

# The Commonwealth of Massachusetts

---

## ANNUAL RETURN

OF THE

### COLONIAL GAS COMPANY D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND

TO THE

THE DEPARTMENT OF PUBLIC UTILITIES

OF MASSACHUSETTS

**For the Year Ended December 31,**

# 2015

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

}  
}

**Sharon Partridge**

Official title: **Vice President US Financial Controller**

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

**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 - COLONIAL GAS COMPANY

D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND

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

**Statement of Income for the Year**

Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
<b>OPERATING INCOME</b>		
Operating Revenues	\$ 272,393,594	\$ (32,418,014)
Operating Expenses:		
Operation Expenses	194,576,311	(36,208,765)
Maintenance Expense	4,114,016	(809,707)
Depreciation Expense	26,175,554	1,729,251
Amortization of Utility Plant	55,258	(173,222)
Amortization of Property Losses	-	-
Amortization of Regulatory Expenses	12,476,140	-
Taxes Other Than Income Taxes	9,311,537	532,260
Income Taxes	1,153,920	(7,114,578)
Provision for Deferred Income Taxes	6,020,813	8,102,457
Income Taxes Deferred in Prior Years -- CR.	-	97,553
Total Operating Expenses	253,883,549	(33,844,751)
Net Operating Revenues	18,510,045	1,426,737
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	18,510,045	1,426,737
<b>OTHER INCOME</b>		
Income from Mdse. Jobbing & Contract Work	-	-
Income from Nonutility Operations	-	(40,292)
Nonoperating Rental Income	-	-
Interest and Dividend Income	4,732,219	(1,191,387)
Miscellaneous Nonoperating Income	27,550	(141,391)
Total Other Income	4,759,769	(1,373,070)
Total Income	23,269,814	53,667
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>		
Miscellaneous Amortization	-	-
Other Income Deductions	3,326,762	740,826
Total Income Deductions	3,326,762	740,826
Income Before Interest Charges	19,943,052	(687,159)
<b>INTEREST CHARGES</b>		
Interest on Long-Term Debt	7,616,333	21,000
Amortization of Debt Disc. & Expense	147,013	-
Amortization of Premium on Debt -- Credit	-	-
Interest on Debt to Associated Companies	34,380	24,201
Other Interest Expense	2,359,152	754,013
Interest Charged to Construction -- Credit	(158,480)	230,635
Total Interest Charges	9,998,398	1,029,849
Net Income	\$ 9,944,654	\$ (1,717,008)

<b>BALANCE SHEET</b>			
Title of Account	Balance End of Year	Title of Account	Balance End of Year
<b>UTILITY PLANT</b>		<b>PROPRIETARY CAPITAL</b>	
Utility Plant	\$ 891,377,970	<b>CAPITAL STOCK</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>		Common Stock Issued	\$ 100
Nonutility Property	-	Preferred Stock Issued	-
Capitalized Leases, net	-	Capital Stock Subscribed	-
Investment in Associated Companies	-	Premium on Capital Stock	419,429,145
Other Investments	3,740	Total	419,429,245
Special Funds	-	<b>SURPLUS</b>	
Total Other Property and Investments	3,740	Other Paid-In Capital	(158,990,562)
<b>CURRENT AND ACCRUED ASSETS</b>		Earned Surplus	128,658,166
Cash	-	Other Comprehensive Income	-
Special Deposits	-	Total	(30,332,396)
Working Funds	-	Total Proprietary Capital	389,096,849
Temporary Cash Investments	-	<b>LONG TERM DEBT</b>	
Notes and Accounts Receivable	27,105,898	Bonds	125,000,000
Receivables from Assoc. Companies	21,255,793	Advances from Associated Companies	-
Materials and Supplies	12,603,748	Capital Lease Obligations	-
Prepayments	166,177	Total Long-Term Debt	125,000,000
Interest and Dividends Receivable	-	<b>CURRENT AND ACCRUED LIABILITIES</b>	
Rents Receivable	-	Notes Payable	-
Accrued Utility Revenues	14,336,135	Accounts Payable	11,091,709
Misc. Current And Accrued Assets	-	Payables to Associated Companies	39,926,857
Recoverable Fuel	(53,278,141)	Customer Deposits	991,042
Total Current and Accrued Assets	22,189,610	Taxes Accrued	13,736,248
<b>DEFERRED DEBITS</b>		Interest Accrued	2,792,392
Unamortized Debt Discount and Expense	1,542,436	Dividends Declared	-
Extraordinary Property Losses	-	Matured Long-Term Debt	-
Preliminary Survey and Investigation Charges	-	Matured Interest	-
Clearing Accounts	(410)	Tax Collections Payable	181,056
Temporary Facilities	-	Misc. Current and Accrued Liabilities	11,041,413
Miscellaneous Deferred Debits	315,638,770	Total Current & Accrued Liabilities	79,760,717
Total Deferred Debits	317,180,796	<b>DEFERRED CREDITS</b>	
<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>		Unamortized Premium on Debt	-
Discount on Capital Stock	-	Customer Advances for Construction	-
Capital Stock Expense	-	Other Deferred Credits	16,419,285
Total Capital Stock Discount and Expense	-	Total Deferred Credits	16,419,285
<b>REACQUIRED SECURITIES</b>		<b>RESERVES</b>	
Reacquired Capital Stock	-	Reserves for Depreciation	313,768,346
Reacquired Bonds	-	Reserves for Amortization	13,574,554
Total Reacquired Securities	-	Reserve for Uncollectible Accounts	6,210,788
Total Assets and Other Debits	\$ 1,230,752,116	Operating Reserves	59,681,238
		Reserve for Depreciation and Amortization of Nonutility Property	-
		Reserves for Deferred Federal Income Taxes	227,240,339
		Total Reserves	620,475,265
		<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>	
		Contributions in Aid of Construction	0
		Total Liabilities and Other Credits	\$ 1,230,752,116
NOTES:			

