Lifts	Number	Working Capacity
			Diam.	Height			
22	NONE						
23							
24							
25							
26							
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Annual Report of .....Colonial 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	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	No category	9,794	1,965	-		11,759
2						
3						
4						
5						
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38						
39	<b>GRAND TOTAL</b>	20,259,979	339,850	0	175,149	20,424,680
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 of .....Colonial 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	297,043		268,956
2	Additions during year:			
3	Purchased			31,488
4	Installed	7,716		
5	Associated with Plant acquired			
6	Total Additions	7,716		31,488
7	Reductions during year:			
8	Retirements	1,520		35,863
9	Associated with Plant sold	-		-
10	Total Reductions	1,520		35,863
11	Number at End of Year	303,239		264,581
12	In Stock			53,504
13	On Customers' Premises - - Inactive			3,472
14	On Customers' Premises - - Active			207,605
15	In Company Use			-
16	Number at End of Year			264,581
17	Number of Meters Tested by State Inspectors during Year			36,965

\*\* House Governors are consider part of the meter set and are not separately accounted for.

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

## 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.T.E. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
May 1, 2013	6.3	Residential Non-Heating Rate R-1	3%	
May 1, 2013	7.3	Residential Assistance Non-Heating Rate R-2	7%	
May 1, 2013	8.3	Residential Heating Rate R-3	16%	
May 1, 2013	9.3	Residential Assistance Heating Rate R-4	16%	
May 1, 2013	10.3	Commercial/Industrial, Small - Low Load Factor Rate G-41	14%	
May 1, 2013	11.3	Commercial/Industrial, Medium - Low Load Factor Rate G-42	15%	
May 1, 2013	12.3	Commercial/Industrial, Large - Low Load Factor Rate G-43	12%	
May 1, 2013	13.3	Commercial/Industrial, Small - High Load Factor Rate G-51	21%	
May 1, 2013	14.3	Commercial/Industrial, Medium - High Load Factor Rate G-52	18%	
May 1, 2013	15.3	Commercial/Industrial, Large - High Load Factor Rate G-53	13%	
Total			13%	
Overall Average			15%	

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2016

**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	\$ 34,372
3		
4		
5		
6		
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10		
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31		
32	TOTAL	\$ 34,372

Annual Report of .....Colonial 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		\$ 645,224
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
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42		TOTAL	\$ 645,224

**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		\$
5		1,001,055
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Interest is accrued and paid pursuant to Provisions of	
16	22 C.M.R. 26.09 (DPU Order #999 - 09/23/82)	
17		
18		
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39		
40	<b>TOTAL</b>	\$ 1,001,055
41		





THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*George Carlin*

.....Vice President and NE 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 6/21/18



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

Net Income Calculation:

1	Utility Operating Income DPU page 10, Line 18	\$	18,593,946
2			
3	Less: Allocated Interest(See Below)		(9,479,774)
4			
5			
6	<b>Net Utility Income Available for Common Shareholders</b>	<b>\$</b>	<b><u>9,114,172</u></b>

Calculation of Allocated Interest:

11			
12	Interest + Preferred Dividends - DPU page 10, Lines 39 and 48	\$	<u>9,479,811</u>
13			
14	Utility Plant--DPU page 8, Line 2	\$	965,353,162
15	Other Property & Investments - DPU page 8, Line 8		3,740
16	Total	\$	<u>965,356,902</u>
17			
18	Utility % (% of Line 14 to Line 16)		<u>100.00%</u>
19			
20	Allocated Interest(Line 18 above times Line 12)	\$	<u>9,479,774</u>

Total Utility Common Equity:

26			
27	Proprietary Capital - DPU page 9,Line 13	\$	400,618,207
28			
29	Less preferred: DPU Page 9, Line 4		-
30			
31	Less: Unamortized Acquisition Premium		(112,960,467)
32			
33	Less: Goodwill DPU Page 17, Line 3a		(54,073,696)
34			
35	Long Term Debt - DPU Page 9, Line 18		125,000,000
36	Capitalization	\$	<u>358,584,044</u>
37			
38			
39	50%/50% Capital Structure DPU 10-55		50%
40	Hypothetical Total Equity, December 31, 2016	\$	<u>179,292,022</u>
41			
42			
43			
44			
45			
46			
47			
48	Ending Hypothetical Utility Common Equity Multiplied by Utility %	\$	179,291,328
49			
50	Beginning Hypothetical Utility Common Equity Multiplied by Utility %		<u>170,793,744</u>
51			
52	Total	\$	<u>350,085,072</u>
53			
54	Average Hypothetical Common Equity	\$	<u>175,042,536</u>
55			
56			
57	<b>NET UTILITY INCOME DIVIDED BY AVERAGE HYPOTHETICAL EQUITY</b>		<u>5.21%</u>

Commonwealth of Massachusetts  
Department of Public Utilities

One South Street  
Boston, MA 02110

STATEMENT OF OPERATING REVENUES

YEAR 2016

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

		Location on Annual Return
Massachusetts Operating Revenues (Intrastate)	\$ <u>\$244,346,642</u>	<u>p.10,ln.2; p.43,ln.23</u>
Other Revenues (outside Massachusetts)	\$ _____	_____
Total Revenues	\$ <u>\$244,346,642</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*  
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 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_