

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, 2015

Full Name of Company - **BOSTON GAS COMPANY****D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND**Location of Principal Business Office - One MetroTech Center 12th FL, Brooklyn, New York 11201**Statement of Income for the Year**

Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
OPERATING INCOME		
Operating Revenues	\$ 1,137,148,670	\$ (135,930,864)
Operating Expenses:		
Operation Expenses	756,739,910	(161,625,755)
Maintenance Expense	60,533,738	10,941,265
Depreciation Expense	137,204,638	10,221,470
Amortization of Utility Plant	191,452	(610,303)
Amortization of Property Losses	-	-
Amortization of Conversion Expenses	320,537	-
Taxes Other Than Income Taxes	55,830,809	(460,952)
Income Taxes	6,180,925	4,155,850
Provision for Deferred Income Taxes	30,374,712	5,966,429
Income Taxes Deferred in Prior Years -- CR.	-	24,916
Total Operating Expenses	1,047,376,721	(131,387,080)
Net Operating Revenues	89,771,949	(4,543,784)
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	89,771,949	(4,543,784)
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work	-	-
Income from Nonutility Operations	-	2,882,286
Nonoperating Rental Income	-	-
Interest and Dividend Income	762,011	(50,520)
Miscellaneous Nonoperating Income	118,991	(668,604)
Total Other Income	881,002	2,163,162
Total Income	90,652,951	(2,380,622)
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	-	-
Other Income Deductions	11,176,368	(7,741,071)
Total Income Deductions	11,176,368	(7,741,071)
Income Before Interest Charges	79,476,583	5,360,449
INTEREST CHARGES		
Interest on Long-Term Debt	32,526,656	(226,780)
Amortization of Debt Disc. & Expense	296,633	(1,184)
Amortization of Premium on Debt -- Credit	-	-
Interest on Debt to Associated Companies	1,603,895	1,324,646
Other Interest Expense	(8,723,811)	(8,414,582)
Interest Charged to Construction -- Credit	(304,958)	(62,911)
Total Interest Charges	25,398,415	(7,380,811)
Net Income	\$ 54,078,168	\$ 12,741,260

BALANCE SHEET			
Title of Account	Balance End of Year	Title of Account	Balance End of Year
UTILITY PLANT		PROPRIETARY CAPITAL	
Utility Plant	\$ 3,997,952,204	CAPITAL STOCK	
OTHER PROPERTY AND INVESTMENTS		Common Stock Issued	\$ 51,418,400
Nonutility Property	170,808	Preferred Stock Issued	-
Capitalized Leases, net	-	Capital Stock Subscribed	-
Investment in Associated Companies	-	Premium on Capital Stock	640,069
Other Investments	400	Total	52,058,469
Special Funds	3,227,776	SURPLUS	
Total Other Property and Investments	3,398,984	Other Paid-In Capital	838,550,854
CURRENT AND ACCRUED ASSETS		Earned Surplus	404,416,317
Cash	3,244,410	Other Comprehensive Income	73,455
Special Deposits	-	Total	1,243,040,626
Working Funds	-	Total Proprietary Capital	1,295,099,095
Temporary Cash Investments	-	LONG TERM DEBT	
Notes and Accounts Receivable	150,826,021	Bonds	626,000,000
Receivables from Assoc. Companies	45,570,831	Capital Lease Obligations	-
Materials and Supplies	71,636,818	Other Long-Term Debt	-
Prepayments	3,075,121	Total Long-Term Debt	626,000,000
Interest and Dividends Receivable	-	CURRENT AND ACCRUED	
Rents Receivable	-	LIABILITIES	
Accrued Utility Revenues	46,266,558	Notes Payable	-
Misc. Current And Accrued Assets	-	Accounts Payable	49,445,987
Recoverable Fuel	192,914,934	Payables to Associated Companies	457,302,137
Total Current and Accrued Assets	513,534,693	Customer Deposits	5,487,641
DEFERRED DEBITS		Taxes Accrued	-
Unamortized Debt Discount and Expense	4,666,941	Interest Accrued	11,223,662
Extraordinary Property Losses	-	Dividends Declared	-
Preliminary Survey and Investigation		Matured Long-Term Debt	-
Charges	(2,824)	Matured Interest	-
Clearing Accounts	(5,085)	Tax Collections Payable	300,243
Temporary Facilities	-	Misc. Current and Accrued Liabilities	63,013,167
Miscellaneous Deferred Debits	696,371,771	Total Current & Accrued Liabilities	586,772,837
Total Deferred Debits	701,030,803		
CAPITAL STOCK DISCOUNT		DEFERRED CREDITS	
AND EXPENSE		Unamortized Premium on Debt	-
Discount on Capital Stock	-	Customer Advances for Construction	-
Capital Stock Expense	-	Other Deferred Credits	330,426,516
Total Capital Stock Discount and Expense	-	Total Deferred Credits	330,426,516
REACQUIRED SECURITIES		RESERVES	
Reacquired Capital Stock	-	Reserves for Depreciation	1,377,714,605
Reacquired Bonds	-	Reserves for Amortization	93,929,126
Total Reacquired Securities	-	Reserve for Uncollectible Accounts	35,407,957
Total Assets and Other Debits	\$ 5,215,916,684	Operating Reserves	140,220,856
		Reserve for Depreciation and Amortization of Nonutility Property	-
		Reserves for Deferred Federal Income	
		Taxes	730,345,692
		Total Reserves	2,377,618,236
		CONTRIBUTIONS IN AID	
		OF CONSTRUCTION	
		Contributions in Aid of Construction	-
		Total Liabilities and Other Credits	\$ 5,215,916,684

NOTES:

Condensed Financial Return (Continued) - Boston Gas Company

December 31, 2015

STATEMENT OF EARNED SURPLUS		
Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
Unappropriated Earned Surplus (at beginning of period)	\$ 350,338,150	\$ 41,336,907
Balance Transferred from Income	54,078,168	12,741,260
Miscellaneous Credits to Surplus	-	-
Miscellaneous Debits to Surplus	-	-
Appropriations of Surplus	-	-
Net Additions to Earned Surplus	54,078,168	12,741,260
Dividends Declared - - Preferred Stock	-	-
Dividends Declared - - Common Stock	-	-
Unappropriated Earned Surplus (at end of period)	\$ 404,416,317	\$ 54,078,167

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

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

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

The Commonwealth of Massachusetts

ANNUAL RETURN

OF THE

BOSTON GAS COMPANY

D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND

TO THE

THE DEPARTMENT OF PUBLIC UTILITIES

OF MASSACHUSETTS

For the Year Ended December 31,

2015

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

}
}

Sharon Partridge

Official title: **VP US Financial Controller**

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

GAS OPERATING REVENUES		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF GAS		
Residential Sales	\$ 695,752,697	\$ (88,218,728)
Commercial and Industrial Sales		
Small (or Commercial)	128,186,314	(16,434,908)
Large (or Industrial)	125,542,052	6,709,873
Other Sales to Public Authorities	1,093,284	(187,531)
Interdepartmental Sales	-	-
Quasi-Firm Revenue	-	-
Miscellaneous Gas Sales (Unbilled Revenue)	-	-
Total Sales to Ultimate Consumers	950,574,346	(98,131,294)
Sales for Resale	89,772,513	(16,921,219)
Total Sales of Gas	1,040,346,859	(115,052,512)
OTHER OPERATING REVENUES		
Adjustments	-	-
Miscellaneous Service Revenues	441,900	(74,000)
Revenues from Transportation of Gas of Others	137,726,718	(20,432,113)
Sales of Products Extracted from Natural Gas	-	-
Revenues from Natural Gas Processed by Others	-	-
Rent from Gas Property	398,912	(12,635)
Interdepartmental Rents	-	-
Other Gas Revenues	(41,765,718)	(359,603)
Total Other Operating Revenues	96,801,812	(20,878,350)
Total Gas Operating Revenues	\$ 1,137,148,670	\$ (135,930,863)

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				4a
Functional Classification	Operation	Maintenance	Total	
Steam Production				
Manufactured Gas Production	\$ 101,220	\$ 1,776	\$	102,996
Other Gas Supply Expenses	478,263,030	-		478,263,030
Total Production Expenses	478,364,250	1,776		478,366,026
Local Storage Expenses	7,579,516	(9,859,340)		(2,279,824)
Transmission and Distribution Expenses	40,442,813	70,396,146		110,838,959
Customer Accounts Expenses	128,039,664	-		128,039,664
Sales Expenses	1,945,642	-		1,945,642
Administrative and General Expenses	100,368,026	(4,845)		100,363,181
Total Gas Operation and Maintenance Expenses	\$ 756,739,910	\$ 60,533,738	\$	817,273,648

March 29, 2016, 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.



Sharon Partridge
VP US Financial Controller

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

TABLE OF CONTENTS

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

Title of Schedule (a)	Schedule Page Number (b)	Remarks (c)
General Information	4-6	
Customer Meters	7	
Comparative Balance Sheet	8-9	
Statement of Income for the Year	10-11	
Statement of Earned Surplus	12	
Summary of Utility Plant and Reserves for Depreciation and Amortization	13	
Utility Plant - Gas	17-18	
Nonutility Property	19	
Investments	20	
Special Funds	21	
Special Deposits	21	
Notes Receivable	22	
Accounts Receivable	22	
Receivables from Associated Companies	23	
Materials and Supplies	24	
Production Fuel and Oil Stocks	25	
Unamortized Debt Discount and Expense and Unamortized Premium on Debt	26 & 26a	
Extraordinary Property Losses	27	
Miscellaneous Deferred Debits	27	
Discount on Capital Stock	28	
Capital Stock Expense	28	
Capital Stock and Premium	29	
Other Paid-In Capital	30	
Long-Term Debt	31	
Notes Payable	32	
Payables to Associated Companies	32	
Miscellaneous Current and Accrued Liabilities	33	
Other Deferred Credits	33	
Reserve for Depreciation of Utility Plant in Service	34	
Method of Determination of Depreciation Charges	34	
Dividends Declared During Year	34	
Operating Reserves	35	
Reserves for Deferred Federal Income Taxes	36	
Contributions in Aid of Construction	36	

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

TABLE OF CONTENTS (Continued)

Title of Schedule (a)	Schedule Page Number (b)	Remarks (c)
Gas Operating Revenues	43	
Sales of Gas to Ultimate Consumers	44 & 44a	
Gas Operation and Maintenance Expenses	45-47	
Summary of Gas Operation and Maintenance Expenses	47	
Sales for Resale	48	
Sale of Residuals	48	
Purchased Gas	48, 48a, 48b	
Taxes Charged During Year	49	
Other Utility Operating Income	50	
Income from Merchandising, Jobbing and Contract Work	51	
Record of Sendout for the Year in MCF	72-73	
Gas Generating Plant	74	
Boilers	75	
Scrubbers, Condensers and Exhausters	75	
Purifiers	76	
Holders	76	
Transmission and Distribution Mains	77 & 77a	
Gas Distribution Services, House Governors and Meters	78	
Rate Schedule Information	79	
Expenditures for Certain Civic, Political & Related Activities	80a	
Advertising Expenses	80b	
Deposits & Collateral	80c	
Signature Page	81	