STATEMENT OF EARNED SURPLUS		
Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
Unappropriated Earned Surplus (at beginning of period)	\$ 118,713,512	\$ 11,661,662
Balance Transferred from Income	9,944,654	(1,717,008)
Miscellaneous Credits to Surplus	-	-
Miscellaneous Debits to Surplus	-	-
Appropriations of Surplus	-	-
Net Additions to Earned Surplus	9,944,654	(1,717,008)
Dividends Declared - - Preferred Stock		-
Dividends Declared - - Common Stock	-	-
Unappropriated Earned Surplus (at end of period)	\$ 128,658,166	\$ 9,944,654

ELECTRIC OPERATING REVENUES		
Account	Operating Revenues	
	Amount For Year	Increase or (Decrease) from Preceding Year
<b>SALES OF ELECTRICITY</b>		
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		
<b>OTHER OPERATING REVENUES</b>		
Forfeited Discounts		
Miscellaneous Service Revenues		
Sales of Water and Water Power		
Rent from Electric Property		
Interdepartmental Rents		
Other Electric Revenues		
Total Other Operating Revenues		
Total Electric Operating Revenues		

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

3a

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

GAS OPERATING REVENUES		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
<b>SALES OF GAS</b>		
Residential Sales	\$ 186,407,443	\$ (26,067,946)
Commercial and Industrial Sales	-	-
Small (or Commercial)	34,739,718	(7,147,967)
Large (or Industrial)	16,668,789	(3,446,904)
Other Sales to Public Authorities	15,576	(3,177)
Interdepartmental Sales	-	-
Quasi-Firm Revenue	-	-
Miscellaneous Gas Sales (Unbilled Revenue)	-	-
Total Sales to Ultimate Consumers	237,831,527	(36,665,994)
Sales for Resale	25,462,653	10,266,432
Total Sales of Gas	263,294,179	(26,399,563)
<b>OTHER OPERATING REVENUES</b>		
Adjustments	-	-
Miscellaneous Service Revenues	90,475	9,875
Revenues from Transportation of Gas of Others	19,155,648	(2,859,239)
Sales of Products Extracted from Natural Gas	-	-
Revenues from Natural Gas Processed by Others	-	-
Rent from Gas Property	168,764	4,914
Interdepartmental Rents	-	-
Other Gas Revenues	(10,315,473)	(3,174,001)
Total Other Operating Revenues	9,099,415	(6,018,451)
Total Gas Operating Revenues	\$ 272,393,594	\$ (32,418,014)

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				4a
Functional Classification	Operation	Maintenance	Total	
Steam Production				
Manufactured Gas Production	\$ 1,158,571	\$ 28,749	\$	1,187,320
Other Gas Supply Expenses	123,706,085	-		123,706,085
Total Production Expenses	124,864,656	28,749		124,893,405
Local Storage Expenses	983,977	(6,383,817)		(5,399,840)
Transmission and Distribution Expenses	8,860,811	10,464,800		19,325,611
Customer Accounts Expenses	32,141,976	-		32,141,976
Sales Expenses	1,222,952	-		1,222,952
Administrative and General Expenses	26,501,939	4,284		26,506,223
Total Gas Operation and Maintenance Expenses	\$ 194,576,311	\$ 4,114,016	\$	198,690,327

March 14, 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  
Vice President US Financial Controller



## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

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GENERAL INFORMATION				
PRINCIPAL AND SALARIED OFFICERS*				
Titles		Names	Addresses	Annual Salaries
President	(1)	Reed, Marcy L.	Waltham, MA	\$55,598
Vice President & Chief Financial Officer	(2)	Urban, Dennis	Waltham, MA	\$780
Senior Vice President	(3)	Macklin, Ronald J.	Brooklyn, NY	\$4,059
Senior Vice President	(4)	Turrini, Ross	Brooklyn, NY	\$8,304
Senior Vice President	(5)	Warren, Cheryl A.	Albany, NY	\$2,145
Senior Vice President	(6)	Way, David C.	Waltham, MA	\$2,970
Vice President	(7)	Proudman, Neil	Waltham, MA	\$14,516
Vice President & Chief Financial Officer (Resigned 3/31/2015)	(8)	Nigloschy, Stephen	Waltham, MA	\$1,833
Senior Vice President (Resigned 2/18/2015)	(10)	Owyang, Colin	Waltham, MA	\$351
Senior Vice President (Resigned 3/18/2016)	(11)	Jordan, Marie	Waltham, MA	\$4,436
Senior Vice President (Resigned 10/7/2015)	(12)	Madej, James	Brooklyn, NY	\$5,796
<u>DIRECTORS*</u>				
<u>Names</u>		<u>Addresses</u>		<u>Fees Paid During Year</u>
Reed, Marcy L.		Waltham, Massachusetts		No Fees Paid
Urban, Dennis		Waltham, Massachusetts		No Fees Paid
Proudman, Neil		Waltham, Massachusetts		No Fees Paid
Nigloschy, Stephen (Resigned 3/31/2015)		Waltham, Massachusetts		No Fees Paid
Jordan, Marie (Resigned 3/18/2016)		Waltham, Massachusetts		No Fees Paid
<p>(1) Reed: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$236,107. 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) Urban: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$17,684. 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) Macklin: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$240,578. 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) Turrini: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$197,622. 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) Warren: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$130,237. 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) Way: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$203,820. 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) Proudman: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$182,259. 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) Nigloschy: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$33,348. 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) Owyang: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$18,728. 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>(11) Jordan: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$252,909. 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>(12) Madej: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$264,695. 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 salary paid to each," and by Section 77, the department is required to include in its annual report "the names and addresses of the principal officers and of the directors "</p>				

**GENERAL INFORMATION - Continued**

- |   |   |  |        |
|---|---|--|--------|
| 1. Corporate name of company making this report,  | Colonial Gas Company<br>D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND |  |        |
| 2. Date of organization,  | May 2, 1849   |  |        |
| 3. Date of incorporation,   | May 2, 1849   |  |        |
| 4. Give location (including street and number) of principal business office:-<br><br>One MetroTech Center, Brooklyn, New York 11201   |   |  |        |
| 5. Total number of stockholders,  | Common: 1 (recordholders)   |  |        |
| 6. Number of stockholders in Massachusetts,   | Common: 1 (recordholders)   |  |        |
| 7. Amount of stock held in Massachusetts,   | No. of Common Shares, 100   |  | \$100  |
| 8. Capital stock issued prior to June 5, 1894,  | No. of shares, N/A  |  | \$ N/A |
| 9. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or Department of Public Utilities since June 5, 1894,<br><br>Total, 100 common shares, par value, \$1.00, outstanding<br>December 31 of the calendar year, 2015  |   |  | \$100  |
| 10. If any stock has been issued during the last fiscal period, give the date and terms upon which such issue was offered to the stockholders, and if the whole or any part of the issue was sold at auction, the date or dates of such sale or sales, the number of shares sold and the amounts realized therefrom.  |   |  |        |
| 11. Management Fees and Expenses during the Year.<br><br>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.<br><br>In 2015, the Company was charged \$44,705,073 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 of .....Colonial 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 place.			
City or Town	Number of Customers Meters, 12/31/2015	City or Town	Number of Customers Meters, 12/31/2015
<u>FRANCHISE AREA</u>			
Barnstable	23,197		
Billerica	12,005		
Bourne	7,539		
Brewster	3,412		
Chatham	6,153		
Chelmsford	12,503		
Dennis	11,854		
Dracut	9,786		
Dunstable	378		
Eastham	2,764		
Falmouth	15,325		
Groton	99		
Harwich	7,952		
Littleton	44		
Lowell	35,291		
Lynnfield	36		
Mashpee	9,361		
North Reading	3,439		
Orleans	2,192		
Pepperell	2,273		
Plymouth	1,145		
Sandwich	5,787		
Tewksbury	9,951		
Tyngsboro	3,574		
Wareham	8,773		
Westford	7,725		
Wilmington	3,749		
Yarmouth	15,161		
	221,468		
<u>NON FRANCHISE AREA</u>			
Andover	54		
Carver	5		
Methuen	31		
Otis	146		
Woburn	54		
	290		
<b>TOTAL</b>	<b>221,758</b>		