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

GENERAL INFORMATION			
PRINCIPAL AND SALARIED OFFICERS*			
Titles	Names	Addresses	Annual Salaries
President	(1) Reed, Marcy L.	Waltham, MA	\$81,342
Vice President & Chief Financial Officer (Resigned 3/31/2015)	(2) Nigloschy, Stephen	Waltham, MA	\$7,909
Vice President & Chief Financial Officer	(3) Urban, Dennis	Waltham, MA	\$3,380
Senior Vice President (Resigned 10/7/2015)	(4) Madej, James	Brooklyn, NY	\$25,266
Senior Vice President (Resigned 2/18/2015)	(5) Owyang, Colin	Waltham, MA	\$1,526
Senior Vice President	(6) Warren, Cheryl	Albany, NY	\$10,692
Senior Vice President (Resigned 3/18/2016)	(7) Jordan, Marie	Waltham, MA	\$22,690
Senior Vice President	(8) Macklin, Ronald	Hicksville, NY	\$17,645
Senior Vice President	(9) Way, David	Waltham, MA	\$13,233
Senior Vice President	(10) Turrini, Ross	Hicksville, NY	\$42,565
<u>DIRECTORS*</u>			
<u>Names</u>	<u>Addresses</u>		<u>Fees Paid During Year</u>
Reed, Marcy L.	Waltham, Massachusetts		No Fees Paid
Nigloschy, Stephen (Resigned 3/31/2015)	Waltham, Massachusetts		No Fees Paid
Jordan, Marie (Resigned 10/5/2016)	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 Boston Gas Company. The salary amount allocated to other companies was \$210,363. 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>(2) Nigloschy: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$27,272. 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>(3) Urban: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$15,084. 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>(4) Madej: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$245,225. 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>(5) Owyang: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$17,553. 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>(6) Warren: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$121,690. 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>(7) Jordan: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$234,655. 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>(8) Macklin: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$226,992. 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) Way: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$193,557. 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>(10) Turrini: Salary disclosure includes amounts that have been allocated to Boston Gas Company. The salary amount allocated to other companies was \$163,361. 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>* By General Laws, Chapter 164, Section 83, the Return must contain a "list of the names of all their salaried officers and the amount of the to each," and by Section 77, the department is required to include in its annual report "the names and addresses of the principal officers and of the directors."</p>			

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

GENERAL INFORMATION - Continued

- | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|--------------|
| 1. Corporate name of company making this report, | Boston Gas Company
D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND | |
| 2. Date of organization, | December 11, 1903 | |
| 3. Date of incorporation, | December 11, 1903 | |
| 4. Give location (including street and number) of principal business office:- | | |
| | One MetroTech Center 12 th FL, Brooklyn New York 11201 | |
| 5. Total number of stockholders, | Common: 1 | |
| 6. Number of stockholders in Massachusetts, | Common: 1 | |
| 7. Amount of stock held in Massachusetts, | No. of Common Shares, 514,184 | \$51,418,400 |
| 8. Capital stock issued prior to June 5, 1894, | No. of shares, N/A | \$ N/A |
| 9. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or Department of Public Utilities since June 5, 1894, | | |
| | Total, 514,184 common shares, par value, \$100.00, outstanding
December 31 of the calendar year, 2015 | |
| | | \$51,418,400 |
10. If any stock has been issued during the last fiscal period, give the date and terms upon which such issue was offered to the stockholders, and if the whole or any part of the issue was sold at auction, the date or dates of such sale or sales, the number of shares sold and the amounts realized therefrom.
11. Management Fees and Expenses during the Year.
- List all individuals, corporations or concerns with whom the company has any contract or agreement covering management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc., and show the total amount paid to each for the year.
- In 2015, the Company was charged \$268,717,301.62 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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

GENERAL INFORMATION - Continued					
Names of the cities or towns in which the company supplies GAS with the number of customers' meters in each City or Town					
NUMBER OF CUSTOMER METERS					
City or Town	Number of Customers	City or Town	Number of Customers	City or Town	Number of Customers
Abington	3,415	Lynn	25,968	West Brookfield	437
Acton	5,138	Malden	17,675	West Newbury	173
Amesbury	4,729	Manchester	1,681	Weston	3,246
Arlington	14,447	Marblehead	7,097	Weymouth	12,023
Ayer	2,112	Medford	18,932	Whitman	3,607
Bedford	4,259	Melrose	8,681	Wilmington	26
Belmont	8,578	Merrimac	1,804	Winchester	5,641
Beverly	10,125	Methuen	14	Winthrop	6,186
Boston	23,997	Middleton	1,585	Woburn	9,559
Boxborough	524	Milton	7,381	West Roxbury	8,581
Boxford	1,397	Nahant	1,303		
Braintree	8,814	Natick	41		
Brighton	19,017	Needham	2		
Brookfield	170	Newbury	448		
Brookline	18,066	Newburyport	6,952		
Burlington	5,801	Newton	27,115		
Byfield	232	North Andover	302		
Carlisle	789	North Brookfield	617		
Charlestown	5,031	Norwood	9,872		
Chelsea	10,548	Oxford	138		
Clinton	3,245	Peabody	12,359		
Cohasset	2,133	Quincy	27,219		
Concord	4,543	Reading	4,712		
Danvers	6,562	Revere	13,963		
Dorecester	46,196	Rockland	4,925		
Dudley	1,022	Rockport	109		
East Boston	12,701	Roslindale	10,424		
East Brookfield	197	Rowley	1,528		
Essex	738	Roxbury	9,788		
Everett	14,418	Salem	13,966		
Framingham	13	Salisbury	3,345		
Georgetown	2,028	Saugus	6,877		
Gloucester	7,571	Shirley	665		
Groton	1,091	Somerville	9,148		
Groveland	1,830	Southbridge	3,424		
Hamilton	1,056	South Boston	14,106		
Hanson	12	Spencer	1,549		
Harvard	314	Stoneham	4,435		
Haverhill	20,882	Sudbury	4,115		
Hingham	5,161	Swampscott	4,525		
Hull	4,561	Topsfield	1,330		
Ipswich	2,958	Wakefield	92		
Jamaica Plain	12,644	Waltham	17,556		
Lancaster	354	Warren	478		
Leicester	172	Watertown	12,974		
Leominster	7,736	Wayland	3,364		
Lexington	6,491	Webster	2,939		
Lincoln	1,172	Wellesley	7,572		
Littleton	1,625	Wenham	698		
Lunenburg	635	Westford	84		
				TOTAL	702,606

COMPARATIVE BALANCE SHEET Assets and Other Credits				
Line No.	Title of Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or (Decrease) (d)
1	UTILITY PLANT			
2	Utility Plant (101-107) p. 13	\$ 3,687,766,505	\$ 3,997,952,204	\$ 310,185,699
3	OTHER PROPERTY AND INVESTMENTS			
4	Nonutility Property (121) P. 19	170,808	170,808	-
4a	Capitalized Leases, net	-	-	-
5	Investment in Associated Companies (123) P. 20	-	-	-
6	Other Investments (124) P.20	400	400	-
7	Special Funds (125, 126, 127, 128) P. 21	3,233,726	3,227,776	(5,950)
8	Total Other Property and Investments	3,404,934	3,398,984	(5,950)
9	CURRENT AND ACCRUED ASSETS			
10	Cash (131)	7,081,980	3,244,410	(3,837,570)
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	169,959,748	150,826,021	(19,133,727)
15	Receivables from Assoc. Companies (145, 146) P. 23	98,441,350	45,570,831	(52,870,519)
16	Materials and Supplies (151-159, 163) P. 24	86,305,998	71,636,818	(14,669,180)
17	Prepayments (165) ¹	50,492,025	3,075,121	(47,416,904)
18	Interest and Dividends Receivable (171)	-	-	-
19	Rents Receivable (172)	-	-	-
20	Accrued Utility Revenues (173)	75,159,340	46,266,558	(28,892,782)
21	Misc. Current and Accrued Assets (174)	-	-	-
21A	Recoverable Fuel (175) ²	171,703,724	192,914,934	21,211,210
22	Total Current and Accrued Assets	659,144,165	513,534,693	(145,609,472)
23	DEFERRED DEBITS			
24	Unamortized Debt Discount and Expense (181) P.26	4,963,574	4,666,941	(296,633)
25	Extraordinary Property Losses (182) P.27	-	-	-
26	Preliminary Survey and Investigation Charges (183)	(2,824)	(2,824)	-
27	Clearing Accounts (184)	366,965	(5,085)	(372,050)
28	Temporary Facilities (185)	-	-	-
29	Miscellaneous Deferred Debits (186) P. 27	354,006,557	696,371,771	342,365,214
30	Total Deferred Debits	359,334,272	701,030,803	341,696,531
31	CAPITAL STOCK DISCOUNT AND EXPENSE			
32	Discount on Capital Stock (191) P. 28	-	-	-
33	Capital Stock Expense (192) P. 28	-	-	-
34	Total Capital Stock Discount and Expense	-	-	-
35	REACQUIRED SECURITIES			
36	Reacquired Capital Stock (196)	-	-	-
37	Reacquired Bonds (197)	-	-	-
38	Total Reacquired Securities	-	-	-
39	Total Assets and Other Debits	\$ 4,709,649,876	\$ 5,215,916,684	\$ (506,266,808)

NOTES:

- 1 - The prepayment represents the total prepaid tax amount.
- 2 - At December 31, 2015, the recoverable fuel includes \$134,317,478 of cost of gas adjustment clause and \$58,597,456 of local distribution adjustment factor.

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

COMPARATIVE BALANCE SHEET Liabilities and Other Credits				
Line No.	Title of Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or (Decrease) (d)
1	PROPRIETARY CAPITAL			
2	CAPITAL STOCK			
3	Common Stock Issued (201) P.29	\$ 51,418,400	\$ 51,418,400	\$ -
4	Preferred Stock Issued (204) P.29		\$ -	-
5	Capital Stock Subscribed (202, 205)		\$ -	-
6	Premium on Capital Stock (207) P.29	640,069	\$ 640,069	-
7	Total	52,058,469	52,058,469	-
8	SURPLUS			
9	Other Paid-In Capital (208-211) P.30	838,550,854	838,550,854	-
10	Earned Surplus (215,216) P.12	350,338,150	404,416,317	54,078,167
11	Other Comprehensive Income	73,442	73,455	13
12	Total	1,188,962,446	1,243,040,626	54,078,180
13	Total Proprietary Capital	1,241,020,915	1,295,099,095	54,078,180
14	LONG-TERM DEBT			
15	Bonds (221) P.31	631,000,000	626,000,000	(5,000,000)
16	Capital Lease Obligations (221)	-	-	-
17	Other Long-Term Debt (224) P.31	-	-	-
18	Total Long-Term Debt	631,000,000	626,000,000	(5,000,000)
19	CURRENT AND ACCRUED LIABILITIES			
20	Notes Payable (231) P.32	-	-	-
21	Accounts Payable (232)	38,267,695	49,445,987	11,178,292
22	Payables to Associated Companies (233,234) P.32	483,598,901	457,302,137	(26,296,764)
23	Customer Deposits (235)	3,239,913	5,487,641	2,247,728
24	Taxes Accrued (236)	-	-	-
25	Interest Accrued (237)	11,318,163	11,223,662	(94,501)
26	Dividends Declared (238)	-	-	-
27	Matured Long-Term Debt (239)	-	-	-
28	Tax Collections Payable (241)	1,167,060	300,243	(866,817)
29	Misc. Current & Accrued Liab. (242) P.33	45,531,832	63,013,167	17,481,335
30	Total Current & Accrued Liability	583,123,564	586,772,837	3,649,273
31	DEFERRED CREDITS			
32	Unamortized Premium on Debt (251) P.26	-	-	-
33	Customer Advances for Construction (252)	-	-	-
34	Other Deferred Credits (253) P.33	90,904,010	330,426,516	239,522,506
35	Total Deferred Credits	90,904,010	330,426,516	239,522,506
36	RESERVES			
37	Reserves for Depreciation (254-256) P.13	1,276,879,046	1,377,714,605	100,835,559
38	Reserves for Amortization (257-259) P.13	93,737,846	93,929,126	191,280
39	Reserve for Uncollectible Accounts (260)	29,349,631	35,407,957	6,058,326
40	Operating Reserves (261-265) P.35	123,224,427	140,220,856	16,996,429
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	-	-	-
42	Reserve for Deferred Income Taxes (267, 268) P.36	640,410,437	730,345,692	89,935,255
43	Total Reserves	2,163,601,387	2,377,618,236	214,016,849
44	CONTRIBUTION IN AID OF CONSTRUCTION			
45	Contributions in Aid of Construction (271) P.36			-
46	Total Liabilities and Other Credits	\$ 4,709,649,876	\$ 5,215,916,684	\$ 506,266,808

STATEMENT OF INCOME FOR THE YEAR				
Line No.	Account (a)	Current Year (b)	Prior Year (c)	Increase or (Decrease) from Preceding Year (d)
1	OPERATING INCOME			
2	Operating Revenues (400) P. 37,43	\$ 1,137,148,670	\$ 1,273,079,534	\$ (135,930,864)
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	756,739,910	918,365,665	(161,625,755)
5	Maintenance Expense (402) P. 42,47	60,533,738	49,592,473	10,941,265
6	Depreciation Expense (403) P. 34	137,204,638	126,983,168	10,221,470
7	Amortization of Utility Plant (404 and 405)	191,452	801,755	(610,303)
8	Amortization of Investment Credit (406.0)	-	-	-
9	Amortization of Regulatory Expenses (407.3)	320,537	320,537	-
10	Taxes Other Than Income Taxes (408) P. 49	55,830,809	56,291,761	(460,952)
11	Income Taxes (409) P. 49	6,180,925	2,025,075	4,155,850
12	Provision for Deferred Income Taxes (410) P. 36	30,374,712	24,408,283	5,966,429
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	-	(24,916)	24,916
14	Total Operating Expenses	1,047,376,721	1,178,763,801	(131,387,080)
15	Net Operating Revenues	89,771,949	94,315,733	(4,543,784)
16	Income from Utility Plant Leased to Others			
17	Other Utility Operating Income (414) P. 50	-	-	-
18	Total Utility Operating Income	89,771,949	94,315,733	(4,543,784)
19	OTHER INCOME			
20	Income from Mdse. Jobbing & Contract Work (415) P. 51	-	-	-
21	Income from Nonutility Operations (417)	-	(2,882,286)	2,882,286
22	Nonoperating Rental Income (418)	-	-	-
23	Interest and Dividend Income (419)	762,011	812,531	(50,520)
24	Miscellaneous Nonoperating Income (421)	118,991	787,595	(668,604)
25	Total Other Income	881,002	(1,282,160)	2,163,162
26	Total Income	90,652,951	93,033,572	(2,380,621)
27	MISCELLANEOUS INCOME DEDUCTIONS			
28	Miscellaneous Amortization (425)	-	-	-
29	Other Income Deductions (426)	11,176,368	18,917,439	(7,741,071)
30	Total Income Deductions	11,176,368	18,917,439	(7,741,071)
31	Income Before Interest Charges	79,476,583	74,116,133	5,360,450
32	INTEREST CHARGES			
33	Interest on Long-Term Debt (427) P. 31	32,526,656	32,753,436	(226,780)
34	Amortization of Debt Disc. & Expense (428) P. 26	296,633	297,817	(1,184)
35	Amortization of Prem. on Debt - - Credit (429) P. 26	-	-	-
36	Int. on Debt to Associated Companies (430) P. 31, 32	1,603,895	279,249	1,324,646
37	Other Interest Expense (431)	(8,723,811)	(309,229)	(8,414,582)
38	Interest Charged to Construction - - Credit (432)	(304,958)	(242,047)	(62,911)
39	Total Interest Charges	25,398,415	32,779,226	(7,380,811)
40	Net Income	54,078,168	41,336,907	12,741,261
41	EARNED SURPLUS			
42	Unappropriated Earned Surplus (at beginning of period) (216)	350,338,150	309,001,243	41,336,907
43	Balance Transferred from Income (433)	54,078,168	41,336,908	12,741,260
44	Miscellaneous Credits to Surplus (434)	-	-	-
45	Miscellaneous Debits to Surplus (435)	-	-	-
46	Appropriations of Surplus (436)	-	-	-
47	Net Additions to Earned Surplus	54,078,168	41,336,908	12,741,260
48	Dividends Declared - - Preferred Stock (437)			-
49	Dividends Declared - - Common Stock (438)			-
50	Unappropriated Earned Surplus (at end of period) (216)	\$ 404,416,317	\$ 350,338,150	\$ 54,078,167

NOTE: The balance of retained earnings and net income for the period ended December 31, 2014 was revised for a net decrease of \$9.9M to reflect the elimination of equity carrying charges on certain regulatory assets.

STATEMENT OF INCOME FOR THE YEAR (CONTINUED)

Note:

None

STATEMENT OF EARNED SURPLUS (Accounts 215-216)

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

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

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

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

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

5. List credits first; then debits.

Line No.	Item (a)	Contra Primary Account Affected (b)	(c)
UNAPPROPRIATED EARNED SURPLUS (Account 216)			
1	Balance - - Beginning of year		\$ 350,338,150
2	Charges: (identify by prescribed earned surplus accounts)		
3	Transfer from income (loss)		54,078,168
4			
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		\$ 404,416,317
APPROPRIATED EARNED SURPLUS (Account 215)			
28	State balance and purpose of each appropriated earned surplus amount at end of year and give accounting entries for any applications of appropriated earned surplus during year.		
29			
30			
31			
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION							
Line No.		Total (b)	Electric (c)	Gas (d)	(e)	(f)	Common (g)
1	UTILITY PLANT						
2	In Service:						
3	101 Plant in Service (Classified)	\$3,520,502,408		\$3,520,502,408			
4	106 Completed Construction not Classified	\$382,858,683		\$382,858,683			
5	Total P. 16, 18	\$3,903,361,091		\$3,903,361,091			
6	104 Leased to Others	\$0		0			
7	105 Held for Future Use	\$515,704		\$515,704			
8	107 Construction Work in Progress	\$94,075,409		\$94,075,409			
9	Total Utility Plant	\$3,997,952,204		\$3,997,952,204			
10	DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION						
11	In Service:						
12	254 Depreciation P. 34	\$1,377,714,605		\$1,377,714,605			
13	257 Amortization	\$93,929,126		93,929,126			
14	Total, in Service	\$1,471,643,731		\$1,471,643,731			
15	Leased to Others:						
16	255 Depreciation						
17	258 Amortization						
18	Total, Leased to Others						
19	Held for Future Use:						
20	256 Depreciation						
21	259 Amortization						
22	Total, Held for Future Use						
23	Total Reserves for Depreciation and Amortization	\$1,471,643,731		\$1,471,643,731			

UTILITY PLANT - GAS

		of such amounts.				the preceding year. Such items should be included in			
		service according to prescribed accounts.				column (c) or (d) as appropriate.			
		2. Do not include as adjustments, corrections				3. Credit adjustments of plant accounts should be			
		of additions and retirements for the current or				enclosed in parentheses to indicate the negative effect			
Line No.	Account	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)		
1									
	1. INTANGIBLE PLANT								
2	301 Organization								
3	303 Miscellaneous Intangible Plant	\$ 75,722,749	-	\$ -	-	\$ -	\$ 75,722,749		
3a	303 Goodwill	396,321,766	-	\$ -	-	\$ -	396,321,766		
4	Total Intangible Plant	472,044,515	-	-	-	-	472,044,515		
5	2. PRODUCTION PLANT								
6	Manufactured Gas Production Plant								
7	304 Land and Land Rights	618,826	-	-	-	-	618,826		
8	305 Structures and Improvements	6,651,185	367,270	-	-	-	7,018,455		
9	306 Boiler Plant Equipment	790,869	-	-	-	-	790,869		
10	307 Other Power Equipment	945,276	-	-	-	-	945,276		
11	310 Water Gas Generating Equipment	-	-	-	-	-	-		
12	311 Liquefied Petroleum Gas Equipment	7,951,548	52,129	(663,437)	-	-	7,340,240		
13	312 Oil Gas Generating Equipment	-	-	-	-	-	-		
14	313 Generating Equipment -- Other Processes & LNG Equipment	-	-	-	-	-	-		
15	315 Catalytic Cracking Equipment	-	-	-	-	-	-		
16	316 Other Reforming Equipment	6,775,325	605,512	(45,017)	-	-	7,335,820		
17	317 Purification Equipment	-	-	-	-	-	-		
18	318 Residual Refining Equipment	-	-	-	-	-	-		
19	319 Gas Mixing Equipment	1,259,212	-	-	(1)	-	1,259,211		
19	320 Other Equipment	23,725,359	795,174	(6,156)	-	-	24,514,377		
20	339 PRD Prod-ARO	1,332	-	-	-	-	1,332		
21	Total Manufactured Gas Production Plant	48,718,932	1,820,085	(714,610)	(1)	-	49,824,406		
22	3. STORAGE PLANT								
23	360 Land and Land Rights	2,397,883	-	-	-	-	2,397,883		
24	361 Structures and Improvements	6,087,999	474,276	-	-	-	6,562,275		
25	362 Gas Holders	29,314,720	-	-	-	-	29,314,720		
26	363 Other Equipment	789,920	-	-	-	-	789,920		
27	363 6 Sto-Other Equip ARO	402	-	-	-	-	402		
27	Total Storage Plant	38,590,924	474,276	-	-	-	39,065,200		

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

UTILITY PLANT - GAS (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	4. TRANSMISSION AND DISTRIBUTION PLANT						
2	365.1 Land and Land Rights	832,462	-	-	211,167	-	1,043,629
3	365.2 Rights-of-Way	211,167	-	-	(211,167)	-	-
4	366 Structures and Improvements	7,611,047	2,233	-	-	-	7,613,280
5	367 Mains	1,613,509,379	213,572,069	(3,737,837)	1	-	1,823,343,612
6	368 Compressor Station Equipment	-	-	-	-	-	-
7	369 Measuring and Regulating Station Equipment	57,728,079	6,397,717	-	-	-	64,125,796
8	372 T&D-AROs	1,841,094	-	-	-	-	1,841,094
9	380 Services	1,102,509,756	58,895,682	(10,518,405)	(1)	-	1,150,887,032
10	381 Meters	151,186,755	13,844,371	(1,630,402)	(3,724,770)	-	159,675,954
11	382 Meter Installations	38,600,940	7,061,891	-	-	-	45,662,831
12	383 House Regulators	435,521	-	-	-	-	435,521
13	386 Other Property on Cust's Prem	1,001,580	-	-	-	-	1,001,580
14	387 Other Equipment	11,004,923	584,896	(1,106)	(1)	-	11,588,712
15	388 T&D-AROs	55,788	-	-	-	-	55,788
	Total Transmission and Distribution Plant	2,986,528,493	300,358,859	(15,887,750)	(3,724,771)	-	3,267,274,829
16	5. GENERAL PLANT						
17	389 Land-Land Rights	153,225	-	-	-	-	153,225
18	390 Structures and Improvements	29,351,285	1,286,133	(16,000)	-	-	30,621,418
19	391 Office Furniture and Equipment	8,948,541	(6,880)	-	-	-	8,941,661
20	392 Transportation Equipment	30,721	-	-	-	-	30,721
21	393 Stores Equipment	697,405	-	-	-	-	697,405
22	394 Tools, Shop and Garage Equipment	16,134,578	1,682,661	-	-	-	17,817,239
23	395 Laboratory Equipment	4,320	-	-	-	-	4,320
24	396 Power Operated Equipment	238,315	-	-	-	-	238,315
25	397 Communication Equipment	2,319,172	-	-	-	-	2,319,172
26	398 Miscellaneous Equipment	7,787,847	93,842	-	-	-	7,881,689
27	399 Gen-AROs	13,721	-	-	6,433,255	-	6,446,976
	Total General Plant	65,679,129	3,055,756	(16,000)	6,433,255	-	75,152,140
28	Total Gas Plant in Service	3,611,561,992	305,708,976	(16,618,360)	2,708,483	-	3,903,361,091
29	104 Utility Plant Leased to Others	-	-	-	-	-	-
	Sub Total	-	-	-	-	-	-
30	105 Property Held for Future Use	515,704	-	-	-	-	515,704
31	107 Construction Work in Progress	75,688,809	6,414,733	-	11,971,866	-	94,075,408
32	Total Utility Plant - - Gas	3,687,766,505	312,123,709	(16,618,360)	14,680,349	-	3,997,952,204

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.