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

<b>COMPARATIVE BALANCE SHEET Assets and Other Credits</b>				
<b>Line No.</b>	<b>Title of Account (a)</b>	<b>Balance Beginning of Year (b)</b>	<b>Balance End of Year (c)</b>	<b>Increase or (Decrease) (d)</b>
1	<b>UTILITY PLANT</b>			
2	Utility Plant (101-107) p. 13	\$ 840,710,598	\$ 891,377,970	\$ 50,667,372
3	<b>OTHER PROPERTY AND INVESTMENTS</b>			
4	Nonutility Property (121) P. 19	-	-	-
4a	Capitalized Leases, net	-	-	-
5	Investment in Associated Companies (123) P. 20	-	-	-
6	Other Investments (124) P.20	3,740	3,740	-
7	Special Funds (125, 126, 127, 128) P. 21	-	-	-
8	Total Other Property and Investments	3,740	3,740	-
9	<b>CURRENT AND ACCRUED ASSETS</b>			
10	Cash (131)	-	-	-
11	Special Deposits (132, 133, 134) P. 21	-	-	-
12	Working Funds (135)	-	-	-
13	Temporary Cash Investments (136) P. 20	-	-	-
14	Notes and Accounts Receivable (141, 142, 143) P. 22	30,071,335	27,105,898	(2,965,437)
15	Receivables from Assoc. Companies (145, 146) P. 23	28,956,496	21,255,793	(7,700,703)
16	Materials and Supplies (151-159, 163) P. 24	16,756,018	12,603,748	(4,152,270)
17	Prepayments (165)	1,722,479	166,177	(1,556,302)
18	Interest and Dividends Receivable (171)	-	-	-
19	Rents Receivable (172)	-	-	-
20	Accrued Utility Revenues (173)	22,022,433	14,336,135	(7,686,298)
21	Misc. Current and Accrued Assets (174)	-	-	-
21A	Recoverable Fuel (175) <sup>1</sup>	(59,389,371)	(53,278,141)	6,111,230
22	Total Current and Accrued Assets	40,139,390	22,189,610	(17,949,780)
23	<b>DEFERRED DEBITS</b>			
24	Unamortized Debt Discount and Expense (181) P.26	1,689,449	1,542,436	(147,013)
25	Extraordinary Property Losses (182) P.27	-	-	-
26	Preliminary Survey and Investigation Charges (183)	-	-	-
27	Clearing Accounts (184)	108,139	(410)	(108,549)
28	Temporary Facilities (185)	-	-	-
29	Miscellaneous Deferred Debits (186) P. 27	308,362,176	315,638,770	7,276,594
30	Total Deferred Debits	310,159,764	317,180,796	7,021,032
31	<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>			
32	Discount on Capital Stock (191) P. 28	-	-	-
33	Capital Stock Expense (192) P. 28	-	-	-
34	Total Capital Stock Discount and Expense	-	-	-
35	<b>REACQUIRED SECURITIES</b>			
36	Reacquired Capital Stock (196)	-	-	-
37	Reacquired Bonds (197)	-	-	-
38	Total Reacquired Securities	-	-	-
39	Total Assets and Other Debits	\$ 1,191,013,492	\$ 1,230,752,116	\$ 39,738,624

## NOTES:

1 - At December 31, 2015, the recoverable fuel includes \$(43,311,725) of cost of gas adjustment clause, \$(817,571) of local distribution adjustment factor and \$(9,148,845) deferred gas costs.