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

NONUTILITY PROPERTY (Account 121)

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

Line No.	Description of Location (a)	Book Value at End of Year (b)	Revenue for the year (c)	Expense for the year (d)	Net Revenue for Year (e)
1	Land - 97,120 Sq. Feet off				
2	Broad St., Danvers	50,701	0	8,037	(8,037)
3					
4	Land - 18,080 Sq. Feet				
5	Endicott St., Danvers	1,647	0	1,008	(1,008)
6					
7	Land - 36,282 Sq. Feet off				
8	Railroad St., Revere	12,750	0	1,567	(1,567)
9					
10	Land - 2,614 Sq. Feet				
11	Main St., Leominster	206	0	49	(49)
12					
13	Land - 145,673 Sq. Feet				
14	Robin & Rover Sts., Everett	98,866	411,294	75,845	335,449
15					
16	Land - 9,550 Sq. Feet				
17	Pleasant St., Clinton	645	0	499	(499)
18					
19	Land - 780 Sq. Feet				
20	Grove St., Arlington	2,000	0	270	(270)
21					
22	Land - 30,202 Sq. Feet				
23	River St., Beverly	2,671	0	4,428	(4,428)
24					
25	Land - 14,990 Sq. Feet				
26	River St., Beverly	1,322	0	2,154	(2,154)
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTALS	\$170,808	\$411,294	\$93,857	\$317,437

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

INVESTMENTS (Accounts 123, 124, 136)

Give particulars of investments in stocks, bonds, notes, etc., held by the respondent at end of year.

Provide a subheading for each account and list thereunder the information called for.

Line No.	Description of Security Held by Respondent (a)	Amount (b)
1	Account 123 - Investments in Associated Companies	\$ -
2		
3	Account 124 - Other Investments	
4	Bond - Haverhill Golf & Country Club	250
5	Other	150
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44	TOTAL	\$ 400

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

SPECIAL FUNDS (Accounts 125, 126, 127, 128)		
(Sinking Funds, Depreciation Fund, Amortization Fund-Federal, Other Special Fund)		
Report below the balance at end of year of each special fund maintained during year. Identify each fund as to account in which included. Indicate nature of any fund included in Account 128 Other Special Funds		
Line No.	Name of Fund and Trustee If Any (a)	Balance End of Year (b)
1	Cushion Gas - Underground Storage (Account 128)	\$ 681,572
2	Other Special Funds	
3	Employee Stock Ownership and Compensation Plan	\$2,546,204
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL	\$ 3,227,776
SPECIAL DEPOSITS (Accounts 132, 133, 134)		
1. Report below the amount of special deposits by classes at end of year.		
2. If any deposit consists of assets other than cash, give a brief description of such assets.		
3. If any deposit is held by an associated company, give name of company.		
Line No.	Description and Purpose of Deposit (a)	Balance End of Year (b)
20	Interest Special Deposits (Account 132)	\$ -
21	Dividend Special Deposits (Account 133)	-
22		
23	Other Special Deposits (Account 134):	-
24	(specify purpose of each other special deposit):	
25	Derivative counterparties' collateral position based on mark to market	
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	\$ -

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

NOTES RECEIVABLE (Account 141)

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

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

ACCOUNTS RECEIVABLE (Accounts 142, 143)

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

Line No.	Description (a)	Amount End of Year (b)
19	Customer Accounts Receivable (Account 142)	\$ 135,773,761
20		
21	Other Accounts Receivable (Account 143)	
22	Gas Sale for Resale	6,327,560
23	Employee Appliance Purchase	(5,902)
24	Other Customer Billing	1,747,339
25	Receivable from Boston Public Schools	279,173
26	ESCO billing	6,704,090
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38	TOTAL \$ 150,826,021	

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ol style="list-style-type: none"> 1. Report particulars of notes and accounts receivable from associated companies at end of year. 2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts. 3. For notes receivable list each note separately and state purpose for which received. Show also in column (a) date of note and date of maturity. | <ol style="list-style-type: none"> 4. If any note was received in satisfaction of open account, state the period covered by such. 5. Include in column (d) interest recorded as income during the year, including interest on accounts and notes held any time during the year. 6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
1	Accounts Receivable from Associated Companies*:			-
2	<i>KeySpan Corporation</i>	\$33,417,917		
3	<i>NGUSA Service Company</i>	2,922,819		
4	<i>Colonial Gas Company</i>	7,811,330		
5	<i>Other</i>	1,418,766		
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36	TOTALS	\$ 45,570,831		-

* These receivables from associated companies do not bear interest.

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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		53,122,510
3	Residuals (Account 153)		-
4	Plant Materials and Operating Supplies (Account 154)		18,510,961
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)		3,347
11	Total Per Balance Sheet		\$ 71,636,818

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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					
2	Received During Year					
3	Other charges					
4	TOTAL					
5	Used During Year (Note A)	NONE				
6	Liquid Propane					
7	SNG					
8	Fuel					
9						
10	Sold or Transferred					
11	TOTAL DISPOSED OF					
12	BALANCE END OF YEAR					
			Kinds of Fuel and Oil - Continued			
Line No.	Item (g)	Total Cost (b)	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)	NONE				
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.

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
 2. Show premium amounts by enclosure in parentheses.
 3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
 4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
 5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Department's authorization of treatment other than as specified by the Uniform System of Accounts.
 6. Set out separately and identify undisposed amounts applicable to issues which were redeemed prior years.
 7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debit-Credit.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1	Senior Unsecured Note								
2	4.487%	\$ 500,000,000	4,025,678	02-17-12	02-15-42	3,641,911		134,164	3,507,747
3	Medium-Term Notes								
4	2019 Series 8.97%	7,000,000	119,302	12-22-89	12-15-19	19,738	-	3,981	15,757
5	Medium-Term Notes								
6	2020 Series 9.75%	5,000,000	37,500	12-05-90	12-01-20	7,347	-	1,240	6,107
7	Medium-Term Notes								
8	2021 Series 9.05%	15,000,000	112,500	09-06-91	09-01-21	24,955	-	3,739	21,216
9	Medium - Term Notes								
10	2022 Series 8.33%	10,000,000	75,000	07-10-92	07-05-22	18,744	-	2,494	16,250
11	Medium - Term Notes								
12	2018 Series 8.33%	10,000,000	75,000	07-10-92	07-10-18	10,132	-	2,874	7,258
13	Medium - Term Notes								
14	2017 Series 8.33%	8,000,000	60,000	07-10-92	07-10-17	5,738	-	2,272	3,466
15	Medium-Term Notes								
16	2019 Series 6.93%	10,000,000	75,000	01-20-94	01-15-19	12,093	-	2,991	9,102
17	Medium-Term Notes								
18	2024 Series 6.98%	6,000,000	45,000	01-20-94	01-15-24	13,536	-	1,496	12,040
19	Medium-Term Notes								
20	2016 Series 6.93%	5,000,000	37,500	01-18-94	01-15-16	1,767	-	1,697	70
21	Medium - Term Notes								
22	2024 Series 6.95%	5,000,000	423,397	12-05-95	12-01-24	145,097	-	14,618	130,479
23	Medium-Term Notes								
24	2016 Series 6.93%	10,000,000	143,983	01-18-94	04-01-16	8,267	-	6,603	1,664
25	Medium-Term Notes								
26	2015 Series 7.10%	5,000,000	423,397	10-11-95	10-15-15	16,876	-	16,876	-
27									
28		\$ 596,000,000	\$ 5,653,257			\$ 3,926,201	\$ -	\$ 195,045	\$ 3,731,155

SUBTOTAL- see page 26 a.

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

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
2. Show premium amounts by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Department's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed prior years.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debit-Credit.

Line No.	Designation of Long-Term Debt (a)	Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
29	Medium-Term Notes								
30	2025 Series 7.25%	\$ 20,000,000	\$ 1,699,499	10-03-95	10-01-25	\$ 613,734	-	\$ 57,044	\$ 556,690
31	Medium-Term Notes								
32	2025 Series 7.25%	5,000,000	424,646	10-03-95	10-01-25	153,351	-	14,254	139,097
33	Medium - Term Notes								
34	2023 Series 6.95%	10,000,000	849,750	12-01-95	12-02-23	270,289	-	30,290	239,999
35									
36									
37									
38									
39									
40									
41									
42									
43									
44									
45									
46									
47									
48									
49									
50	SUBTOTALS FROM PAGE 26	596,000,000	5,653,257			3,926,201	-	195,045	3,731,155
51									
52	TOTALS	\$ 631,000,000	\$ 8,627,152			\$ 4,963,574	\$ -	\$ 296,633	\$ 4,666,941

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

EXTRAORDINARY PROPERTY LOSSES (Account 182)						
1. Report below particulars concerning the accounting for extraordinary property losses. 2. In column (a) describe the property abandoned for extraordinary loss suffered, date of abandonment or loss, date of Department authorization of use of Account 182, and period over which amortization is being made.						
Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written off (c)	Written Off During Year		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4	None					
5						
6						
7						
8						
9						
10	TOTALS					

MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized show period of amortization. 3. Minor items may be grouped by classes, showing number of such items.						
Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
11	Deferred Environmental	\$ 41,908,224	\$ 3,635,520	265	\$ 8,811,683	\$ 36,732,061
12	Deferred Rate Case Expenses	587,652	-	928,407.3	320,537	267,115
13	Accrued Unfunded Post Retirement	64,416,218	50,091,934	228,926.5, 926.7	33,625,109	80,883,043
14	Environmental Recoveries	17,506,993	3,833,045	232,131,175	3,566,193	17,773,845
15	Deferred Derivatives	35,197,854	93,011,921	143,232,242,253,	98,358,887	29,850,889
16	Deferred Income Tax	165,267,722	900,097,947	253,282,283,409,	539,202,876	526,162,793
17	Deferred Miscellaneous	(378,739)	380,268	495,419,232	4,484,225	(4,482,696)
18	Capital Tracker	-	-	495	-	-
19	Revenue Decoupling Mechanism	13,927,728	-	495	13,927,728	-
20	Asset Retirement Obligation	15,544,805	850,295	419	7,512,672	8,882,428
21	Deferred Attorney General Cost	28,100	274,194	928		302,294
22						
23						
24						
25						
26						
27						
28						
29						
30						
	TOTALS	\$ 354,006,557	\$ 1,052,175,123		\$ 709,809,909	\$ 696,371,771

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

DISCOUNT ON CAPITAL STOCK (Account 191)

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

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

2. If any change occurred during the year in the

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

CAPITAL STOCK EXPENSE (Account 192)

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

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

2. If any change occurred during the year in the

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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015
CAPITAL STOCK AND PREMIUM (Accounts 201, 204 and 207)

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

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

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.