## Annual Report of .....Colonial 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	<b>PROPRIETARY CAPITAL</b>			
2	<b>CAPITAL STOCK</b>			
3	Common Stock Issued (201) P.29	\$ 100	\$ 100	\$ -
4	Preferred Stock Issued (204) P.29	-	-	-
5	Capital Stock Subscribed (202, 205)	-	-	-
6	Premium on Capital Stock (207) P.29	419,429,145	419,429,145	-
7	Total	419,429,245	419,429,245	-
8	<b>SURPLUS</b>			
9	Other Paid-In Capital (208-211) P.30	(158,990,562)	(158,990,562)	-
10	Earned Surplus (215,216) P.12	118,713,512	128,658,166	9,944,654
11	Other Comprehensive Income	-	-	-
12	Total	(40,277,050)	(30,332,396)	9,944,654
13	Total Proprietary Capital	379,152,195	389,096,849	9,944,654
14	<b>LONG-TERM DEBT</b>			
15	Bonds (221) P.31	125,000,000	125,000,000	-
16	Capital Lease Obligations (221)	-	-	-
	Advances from Associated Companies (223) P. 31	-	-	-
17	Other Long-Term Debt (224) P.31	-	-	-
18	Total Long-Term Debt	125,000,000	125,000,000	-
19	<b>CURRENT AND ACCRUED LIABILITIES</b>			
	Capitalized Lease Obligation	-	-	-
20	Notes Payable (231) P.32	-	-	-
21	Accounts Payable (232)	3,572,826	11,091,709	7,518,883
22	Payables to Associated Companies (233,234) P.32	57,751,983	39,926,857	(17,825,126)
23	Customer Deposits (235)	325,592	991,042	665,450
24	Taxes Accrued (236)	7,798,180	13,736,248	5,938,068
25	Interest Accrued (237)	2,902,663	2,792,392	(110,271)
26	Dividends Declared (238)	-	-	-
27	Matured Long-Term Debt (239)	-	-	-
	Matured Interest (240)	-	-	-
28	Tax Collections Payable (241)	256,803	181,056	(75,747)
29	Misc. Current & Accrued Liab. (242) P.33	9,939,548	11,041,413	1,101,865
30	Total Current & Accrued Liability	82,547,595	79,760,717	(2,786,878)
31	<b>DEFERRED CREDITS</b>			
32	Unamortized Premium on Debt (251) P.26	-	-	-
33	Customer Advances for Construction (252)	-	-	-
34	Other Deferred Credits (253) P.33	15,843,465	16,419,285	575,820
35	Total Deferred Credits	15,843,465	16,419,285	575,820
36	<b>RESERVES</b>			
37	Reserves for Depreciation (254-256) P.13	305,762,623	313,768,346	8,005,723
38	Reserves for Amortization (257-259) P.13	13,519,099	13,574,554	55,455
39	Reserve for Uncollectible Accounts (260)	4,746,203	6,210,788	1,464,585
40	Operating Reserves (261-265) P.35	53,060,135	59,681,238	6,621,103
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	-	-	-
42	Reserve for Deferred Income Taxes (267, 268) P.36	211,382,177	227,240,339	15,858,162
43	Total Reserves	588,470,237	620,475,265	32,005,028
44	<b>CONTRIBUTION IN AID OF CONSTRUCTION</b>			
45	Contributions in Aid of Construction (271) P.36	-	-	-
46	Total Liabilities and Other Credits	\$ 1,191,013,492	\$ 1,230,752,116	\$ 39,738,624

STATEMENT OF INCOME FOR THE YEAR				
Line No.	Account (a)	Current Year (b)	Prior Year (c)	Increase or (Decrease) from Preceding Year (d)
1	<b>OPERATING INCOME</b>			
2	Operating Revenues (400) P. 37,43	\$ 272,393,594	\$ 304,811,608	\$ (32,418,014)
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	194,576,311	230,785,076	(36,208,765)
5	Maintenance Expense (402) P. 42,47	4,114,016	4,923,723	(809,707)
6	Depreciation Expense (403) P. 34	26,175,554	24,446,303	1,729,251
7	Amortization of Utility Plant (404 and 405)	55,258	228,480	(173,222)
8	Amortization of Investment Credit (406.0)	-	-	-
9	Amortization of Regulatory Expenses (407.3)	12,476,140	12,476,140	-
10	Taxes Other Than Income Taxes (408) P. 49	9,311,537	8,779,277	532,260
11	Income Taxes (409) P. 49	1,153,920	8,268,498	(7,114,578)
12	Provision for Deferred Income Taxes (410) P. 36	6,020,813	(2,081,644)	8,102,457
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	-	(97,553)	97,553
14	Total Operating Expenses	253,883,549	287,728,300	(33,844,751)
15	Net Operating Revenues	18,510,045	17,083,308	1,426,737
16	Income from Utility Plant Leased to Others			
17	Other Utility Operating Income (414) P. 50			-
18	Total Utility Operating Income	18,510,045	17,083,308	1,426,737
19	<b>OTHER INCOME</b>			
20	Income from Mdse. Jobbing & Contract Work (415) P. 51	-	-	-
21	Income from Nonutility Operations (417)	-	40,292	(40,292)
22	Nonoperating Rental Income (418)	-	-	-
23	Interest and Dividend Income (419)	4,732,219	5,923,606	(1,191,387)
24	Miscellaneous Nonoperating Income (421)	27,550	168,941	(141,391)
25	Total Other Income	4,759,769	6,132,839	(1,373,070)
26	Total Income	23,269,814	23,216,147	53,667
27	<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
28	Miscellaneous Amortization (425)	-	-	-
29	Other Income Deductions (426)	3,326,762	2,585,936	740,826
30	Total Income Deductions	3,326,762	2,585,936	740,826
31	Income Before Interest Charges	19,943,052	20,630,211	(687,159)
32	<b>INTEREST CHARGES</b>			
33	Interest on Long-Term Debt (427) P. 31	7,616,333	7,595,333	21,000
34	Amortization of Debt Disc. & Expense (428) P. 26	147,013	147,013	-
35	Amortization of Prem. on Debt - - Credit (429) P. 26	-	-	-
36	Int. on Debt to Associated Companies (430) P. 31, 32	34,380	10,179	24,201
37	Other Interest Expense (431)	2,359,152	1,605,139	754,013
38	Interest Charged to Construction - - Credit (432)	(158,480)	(389,115)	230,635
39	Total Interest Charges	9,998,398	8,968,549	1,029,849
40	Net Income	9,944,654	11,661,662	(1,717,008)
41	<b>EARNED SURPLUS</b>			
42	Unappropriated Earned Surplus (at beginning of period) (216)	118,713,512	107,051,850	11,661,662
43	Balance Transferred from Income (433)	9,944,654	11,661,662	(1,717,008)
44	Miscellaneous Credits to Surplus (434)	-	-	-
45	Miscellaneous Debits to Surplus (435)	-	-	-
46	Appropriations of Surplus (436)	-	-	-
47	Net Additions to Earned Surplus	9,944,654	11,661,662	(1,717,008)
48	Dividends Declared - - Preferred Stock (437)	-	-	-
49	Dividends Declared - - Common Stock (438)	-	-	-
50	Unappropriated Earned Surplus (at end of period) (216)	\$ 128,658,166	\$ 118,713,512	\$ 9,944,654