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

OTHER PAID-IN CAPITAL (Accounts 208-211)		
	<p>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.</p> <p>2 Donations Received from Stockholders (Account 208) State Amount and give brief explanation of the origin and purpose of each donation.</p> <p>3 Reduction in Par Value of Capital Stock (Account 209)</p>	<p>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.</p> <p>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.</p> <p>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.</p>
Line No.	Item (a)	Amount (b)
1		
2	Donations Received from Stockholders (208)	\$ 16,087,517
3	Gain on Capital Stock (210)	(2,475,015)
4	Other Paid In Capital (211)	824,938,352
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37	TOTAL	\$ 838,550,854

Annual Report ofBoston Gas Company..... Year ended December 31, 2015

LONG-TERM DEBT (Accounts 221, 223-224)										
Report by balance sheet accounts particulars concerning long-term debt in Accounts 221, Bonds; 223 Advances from Associated Companies; and 224, Other Long-Term Debt										
Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Amount Authorized (d)	Amount Actually Outstanding at End of Year (e)	Interest Provisions		Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)	
						Rate Per Cent (f)	Dates Due (g)			
1	Account 221:									
2	Senior Unsecured Note	02-17-12	02-15-42	500,000,000	500,000,000	4.487	4/1, 10/1	22,435,000	22,435,000	
3	Medium-Term Note - 2019 Series	12-22-89	12-15-19	7,000,000	7,000,000	8.97	4/1, 10/1	627,900	627,900	
4	Medium-Term Note - 2020 Series	12-05-90	12-01-20	5,000,000	5,000,000	9.75	4/1, 10/1	487,500	487,500	
5	Medium-Term Note - 2021 Series	09-06-91	09-01-21	15,000,000	15,000,000	9.05	4/1, 10/1	1,357,500	1,357,500	
6	Medium-Term Note - 2017 Series	07-10-92	07-10-17	8,000,000	8,000,000	8.33	4/1, 10/1	666,400	666,400	
7	Medium-Term Note - 2018 Series	07-10-92	07-10-18	10,000,000	10,000,000	8.33	4/1, 10/1	833,000	833,000	
8	Medium-Term Note - 2022 Series	07-10-92	07-10-22	10,000,000	10,000,000	8.33	4/1, 10/1	833,000	833,000	
9	Medium-Term Note - 2016 Series	01-18-94	04-01-16	10,000,000	10,000,000	6.93	4/1, 10/1	693,000	693,000	
10	Medium-Term Note - 2016 Series	01-18-94	01-15-16	5,000,000	5,000,000	6.93	4/1, 10/1	346,500	346,500	
11	Medium-Term Note - 2019 Series	01-20-94	01-15-19	10,000,000	10,000,000	6.93	4/1, 10/1	693,000	693,000	
12	Medium-Term Note - 2024 Series	01-20-94	01-15-24	6,000,000	6,000,000	6.98	4/1, 10/1	418,800	418,800	
13	Medium-Term Note - 2025 Series	10-03-95	10-01-25	20,000,000	20,000,000	7.25	4/1, 10/1	1,450,000	1,450,000	
14	Medium-Term Note - 2025 Series	10-03-95	10-01-25	5,000,000	5,000,000	7.25	4/1, 10/1	362,500	362,500	
15	Medium-Term Note - 2015 Series	10-11-95	10-15-15	5,000,000	0	7.10	4/1, 10/1	280,056	368,806	
16	Medium-Term Note - 2023 Series	12-01-95	12-01-23	10,000,000	10,000,000	6.95	4/1, 10/1	695,000	695,000	
17	Medium-Term Note - 2024 Series	12-05-95	12-01-24	5,000,000	5,000,000	6.95	4/1, 10/1	347,500	347,500	
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28		TOTALS		631,000,000	626,000,000			32,526,656	32,615,406	

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. #.

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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					
2	NONE				
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13			TOTAL		
PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)					
Report particulars of notes and accounts payable to associated companies at end of year.					
Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year		
			Rate (c)	Amount (d)	
14					
15					
16	Payable to Regulated Money Pool*	379,749,098	0.27%	1,603,895	
17					
18					
19					
20	Accounts Payable to Associated Companies**				
21	<i>NGUSA Service Company</i>	54,118,135			
22	<i>KeySpan Corporation</i>	14,588,349			
23	<i>Colonial Gas Company</i>	8,959,787			
24	<i>Other</i>	(113,231)			
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48	TOTALS	\$457,302,137		\$1,603,895	

* The average rate on intercompany borrowings from the Regulated Money Pool was 0.65% during 2015.

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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

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

Line No.	Item (a)	Amount (b)
1		
2		
3	Accrued Payroll	\$ 847,159
4	Accrued Miscellaneous	24,438,610
5	Accrued Vacation	5,921,102
6	Accrued Incentive Compensation	2,140,826
7	Accrued Regulatory Commission	1,022,404
8	Accrued Benefits	1,748,571
9	Short-Term Derivative Liability	26,894,495
10		
11		
12	TOTAL	\$ 63,013,167

OTHER DEFERRED CREDITS (Account 253)

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

Line No.	Description of Other Deferred Credit (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
13	Deferred Tax Surplus	\$ 3,350,531	408-409			\$ 3,350,531
14	Miscellaneous Deferred Credits	19,374,549	142	2,630,752		30,836
15	Deferred Post Retirement	12,138,835	926	6,821,405	1,743,531	7,060,962
16	Derivatives	5,454,293	186	17,331,491	14,833,591	2,956,393
17	Asset Retirement Obligation	16,164,331		2,033,956		14,130,375
18	Investment Tax Credit Post-1970	-	236		1,895,842	1,895,842
19	Deferred Profit Off System Sales	32,344,649	495	94,552,524	100,610,584	38,402,709
20	Deferred Sales Tax	2,076,822	1	4,528,199	237,412,035	234,960,658
21	Revenue Decoupling Mechanism	0	495		3,842,986	3,842,986
22	Deferred equity return on capital trackers	0	426		23,795,225	23,795,225
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	\$ 90,904,010		\$ 127,898,326	\$ 384,133,794	\$ 330,426,516

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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

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

Line No.	(a)	Electric (b)	Gas (c)	Total (d)
1				
2	Balance at beginning of the Year		\$1,276,879,046	\$1,276,879,046
3	Credits to Depreciation Reserve during year:			
4	Account 403 Depreciation		137,396,090	\$137,396,090
5				
6				
7	Other Accounts (Rental Equipment)			
8	TOTAL CREDITS DURING YEAR		\$137,396,090	\$137,396,090
9	Net Charges for Plant Retired:			
10	Book Cost of Plant Retired		\$16,618,361	\$16,618,361
11	Cost of Removal		19,942,170	19,942,170
12	Salvage (Credit)		0	0
13				
14				
15				
16	Other Adjustment Entries		0	0
17	NET CHARGES DURING YEAR		36,560,531	\$36,560,531
18	Balance December 31		\$1,377,714,605	\$1,377,714,605

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 -	\$137,396,090	
16	The Composite Depreciation Rate as a Percentage of the Average Depreciable Property in Service was -		3.66%
17	Taken for Federal Income Taxes		\$159,310,165
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		Amount of Dividend (e)	Date	
		Regular (b)	Extra (c)	Extra (c)	Declared (d)		Declared (f)	Payable (g)
21	Common Stock	\$0.0000			0	\$0		
22								
23	Preferred Stock	\$0.0000			0	\$0		
24		\$0.0000			0	\$0		
25		\$0.0000			0	\$0		
26								
27	Added Accrual					\$0		
28								
29								
30	TOTALS	\$0.000				\$0		
Dividend rates on Common Stock and Premium						0.00%		
Dividend rates on Common Stock, Premium and Surplus						0.00%		

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

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

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

Line No.	Name of Reserve (a)	Bal. Beg. of Year (b)	Credits (c)	Debits (d)	Contra Acct. Debited or Credited (e)	Amount (f)
1	Account 262:					
2						
3	Workers Compensation Reserve	\$ 1,304,136	\$ 494,613	\$ 1,074,560	925, 131	\$ 724,189
4	Injuries & Damages Reserve (includes Gen, Auto and OCIP)	3,055,407	1,087,112	1,838,711	926, 131	2,303,808
5	Incurred but not reported (IBNR)	11,117,276	1,729,380	-	925	12,846,656
6						
7						
8	Account 263:					
9						
10	Pensions	(35,310,593)	47,593,420	20,223,000	926, 131	(7,940,173)
11	Other Post Employment Benefits Reserve	98,146,048	2,623,780	8,221,655	926, 131	92,548,173
12						
13						
14						
15						
16	Account 265:					
17	Environmental Reserve	44,912,153	3,616,072	8,790,023	186	39,738,202
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	\$ 123,224,427	\$ 57,144,378	\$ 40,147,949		\$ 140,220,856

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

RESERVES FOR DEFERRED FEDERAL INCOME TAXES (Accounts 267, 268)					
1. Report the information called for below concerning the respondent's accounting for deferred federal income taxes.		(b) Liberalized Depreciation - - State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated useful lives and classes of plant to which each method is being applied. Furnish a table showing for each year, 1954 to date of this report, the annual amounts of tax deferral, the total debits thereto which have been accounted for as credits to Acct. 411, Federal Income Taxes Deferred in Prior Years - - Credit or comparable account of the previous system of accounts.			
2. In the space provided furnish significant explanations, including the following:					
(a) Accelerated Amortization - - State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax amounts.					
Line No.	Account Subdivisions (a)	Balance Beginning of Year (b)	Changes During Year		Balance End of Year (e)
			Amts. Debited Account 410 ⁽¹⁾ (c)	Amts. Credited Account 411 ⁽²⁾ (d)	
1	Accelerated Amortization				
2	(Account 267)				
3	Electric				
4	Gas	\$ -	\$ -	\$ -	\$ -
5	Other (Specify)				
6	Totals	-	-	-	-
7					
8	Liberalized Depreciation				
9	(Account 268)				
10	Electric				
11	Gas	577,390,481	66,688,776		644,079,257
	Prov Deferred Merger Cost				
12	Trueup and Other				-
13	Totals	577,390,481	66,688,776	-	644,079,257
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	577,390,481	66,688,776	-	644,079,257
	Prov Deferred Merger Cost				
18	Trueup and Other	-	-	-	-
19	Totals	\$ 577,390,481	\$ 66,688,776	\$ -	\$ 644,079,257
20	Note (A) Includes debits and credits to Account 236 and 253 and also reclass between Federal and State Account 268.				
21	(1) Account 410, Provision for Deferred Federal Income Taxes				
22	(2) Account 411, Federal Income Taxes Deferred in Prior Years - - Credit				

CONTRIBUTIONS IN AID OF CONSTRUCTION (Account 271)

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

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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

GAS OPERATING REVENUES (Account 400)

1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.
 2. If increases and decreases are not derived from previously reported figures explain any inconsistencies.
 3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be

counted for each group of meters so added. The average number of customers means the average of the 12 figures at the close of each month. If the customer count in the residential service classification includes customers counted more than once because of special services, such as water heating, etc., indicate in a footnote the number of such duplicate customers included in the classification.

4. Unmetered sales should be included below. The details of such sales should be given in a footnote.
 5. Classification of Commercial and Industrial Sales, Acct. 481, according to Small (or Commercial) and Large (or Industrial) may be according to the basis of classification regularly used by the respondent.