NOTE: The balance of net income and retained earnings for the period ended December 31, 2014 was revised for a net decrease of \$1.3M to reflect the elimination of equity carrying charges on certain regulatory assets.



**Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015****STATEMENT OF INCOME FOR THE YEAR (CONTINUED)**

Note:

None

**STATEMENT OF EARNED SURPLUS (Accounts 215-216)**

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

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

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

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

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

5. List credits first; then debits.

Line No.	Item (a)	Contra Primary Account Affected (b)	(c)
1	<b>UNAPPROPRIATED EARNED SURPLUS (Account 216)</b>		
2	Balance - - Beginning of year		\$ 118,713,512
3	Charges: (identify by prescribed earned surplus accounts)		
4	Transfer from income (loss)		9,944,654
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		\$ 128,658,166
28	<b>APPROPRIATED EARNED SURPLUS (Account 215)</b>		
29	State balance and purpose of each appropriated earned surplus amount at end		
30	of year and give accounting entries for any applications of appropriated		
31	earned surplus during year.		
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			

Annual Report of .....Colonial Gas Co.....Year ended December 31, 2015					
SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION					
Line No.		Total (b)	Electric (c)	Gas (d)	Common (g)
1	<b>UTILITY PLANT</b>				
2	In Service:				
3	101 Plant in Service (Classified)	\$830,752,297		\$830,752,297	
4	106 Completed Construction not Classified	\$34,994,212		\$34,994,212	
5	Total P. 16, 18	\$865,746,509		\$865,746,509	
6	104 Leased to Others	-		-	
7	105 Held for Future Use	-		-	
8	107 Construction Work in Progress	25,631,461		25,631,461	
9	Total Utility Plant	\$891,377,970		\$891,377,970	
10	<b>DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION</b>				
11	In Service:				
12	254 Depreciation P. 34	313,768,346		313,768,346	
13	257 Amortization	13,574,554		13,574,554	
14	Total, in Service	\$327,342,900		\$327,342,900	
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	\$327,342,900		\$327,342,900	