Line No	Account (a)	Operating Revenues				Dth Sold (1000 BTU)			Average No. of Cust. Per Month		
		Amount for Year (b)	Prior Year	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Prior Year	Increase or (Decrease) from Preceding Year (e)	Number for Year (f)	Prior Year	Increase or (Decrease) from Preceding Year (g)	
SALES OF GAS											
1	480 Residential Sales	\$695,752,697	\$783,971,424	(88,218,728)	54,227,798	54,201,265	26,533	623,322	623,829	(507)	
2	481 Commercial and Industrial Sales:										
3	Small (or Commercial) see instr. 5	128,186,314	144,621,222	(16,434,908)	11,125,579	10,810,373	315,206	43,554	43,687	(133)	
4	Large (or Industrial) see instr. 5	125,542,052	118,832,179	6,709,873	33,675,807	10,156,154	23,519,653	5,692	8,247	(2,555)	
5	482 Other Sales to Public Authorities	1,093,284	1,280,814	(187,531)	96,114	99,920	(3,806)	0	8	(8)	
6	484 Interdepartmental Sales	0	0	0	0	0	0	0	0	0	
7	485 Miscellaneous Gas Sales	0	0	0	0	0	0	0	0	0	
8	485 Miscellaneous Gas Sales	0	0	0	0	0	0	0	0	0	
9	485 Miscellaneous Gas Sales	0	0	0	0	0	0	0	0	0	
10	Total Sales to Ultimate Consumers	\$950,574,346	\$1,048,705,640	(98,131,294)	99,125,298	75,267,712	23,857,586	672,568	675,771	(3,203)	
11	483 Sales for Resale*	89,772,513	106,693,731	(16,921,219)	33,246,043	26,510,363	6,735,680	0	0	0	
12	Total Sales of Gas	\$1,040,346,859	\$1,155,399,371	(115,052,512)	132,371,341	101,778,075	30,593,266	672,568	675,771	(3,203)	
OTHER OPERATING REVENUES											
13	487 Adjustments	0	0	0							
14	488 Miscellaneous Service Revenues	441,900	515,900	(74,000)							
15	489 Revenues from Trans. of Gas of Others	137,726,718	158,158,831	(20,432,113)							
16	490 Sales of Products Extracted from Natural Gas	0	0	0							
17	491 Rev. from Natural Gas Processed by Others	0	0	0							
18	492 Rent from Gas Property	398,912	411,547	(12,635)							
19	493 Interdepartmental Rents	0	0	0							
20	494 Other Gas Revenues	(41,765,718)	(41,406,115)	(359,603)							
21	Total Other Operating Revenues	\$ 96,801,812	\$ 117,680,163	\$ (20,878,350)							
22	Total Gas Operating Revenues	\$ 1,137,148,670	\$ 1,273,079,534	\$ (135,930,863)							
23	Total Gas Operating Revenues										

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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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		<u>Total Company</u>					
2							
3	480	R-1 Residential Non-Heat	1,821,281	34,023,178	18.6809	96,545	87,346
4		R-2 Residential SSI Non-Heat	179,902	2,438,127	13.5525	5,653	5,813
5		R-31 Residential Heat	47,652,576	614,860,390	12.9030	485,389	496,391
6		R-32 Residential SSI Heat	4,574,039	44,431,002	9.7137	31,109	33,772
7							
8	481	G-17 Unmetered Gas Lamps	998	21,782	21.8171	0	0
9		G-41 Low Load - Small	4,211,315	55,058,610	13.0740	-	27,840
10		G-42 Low Load - Medium	4,052,900	45,097,264	11.1272	-	7,276
11		G-43 Low Load - Large	7,342,351	75,031,416	10.2190	-	4,185
12		G-44 Low Load - Extra Large	2,502,134	22,923,061	9.1614	26,834	418
13		G-51 High Load - Small	1,321,434	13,795,963	10.4401	7,034	5,949
14		G-52 High Load - Medium	1,538,931	14,212,694	9.2354	4,191	2,489
15		G-53 High Load - Large	1,464,721	13,138,223	8.9698	406	1,036
16		G-54 High Load - Extra Large	1,264,205	9,524,699	7.5341	6,055	48
17		G-55 High Load - Metered Demand / Essex	69,072	509,596	0.0000	2,577	1
18		G-62 Summer Load - Medium	0	0	0.0000	1,054	0
19		G-63 Summer Load - Large	0	0	0.0000	55	0
20		G-64 Summer Load-Extra Large	0	0	0.0000	1	0
21		Non-Core, Special Contracts	0.00	0	0.0000	0	0
22		Interruptible (808)	0	0	0.0000	0	0
23							
24							
25		G-27 CNG Fuel	0	0	0.0000		
26		G-92 Special Contract	21,033,324	4,415,056	0.0000	4	4
27							
28							
29							
30							
31	482	G-7 Street Lighting (807)	96,114	1,093,284	11.3748	0	0
32							
33							
34							
35							
36							
37							
38							
39	TOTAL SALES TO ULTIMATE						
40	CONSUMERS (Page 43 line 10)		99,125,298	950,574,346	\$9.5896	666,907	672,568

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

REVENUES FROM TRANSPORTATION							
Report by account the M.C.F. sold, the amount derived and the number of customers under each filed schedule or contract. Municipal sales, contract sales and unbilled sales may be reported separately in total.							
Line No.	Acct. No.	Schedule (a)	DTH (b)	Revenue (c)	Average Revenue per DTH (0.0000) (d)	Number of Customers (per Bills Rendered)	
						July 31 (e)	Dec. 31 (f)
1		<u>Total Company</u>					
2							
3	489	Contract Firm Transportation					
4		G-41 Low-Load Firm Transp.	745,855	\$ 4,467,956	5.9904	1,997	2,117
5		G-42 Low-Load Firm Transp.	2,139,741	10,315,144	4.8207	2,162	2,259
6		G-43 Low-Load Firm Transp.	8,933,586	37,701,026	4.2201	3,203	3,356
7		G-44 Low-Load Firm Transp.	5,426,132	20,700,297	3.8149	644	627
8		G-51 High-Load Firm Transp.	368,915	1,905,530	5.1652	868	877
9		G-52 High-Load Firm Transp.	849,033	3,632,462	4.2784	752	766
10		G-53 High-Load Firm Transp.	2,269,744	8,818,159	3.8851	800	791
11		G-54 High-Load Firm Transp.	4,817,143	15,200,497	3.1555	235	258
12		G-55 High -Load Metered Demand- Essex	216,056	717,671	3.3217	7	7
13		G-61 Summer-Load Firm Transp.	-	-	0.0000	-	-
14		G-62 Summer-Load Firm Transp.	-	-	0.0000	-	-
15		G-63 Summer-Load Large Transp.	-	-	0.0000	-	-
16		G-64 Summer-Load Extra-Large Transp.	-	-	0.0000	-	-
17		G-81 Low-Load Firm	2,890,200	5,355,851	1.8531	12	12
18		G-82 High-Load Firm	13,068,978	26,195,521	2.0044	81	87
19		G-83 Low-Load Firm Optional Svc.	56,622	(393,949)	-6.9576	0	0
20		G-84 High-Load Firm Optional Svc.	229,527	(214,449)	-0.9343	-	0
21		Non-Firm Transportation	-	0	0	0	0
22		R-1 Residential Non-Heat	17,870	197,557	11.0551	705	991
23		R-10 Interruptible Transport	-	0	0	-	-
24		R-31 Residential Heat	476,052	3,127,446	6.5695	3,880	6,197
25		Broker (48900-005590 Broker Balance Charges)	-	0	0	0	0
		Special Contracts (82) 4810K-V882 and 48100-005182	-	0	0.0000	-	-
26		Special Contracts (83)	0	\$ -	0.0000	-	0
27		Special Contracts (84)	0.00	\$ -	0.0000	-	0
28							
		Total Revenues from Transportation of Gas for Others (Page 43, Line 16)	42,505,454	\$ 137,726,718	3.2402	15,346	18,345

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

GAS OPERATION AND MAINTENANCE EXPENSES

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

Line No.	Account (a)	Amount for Year (b)	Prior Year amount	Increase/(Decrease) from Preceding Year (c)
1	PRODUCTION EXPENSE			
2	MANUFACTURED GAS PRODUCTION EXPENSES			
3	STEAM PRODUCTION			
4	Operation:			
5	700 Operation supervision and engineering	\$ -	\$ -	\$ -
6	701 Operation labor	-	-	-
7	702 Boiler fuel	-	-	-
8	703 Miscellaneous steam expenses	-	-	-
9	704 Steam transferred - - Cr	-	-	-
10	Total operation	-	-	-
11	Maintenance:			
12	705 Maintenance supervision and engineering	-	-	-
13	706 Maintenance of structures and improvements	-	-	-
14	707 Maintenance of boiler plant equipment	-	-	-
15	708 Maintenance of other steam production plant	-	-	-
16	Total maintenance	-	-	-
17	Total steam production	-	-	-
18	MANUFACTURED GAS PRODUCTION			
19	Operation:			
20	710 Operation supervision and engineering	-	-	-
21	Production labor and expenses:			
22	711 Steam expenses	-	-	-
23	712 Other power expenses	-	-	-
24	715 Water gas generating expenses	-	-	-
25	716 Oil gas generating expenses	-	-	-
26	717 Liquefied petroleum gas expenses	-	-	-
27	718 Other process production expenses	-	-	-
28	Gas fuels:	101,220	2,704	98,516
29	721 Water gas generator fuel	-	-	-
30	722 Fuel for oil gas	-	-	-
31	723 Fuel for liquefied petroleum gas process	-	-	-
32	724 Other gas fuels	-	-	-
33	Gas raw materials:			
34	726 Oil for water gas	-	-	-
35	727 Oil for oil gas	-	-	-
36	728 Liquefied petroleum gas	-	-	-
37	729 Raw materials for other gas processes	-	-	-
38	730 Residuals expenses	-	-	-
39	731 Residuals produced - - Cr	-	-	-
40	732 Purification expenses	-	-	-
41	733 Gas mixing expenses	-	-	-
42	734 Duplicate charges - - Cr	-	-	-
43	735 Miscellaneous production expenses	-	-	-
44	736 Rents	-	-	-
45	Total operation	101,220	2,704	98,516
46	Maintenance:			
47	740 Maintenance supervision and engineering	-	-	-
48	741 Maintenance of structures and improvements	-	9	(9)
49	742 Maintenance of production equipment	1,776	5,240	(3,464)
50	Total maintenance	1,776	5,249	(3,473)
51	Total manufactured gas production	\$ 102,996	\$ 7,953	\$ 95,043

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

GAS OPERATION AND MAINTENANCE EXPENSES - - Continued				
Line No.	Account (a)	Amount for Year (b)	Prior year amount	Increase/(Decrease) From Preceding Year (c)
1	OTHER GAS SUPPLY EXPENSES			
2	Operation:			
3	804 Natural gas city gate purchases	\$ 460,434,679	\$ 610,999,912	\$ (150,565,233)
4	805 Other gas purchases	10,307	254,484	(244,177)
5	808-10 Liquified natural gas	47,931,518	66,760,354	(18,828,836)
6	808-20 Deferred cost of gas	(30,114,736)	(65,494,933)	35,380,197
7	812 Gas used for other utility operations - - Cr	-	-	-
8	813 Other gas supply expenses	1,262	-	1,262
9	814 Environmental Costs	-	-	-
10	815 Conservation & Load Management Expense	-	-	-
11				
12		478,263,030	612,519,817	(134,256,787)
13	Total production expenses	478,366,026	612,527,770	(134,161,744)
14	LOCAL STORAGE EXPENSES			
15	Operation:			
16	840 Operation supervision and engineering	1,047	-	1,047
17	841 Operation labor and expenses	7,578,469	1,881,264	5,697,205
18	842 Rents	-	-	-
19	Total operation	7,579,516	1,881,264	5,698,252
20	Maintenance:			
21	843 Maintenance supervision and engineering	-	-	-
22	844 Maintenance of structures and improvements	-	-	-
23	845 Maintenance of gas holders	-	-	-
24	846 Maintenance of other equipment	-	-	-
25	849 Joint Expenses-Credit	(9,859,340)	(9,650,095)	(209,245)
26	Total maintenance	(9,859,340)	(9,650,095)	(209,245)
27	Total storage expenses	(2,279,824)	(7,768,831)	5,489,007
28	TRANSMISSION AND DISTRIBUTION EXPENSES			
29	Operation:			
30	850 Operation supervision and engineering	7,333,716	1,225,976	6,107,740
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	376,618	3,615,464	(3,238,846)
36	858 Transmission and compression of gas by others	-	-	-
37	860 Transmission Rents	-	-	-
38	874 Mains and services expenses	17,011,400	34,157,948	(17,146,548)
39	878 Meter and house regulator expenses	9,435,143	13,945,376	(4,510,233)
40	879 Customer installations expenses	3,136,100	2,734,179	401,921
41	880 Other expenses	3,016,910	6,315,877	(3,298,967)
42	881 Rents	132,926	1,859	131,067
43	882 Transportation expense	-	-	-
44	Total operation	40,442,813	61,996,679	(21,553,866)
45	Maintenance:			
46	885 Maintenance supervision and engineering	1,689,723	432,440	1,257,283
47	886 Maintenance of structures and improvements	-	-	-
48	887 Maintenance of mains	38,928,963	27,846,675	11,082,288
49	888 Maintenance of compressor station equipment	-	-	-
50	889 Maintenance of measuring and regulating station equipment	2,319,963	2,141,700	178,263
51	892 Maintenance of services	16,840,545	21,425,921	(4,585,376)
52	893 Maintenance of meters and house regulators	10,427,322	6,922,451	3,504,871
53	894 Maintenance of other equipment	189,630	58,697	130,933
54	Total maintenance	70,396,146	58,827,884	11,568,262
55	Total transmission and distribution expenses	\$ 110,838,959	\$ 120,824,563	\$ (9,985,604)