**Annual Report of Colonial Gas Company, Year ended December 31, 2015**  
 UTILITY PLANT - GAS

1. Report below the cost of utility plant in service according to prescribed accounts.		the preceding year. Such items should be included in column (c) or (d) as appropriate.					of such amounts.	
2. Do not include as adjustments, corrections of additions and retirements for the current or		3. Credit adjustments of plant accounts should be enclosed in parentheses to indicate the negative effect					4. Reclassifications or transfers within utility plant accounts should be shown in column (f).	
Line No.	Account (a)	Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)	
<b>Balance</b>								
1	<b>1. INTANGIBLE PLANT</b>							
2	301 Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3	303 Miscellaneous Intangible Plant	13,559,798	-	-	-	-	13,559,798	
3a	303 Goodwill	54,073,696	-	-	490,215	-	54,563,911	
4	Total Intangible Plant	67,633,494	-	-	490,215	-	68,123,709	
5	<b>2. PRODUCTION PLANT</b>							
6	Manufactured Gas Production Plant							
7	304 Land and Land Rights	669,111	-	-	-	-	669,111	
8	305 Structures and Improvements	10,998,794	1,852,123	(184,153)	-	-	12,666,764	
9	306 Boiler Plant Equipment	689,530	-	-	-	-	689,530	
10	307 Other Power Equipment	1,111,876	1,479,639	-	-	-	2,591,515	
11	310 Water Gas Generating Equipment	-	-	-	-	-	-	
12	311 Liquefied Petroleum Gas Equipment	3,216,656	34,658	(1,341,632)	-	-	1,909,682	
13	312 Oil Gas Generating Equipment	-	-	-	-	-	-	
14	313 Generating Equipment - - Other Processes & LNG Equipment	16,701,326	1,010,975	(148,018)	-	-	17,564,283	
15	315 Catalytic Cracking Equipment	-	-	-	-	-	-	
16	316 Other Reforming Equipment	-	-	-	-	-	-	
17	317 Purification Equipment	-	-	-	-	-	-	
18	318 Residual Refining Equipment	-	-	-	-	-	-	
19	319 Gas Mixing Equipment	-	-	-	-	-	-	
19	320 Other Equipment	5,367,990	112,128	-	-	-	5,480,118	
20	339 PRD Prod-ARO	7,526	-	-	-	-	7,526	
21	Total Manufactured Gas Production Plant	38,762,809	4,489,523	(1,673,803)	-	-	41,578,529	
22	<b>3. STORAGE PLANT</b>							
23	360 Land and Land Rights	-	-	-	-	-	-	
24	361 Structures and Improvements	12,972,077	-	-	-	-	12,972,077	
25	362 Gas Holders	725,398	-	-	-	-	725,398	
26	363 Other Equipment	26,344	-	-	-	-	26,344	
27	363.6 Sto-Other Equip ARO	-	-	-	-	-	-	
27	Total Storage Plant	13,723,819	\$ -	\$ -	\$ -	\$ -	13,723,819	

Annual Report of Colonial 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	<b>4. TRANSMISSION AND DISTRIBUTION PLANT</b>						
2	365 Land and Land Rights	\$ 184,282	-	\$ -	-	\$ -	184,282
3	365.2 Rights-of-Way	-	-	-	-	-	-
4	366 Structures and Improvements	4,094,113	-	-	-	-	4,094,113
5	367 Mains	364,226,417	32,300,491	(3,716,003)	(445,596)	-	392,365,309
6	368 Compressor Station Equipment	-	-	-	-	-	-
7	369 Measuring and Regulating Station Equipment	12,789,125	1,428,285	-	-	-	14,217,410
8	372 T&D-AROs	549,511	-	-	-	-	549,511
9	380 Services	243,932,844	10,477,891	(7,953,290)	-	-	246,457,446
10	381 Meters	38,198,670	1,879,933	(511,507)	-	-	39,567,097
11	382 Meter Installations	19,038,775	262,068	-	-	-	19,300,843
12	383 House Regulators	-	-	-	-	-	-
13	386 Other Property on Cust's Prem	-	-	-	-	-	-
14	387 Other Equipment	934,214	93,960	-	-	-	1,028,174
15	388 T&D-AROs	15,935	-	-	721,292	-	737,227
	Total Transmission and Distribution Plant	683,963,886	46,442,628	(12,180,800)	275,698	-	718,501,412
16	<b>5. GENERAL PLANT</b>						
17	389 Land-Land Rights	126,670	-	-	-	-	126,670
18	390 Structures and Improvements	11,254,659	1,948,419	(76,579)	-	-	13,126,500
19	391 Office Furniture and Equipment	3,401,613	(6,122)	-	-	-	3,395,491
20	392 Transportation Equipment	337,703	-	-	-	-	337,703
21	393 Stores Equipment	35,576	-	-	-	-	35,576
22	394 Tools, Shop and Garage Equipment	5,154,163	223,537	-	-	-	5,377,701
23	395 Laboratory Equipment	8,784	-	-	-	-	8,784
24	396 Power Operated Equipment	-	-	-	-	-	-
25	397 Communication Equipment	741,450	2,704	-	-	-	744,154
26	398 Miscellaneous Equipment	523,009	156,612	-	-	-	659,621
27	399 Gen-AROs	6,840	-	-	-	-	6,840
28	Total General Plant	21,590,467	2,305,150	(76,579)	-	-	23,819,040
29	Total Gas Plant in Service	825,674,475	53,237,301	(13,931,182)	765,915	-	865,746,509
30	104 Utility Plant Leased to Others	-	-	-	-	-	-
31	105 Property Held for Future Use	-	-	-	-	-	-
32	107 Construction Work in Progress	15,036,121	7,840,065	-	2,755,275	-	25,631,461
	Total Utility Plant -- Gas	840,710,596	61,077,366	(13,931,182)	3,521,190	-	891,377,970