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

GAS OPERATION AND MAINTENANCE EXPENSES - - Continued				
Line No.	Account (a)	Amount for Year (b)	Prior yr amount	Increase/(Decrease) from Preceding Year (c)
CUSTOMER ACCOUNTS EXPENSES				
1	Operation:			
2	901 Supervision	\$ 805,541	\$ 1,019,929	\$ (214,388)
3	902 Meter reading expenses	1,817,059	5,580,584	(3,763,525)
4	903 Customer records and collection expenses	13,755,493	13,445,404	310,089
5	904 Uncollectible accounts	25,178,382	28,983,638	(3,805,256)
6	905 Miscellaneous customer accounts expenses	86,483,189	81,631,222	4,851,967
7	Total customer accounts expenses	128,039,664	130,660,777	(2,621,113)
SALES EXPENSES				
9	Operation:			
910	Miscellaneous Customer Service and Info Expense	57,002	-	57,002
911	Supervision	-	-	-
912	Demonstrating and selling expenses	1,339,617	1,801,438	(461,821)
913	Advertising expenses	631,857	688,315	(56,458)
916	Miscellaneous sales expenses	(82,834)	(332,974)	250,140
14	Total sales expenses	1,945,642	2,156,779	(268,139)
ADMINISTRATIVE AND GENERAL EXPENSES				
16	Operation:			
920	Administrative and general salaries	18,998,917	16,224,629	2,774,288
921	Office supplies and expenses	11,954,174	9,110,411	2,843,763
922	Administrative expenses transferred - - Cr	-	-	-
923	Outside services employed	9,290,117	16,651,389	(7,361,272)
924	Property Insurance	802,155	(532,682)	1,334,837
925	Injuries and damages	5,118,785	6,204,437	(1,085,652)
926	Employees pensions and benefits	41,444,312	45,457,642	(4,013,330)
927	Franchise Requirements	-	-	-
928	Regulatory commission expenses	1,872,033	1,812,494	59,539
929	Duplicate charges - - Cr	-	-	-
930	Miscellaneous general expenses	(3,361,462)	589,851	(3,951,313)
931	Rents	14,248,995	13,629,474	619,521
29	Total operation	100,368,026	109,147,645	(8,779,619)
30	Maintenance:			
932	Maintenance of general plant	(4,845)	409,435	(414,280)
32	Total administrative and general expenses	100,363,181	109,557,080	(9,193,899)
33	Total gas operation and maintenance expenses	\$ 817,273,648	\$ 967,958,138	\$ (150,741,492)
SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				
Line	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
34	Steam production	\$ -	\$ -	\$ -
35	Manufactured gas production	101,220	1,776	102,996
36	Other gas supply expenses	478,263,030	-	478,263,030
37	Total production expenses	478,364,250	1,776	478,366,026
38	Local storage expenses	7,579,516	(9,859,340)	(2,279,824)
39	Transmission and distribution expenses	40,442,813	70,396,146	110,838,959
40	Customer accounts expenses	128,039,664	-	128,039,664
41	Sales expenses	1,945,642	-	1,945,642
42	Administrative and general expenses	100,368,026	(4,845)	100,363,181
43	Total gas operation and maint. expenses.	\$ 756,739,910	\$ 60,533,738	\$ 817,273,648
44	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			83.98%
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			\$108,690,395
50	Total number of employees of gas department at end of year, including administrative,			
51	operating, maintenance, construction and other employees - National Grid Massachusetts.			565

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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	33,246,043	2.70	89,772,513
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		0	\$0.0000	\$0

SALES OF RESIDUALS (Accounts 730,731)

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

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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

Line No.	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) M.C.F. 1,000 BTU	(d) Rate Per M.C.F.	(e) Amount
1	Algonquin Gas Transmission	Metered at Everett,			
2		Weston, Waltham,			
3		Braintree, Norwood,			
4		Wellesley, Milton,			
5		Waltham Polaroid, Mansfield,			
6		Medford & Potter Street			
7	Transportation and Capacity Costs				\$ 18,220,631
8	Other Charges				0
9	TOTAL ALGONQUIN		-		18,220,631
10	Tennessee Gas Pipeline	Metered at Leominster,			
11		Clinton, Southbridge,			
12		Spencer, Lynn, Acton,			
13		Lynnfield, Arlington,			
14		Burlington, Lexington,			
15		Reading, Revere, West			
16		Peabody, Beverly/Salem,			
17		& Gloucester			
18					
19	Transportation and Capacity Costs				50,471,612
20	Other Charges				0
21	TOTAL TENNESSEE		-		50,471,612
22	Texas Eastern				
23	Transportation and Capacity Costs				24,346,406
24	Other Charges				0
25	TOTAL TEXAS EASTERN		-		24,346,406
26	Canadian				
27					
28	Commodity Cost		1,299,428	3.86	5,010,050
29	Transportation and Capacity Costs				0
30	Other Charges				0
31	TOTAL CANADIAN		1,299,428		5,010,050
32					
33	Direct Purchases				
34					
35	Commodity Cost		112,471,327	2.70	304,002,389
36	Transportation and Capacity Costs				8,422,828
37	Other Charges				
38	TOTAL DIRECT PURCHASES		112,471,327		312,425,217
39					
40					
41	Distrigas	Metered at Everett			
42	Commodity Cost		-		
43	Capacity Costs				
44	TOTAL DISTRIGAS				0

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) M.C.F. 1,000 BTU	(d) Rate Per M.C.F.	(e) Amount
1					
2					
3	Commonwealth Gas - Commodity	Metered at customers'			
4		houses in Wellesley,			
5		Acton & Medford			
6					
7	Total Commodity Cost		113,770,756	2.72	309,012,439
8	Total Transportation & Capacity Costs				101,461,477
9	Total Other Charges				
10					
11	Unbilled Gas Cost				(33,106,625)
12	Total Purchased Gas Cost		113,770,756		377,367,291
13	Net Change in Holder Gas *				54,175,317
14	Deferred Cost of Gas 808-20,21,23,29				46,720,422
15	Purchased Gas Expense		113,770,756		478,263,030
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35	* Add (Decreases) / Deduct Increases in Holder Gas - Note: Column (e) of this line includes those				
36	inventory transactions necessary to reconcile "Purchased Gas Expense" to Gas Costs expensed				
37	as presented on Lines 3 through 6 on page 46.				
38					
39					
40					
41					
42					

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

INCOME FROM MERCHANDISING, JOBBING AND CONTRACT WORK (Account 415)					
Report by utility department the revenues, costs, expenses, and net income from merchandising, jobbing, and contract work during year.					
Line No.	Item (a)	Electric Department (b)	Gas Department (c)	Other Utility Department (d)	Total (e)
1		NONE			
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	TOTAL COSTS AND EXPENSES				
35	Net Profit (or Loss)				

RECORD OF SENDOUT FOR THE YEAR IN DTH							
Line No.	Item	Total	January	February	March	April	May
1	<u>Gas Made</u>						
2							
3							
4	Propane	0	0	0	0	0	0
5							
6	TOTAL	0	0	0	0	0	0
7							
8	<u>Gas Purchased</u>						
9	Natural	113,770,756	13,570,518	14,377,351	13,107,888	9,597,078	8,775,534
10	Other						
11	TOTAL	113,770,756	13,570,518	14,377,351	13,107,888	9,597,078	8,775,534
12	TOTAL MADE AND						
13	PURCHASED	113,770,756	13,570,518	14,377,351	13,107,888	9,597,078	8,775,534
14	Net Change in Holder						
15	Gas (1)	(34,139,263)	3,020,661	2,321,732	(317,833)	(3,576,118)	(6,285,112)
16	TOTAL SENDOUT	79,631,493	16,591,179	16,699,083	12,790,055	6,020,960	2,490,422
17	GAS TRANSPORTED	44,000,327	5,667,170	6,014,006	5,210,508	3,515,498	2,517,634
18	TOTAL THROUGHPUT	123,631,820	22,258,349	22,713,089	18,000,563	9,536,458	5,008,056
19							
20	Gas Sold	76,077,887	11,648,995	16,081,387	14,653,214	8,152,362	4,479,182
21	Gas Used by Company	184,656	16,037	31,638	38,943	22,205	14,023
22	Gas Transported	42,735,528	5,121,666	6,032,735	5,847,942	4,843,279	3,050,685
23	Gas Accounted for	118,998,070	16,786,698	22,145,759	20,540,099	13,017,845	7,543,890
24	Gas Unaccounted for (2)	4,633,750	5,471,651	567,330	(2,539,537)	(3,481,387)	(2,535,834)
25	% Unaccounted						
26	for (0.00%) (2)	3.75%					
27							
28							
29	<u>Sendout in 24 hours</u>						
30	<u>in DTH</u>						
31	Maximum - DTH		979,640	994,543	791,033	531,765	284,531
32	Maximum - Date		1/7/15	2/15/15	3/5/15	4/8/15	5/1/15
33	Minimum - DTH		475,812	618,080	367,741	197,512	125,266
34	Minimum - Date		1/4/15	2/22/15	3/26/15	4/13/15	5/24/15
35							
36							
37							
38							
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						
42							

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

RECORD OF SENDOUT FOR THE YEAR IN DTH (continued)

Line No.	June	July	August	September	October	November	December
1							
2							
3							
4	0	0	0	0	0	0	0
5							
6	0	0	0	0	0	0	0
7							
8							
9	6,237,469	6,462,941	7,232,815	5,767,920	8,829,759	8,992,087	10,819,397
10							
11	6,237,469	6,462,941	7,232,815	5,767,920	8,829,759	8,992,087	10,819,397
12							
13	6,237,469	6,462,941	7,232,815	5,767,920	8,829,759	8,992,087	10,819,397
14							
15	(4,178,970)	(4,853,399)	(5,769,414)	(4,157,509)	(4,811,789)	(2,702,664)	(2,828,849)
16	2,058,499	1,609,542	1,463,401	1,610,411	4,017,970	6,289,423	7,990,548
17	2,394,794	2,265,489	2,437,582	2,447,232	3,503,100	3,907,947	4,119,367
18	4,453,293	3,875,031	3,900,983	4,057,643	7,521,070	10,197,370	12,109,915
19							
20	2,587,865	1,860,621	1,654,686	1,617,184	1,995,249	4,161,637	7,185,504
21	11,188	8,897	7,026	7,384	8,629	9,116	9,571
22	2,455,251	2,063,250	2,089,465	2,112,766	2,202,843	3,064,205	3,851,443
23	5,054,303	3,932,768	3,751,176	3,737,333	4,206,722	7,234,958	11,046,518
24	(601,010)	(57,738)	149,807	320,309	3,314,349	2,962,413	1,063,397
25							
26							
27							
28							
29							
30							
31	246,050	136,022	171,320	158,762	431,731	557,817	627,178
32	6/2/2015	7/1/2015	8/20/2015	9/26/2015	10/18/2015	11/30/2015	12/29/2015
33	120,483	112,086	108,235	113,221	166,898	155,246	198,549
34	6/20/2015	7/18/2015	8/1/2015	9/6/2015	10/13/2015	11/6/2015	12/24/2015
35							
36							
37							
38							
39							
40							
41							
42							

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

BOILERS *						
Line No.	Location	Kind of Fuel and Method of Firing	Rated Pressure in Lbs.	Rated Steam Temp.	Number	Output Rating M. Lbs. Steam Per Hour
1	Broad Street, Danvers**	Gas Or Oil				
2	Rover St., Everett	Gas				
3	Victory Rd., Dorchester	Gas				
4	Victory Rd., Dorchester	Gas				
5						
6						
7	LNG Vaporizer	Nat. Gas	300 Lbs @ 250 F	NA	2	20 MMSCFD
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	*Includes only those boilers that produce steam used in the production or conditioning of gas.					
26	** Broad Street, Danver was removed for LNG					
27						
28						

SCRUBBERS, CONDENSERS AND EXHAUSTERS. 24 HOUR CAPACITY (MCF)						
Line No.		Kind of Gas				Total Capacity
29						
30						
31	Scrubbers					NONE
32						
33						
34						
35						
36	Condensers					NONE
37						
38						
39						
40						
41						
42	Exhausters					NONE
43						
44						
45						
46						
47						
48						

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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

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

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

TRANSMISSION AND DISTRIBUTION MAINS

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

Line No.	Diameter	Boston Gas		Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
		Total Length in Feet at Beginning of Year	Added During Year			
1	STREET MAINS - CAST IRON					
2	3" &					
3	smaller	596,681	0	0	14,444	582,237
4	4"	3,767,830	0	0	137,857	3,629,973
5	5"	0	0	0	0	0
6	6"	4,342,540	0	0	174,444	4,168,096
7	8"	846,674	0	0	30,120	816,554
8	10"	328,897	0	0	1,240	327,657
9	12"	958,797	0	0	4,726	954,071
10	14"	6,252	0	0	0	6,252
11	16"	154,741	0	0	1,670	153,071
12	18"	16,890	0	0	610	16,280
13	20"	107,876	0	0	0	107,876
14	24"	180,129	0	0	36	180,093
15	30"	66,091	0	0	425	65,666
16	36"	63,980	0	0	0	63,980
17	42"	13,278	0	0	0	13,278
18	54"	1,004	0	0	0	1,004
19	Total	11,451,660	0	0	365,572	11,086,088
20						
21	STREET MAINS - STEEL OR WROUGHT IRON					
22						
23	2" &					
24	smaller	2,830,267	36	0	92,592	2,737,711
25	2 1/2"	19,581	0	0	240	19,341
26	3"	2,417,730	0	0	20,640	2,397,090
27	3 1/2"	278	0	0	0	278
28	4"	3,010,995	39	0	43,222	2,967,812
29	5"	11,894	0	0	0	11,894
30	6"	2,181,944	827	0	24,289	2,158,482
31	8"	841,694	1,567	0	5,514	837,747
32	10"	80,416	15	0	511	79,920
33	12"	993,421	11,357	0	10,316	994,462
34	14"	1,197	0	0	0	1,197
35	16"	201,581	216	0	0	201,797
36	18"	531	0	0	0	531
37	20"	106,873	52	0	0	106,925
38	24"	78,063	36	0	0	78,099
39	30"	14,611	29	0	0	14,640
40	36"	3,495	43	0	22	3,516
41	42"	1,542	0	0	0	1,542
	Total	12,796,113	14,217	0	197,346	12,612,984
	SUB-TOTALS	24,247,773	14,217	0	562,918	23,699,072
	Normal Operating Pressure - Mains and Lines - Maximum			Minimum		
	Normal Operating Pressure - Services		- Maximum	Minimum		

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

TRANSMISSION AND DISTRIBUTION MAINS (continued)

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

Line No.	Diameter	Boston Gas Total Length in Feet at Beginning of Year	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
1	STREET MAINS - PLASTIC PIPE FUSED					
2	2" &					
3	smaller	4,734,006	159,982	0	1,836	4,892,152
4	3" &					
5	smaller	275,034	225	0	145	275,114
6	4"	3,383,911	123,036	0	4,557	3,502,390
7	5"	118,225	0	0	0	118,225
8	6"	3,955,909	258,034	0	2,020	4,211,923
9	8"	1,848,066	133,691	0	168	1,981,589
10	10"	645		0	0	645
11	12"	80,053	37,781	0	310	117,524
12	16"	6,647	0	0	0	6,647
13	Total	14,402,495	712,749	0	9,036	15,106,208
14						
15						
16	STREET MAINS - WELDED STEEL PIPE FUSED					
17	2.0"	653,023	0	0	0	653,023
18	4.0"	561,300	0	0	0	561,300
19	5.0"	43,690	0	0	0	43,690
20	6.0"	249,374	0	0	0	249,374
21	8.0"	171,473	0	0	0	171,473
22	10.0"	64,678	0	0	0	64,678
23	12.0"	97,086	0	0	0	97,086
24	16.0"	34,388	0	0	0	34,388
25	20.0"	2,424	0	0	0	2,424
26	24.0"	146	0	0	0	146
27	Total	1,877,582	0	0	0	1,877,582
28						
29	No category	29,778	11,210	0	0	40,988
30						
31						
32						
33						
34						
35						
36						
37						
38						
39	GRAND TOTAL	40,557,628	738,176	0	571,954	40,723,850
40	Normal Operating Pressure - Mains and Lines - Maximum 60 PSIG Minimum 4" W.C					
41	Normal Operating Pressure - Services - Maximum 60 PSIG Minimum 4" W.C.					
42						

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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	631,344		736,450
2	Additions during year:			
3	Purchased.....			77,242
4	Installed.....	13,078		
5	Associated with Plant acquired.....			
6	Total Additions.....	13,078		77,242
7	Reductions during year:			
8	Retirements.....	8,008		19,896
9	Associated with Plant sold.....			
10	Total Reductions.....	8,008		19,896
11	Number at end of year.....	636,414		793,796
	In Stock.....			78,105
12	On Customers' Premises--Inactive.....			24,372
13	On Customers' Premises--Active.....			691,319
14	In Company Use.....			0
15	Number at end of year.....			793,796
16				
17				
18	Number of Meters Tested by State Inspectors			
19	During Year.....			81,756
20				

RATE SCHEDULE INFORMATION

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

Date Effective	M.D.P.U. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
May 1, 2013	6.2	Residential Non-Heating Rate R-1	3%	
May 1, 2013	7.2	Residential Assistance Non-Heating Rate R-2	3%	
May 1, 2013	8.2	Residential Heating Rate R-3	6%	
May 1, 2013	9.2	Residential Assistance Heating Rate R-4	6%	
May 1, 2013	10.2	Commercial/Industrial, Small - Low Load Factor Rate G-41B	5%	
May 1, 2013	11.2	Commercial/Industrial, Medium - Low Load Factor Rate G-42B	6%	
May 1, 2013	12.2	Commercial/Industrial, Large - Low Load Factor Rate G-43B	7%	
May 1, 2013	13.2	Commercial/Industrial, Extra Large - Low Load Factor Rate G-44B	6%	
May 1, 2013	14.2	Commercial/Industrial, Small - High Load Factor Rate G-51B	6%	
May 1, 2013	15.2	Commercial/Industrial, Medium - High Load Factor Rate G-52B	6%	
May 1, 2013	16.2	Commercial/Industrial, Large - High Load Factor Rate G-53B	7%	
May 1, 2013	17.2	Commercial/Industrial, Extra Large - High Load Factor Rate G-54B	10%	
May 1, 2013	18.2	Commercial/Industrial, Small - Low Load Factor Rate G-41E	7%	
May 1, 2013	19.2	Commercial/Industrial, Medium - Low Load Factor Rate G-42E	9%	
May 1, 2013	20.2	Commercial/Industrial, Large - Low Load Factor Rate G-43E	8%	
May 1, 2013	21.2	Commercial/Industrial, Small - High Load Factor Rate G-51E	7%	
May 1, 2013	22.2	Commercial/Industrial, Medium - High Load Factor Rate G-52E	10%	
May 1, 2013	23.2	Commercial/Industrial, Large - High Load Factor Rate G-53E	11%	
Total			7%	
Overall Average			6.0%	

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES (Account 426.4)		
	<p>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.</p> <p>2. Advertising expenditures in this Account shall be classified according to subheadings, as follows: (a) radio, television, and motion picture advertising;</p>	<p>ing; (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.</p> <p>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.</p> <p>4. If respondent has not incurred any expenditures contemplated by the instruction of Acct. 426.4, so state.</p> <p>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.</p>
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	\$ 85,961
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33	TOTAL	\$ 85,961

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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		\$ 631,857
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42		TOTAL	\$ 631,857

Annual Report ofBoston Gas Company.....Year ended December 31, 2015

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		\$ 5,487,641
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	TOTAL	\$ 5,487,641

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

.....President

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

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

Middlesex, Massachusetts

Maarch 24, 2016

Then personally appeared.....

.....
.....

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

.....Notary Public

My Commission Expires:

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

..... Vice President and Controller

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

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

Kings, New York, ss

March 24, 2016

Then personally appeared.....

.....
.....

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

.....Notary Public

My Commission Expires:

Boston Gas Company
Return on Average Common Equity
For the year ended December 31, 2015

<u>Net Income Calculation:</u>		
1	Utility Operating Income DPU page 10, Line 18	\$ 89,771,949
2		
3	Less: Allocated Interest (See Below)	(25,376,840)
4		
5		
6	Net Utility Income Available for Common Shareholders	\$ 64,395,109
7		
8		
9		
10	<u>Calculation of Allocated Interest:</u>	
11		
12	Interest + Preferred Dividends - DPU page 10, Lines 39 and 48	\$ 25,398,415
13		
14	Utility Plant-DPU page 8, Line 2	\$ 3,997,952,204
15	Other Property & Investments - DPU page 8, Line 8	3,398,984
16	Total	<u>\$ 4,001,351,188</u>
17		
18	% of Line 14 to Line 16	<u>99.92%</u>
19		
24		
25	Allocated Interest(Line 18 above multiplied by Line 12)	<u>25,376,840</u>
26		
27		
28		
29		
30	<u>Total Utility Common Equity:</u>	
31		
32	Proprietary Capital - DPU page 9, Line 13	\$ 1,295,099,095
33		
34	Less preferred DPU Page 9, Line 4	-
35		
36	Less Goodwill DPU Page 17, Line 3a	(396,321,766)
37		
38		
39	Long Term Debt - DPU Page 9, Line 18	626,000,000
40		
41	Subtotal	<u>\$ 1,524,777,329</u>
42		
43	50%/50% Capital Structure DPU 10-55	50%
44	Hypothetical Common Equity, December 31, 2014	<u>\$ 762,388,665</u>
45		
46		
47		
48		
49		
50		
51		
52	Ending Hypothetical Utility Common Equity Multiplied by Utility % at 12-31-2014	\$ 761,741,047
53		
54	Beginning Hypothetical Utility Common Equity Multiplied by Utility % at 12-31-2013	<u>742,161,508</u>
55		
56	Total	<u>\$ 1,503,902,555</u>
57		
58	Average Hypothetical Common Equity	<u>\$ 751,951,277</u>
59		
60		
61	NET UTILITY INCOME DIVIDED BY AVERAGE HYPOTHETICAL EQUITY	<u>8.56%</u>