Note: Completed Construction Not Classified, Acct. 106, shall be classified in this schedule according to prescribed accounts, on an estimated basis if necessary, and the entries included in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (c). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, a tentative distribution of such retirements, on an estimated basis with appropriate contra entry to the Depreciation Reserve Account, shall be included in column (d). Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach an insert page showing the account distributions of these tentative classifications in column (c) and (d) including the reversals of the prior years tentative account distributions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

<b>NONUTILITY PROPERTY (Account 121)</b>					
Give particulars of all investments of the respondent in physical property not devoted to utility operations.					
Line No.	Description of Location (a)	Book Value at End of Year (b)	Revenue for the year (c)	Expense for the year (d)	Net Revenue for Year (e)
1					
2					
3					
4					
5					
6					
7	NONE				
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
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36					
37					
38					
39					
40					
41					
42					
43	TOTALS	\$0	\$0	\$0	\$0

Annual Report of .....Colonial 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		
2	Account 124 - Other Investments	\$ 3,740
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
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41		
42		
43		
44	TOTAL	\$ 3,740

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

<b>SPECIAL FUNDS (Accounts 125, 126, 127, 128)</b>		
(Sinking Funds, Depreciation Fund, Amortization Fund-Federal, Other Special Fund)		
Report below the balance at end of year of each special fund maintained during year. Identify each fund as to account in which included. Indicate nature of any fund included in Account 128 Other Special Funds		
Line No.	Name of Fund and Trustee If Any (a)	Balance End of Year (b)
1		
2	NONE	
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL	

**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		
21	NONE	
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	



Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

<b>NOTES RECEIVABLE (Account 141)</b>					
1. Give the particulars called for below concerning notes receivable at end of year.		3. Minor items may be grouped by classes, showing number of such items.			
2. Give particulars of any note pledged or discounted.		4. Designate any note the maker of which is a director, officer or other employee.			
Line No.	Name of Maker and Purpose for Which Received (a)	Date of Issue (b)	Date of Maturity (c)	Interest Rate (d)	Amount End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8	NONE				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18				TOTAL	

<b>ACCOUNTS RECEIVABLE (Accounts 142, 143)</b>		
1. Give the particulars called for below concerning accounts receivable at end of year.		2. Designate any account included in Account 143 in excess of \$5,000.
Line No.	Description (a)	Amount End of Year (b)
19	Customers Accounts Receivable (Account 142)	\$ 23,760,514
20		
21	Other Accounts Receivable (Account 143)	
22	Off-System Sales	719,806
23	Other Customer Billing	2,628,562
24	Miscellaneous Other Receivables	(2,984)
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	\$ 27,105,898

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

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

1. Report particulars of notes and accounts receivable from associated companies at end of year.

2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts.

3. For notes receivable list each note separately and state purpose for which received. Show also in column (a) date of note and date of maturity.

4. If any note was received in satisfaction of open account, state the period covered by such.

5. Include in column (d) interest recorded as income during the year, including interest on accounts and notes held any time during the year.

6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.

Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
1	Accounts Receivable from Associated Companies:*			
2	NGUSA Service Company	\$ 3,651,850		
3	Boston Gas Company	14,588,349		
4	Transgas Inc	2,443,934		
5	Other associated companies	571,660		
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
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19				
20				
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22				
23				
24				
25				
26				
27				
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30				
31				
32				
33				
34				
35				
36	TOTALS	\$ 21,255,793		

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

## Annual Report of .....Colonial 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		12,489,552
3	Residuals (Account 153)		-
4	Plant Materials and Operating Supplies (Account 154)		114,196
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)		-
11	Total Per Balance Sheet		\$ 12,603,748

Annual Report of .....Colonial 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)					
17						
18						
19	Sold or Transferred					
20	TOTAL DISPOSED OF					
21	BALANCE END OF YEAR					

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

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

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

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

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

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1									
2	Series CH	\$ 25,000,000	\$ 655,923	06/30/92	06/30/22	\$ 164,033	\$ -	\$ 21,859	\$ 142,174
3	MTA-1	10,000,000	348,671	10/12/95	10/14/25	124,846	-	11,566	113,280
4	MTA-2	10,000,000	1,761,058	12/15/95	12/15/25	642,250	-	58,576	583,674
5	MTA-3	10,000,000	1,176,422	02/05/96	02/05/26	433,995	-	39,074	394,921
6	MTB-1	20,000,000	345,500	04/07/98	04/07/28	104,278	-	7,854	96,424
7									
8	Unsecured note								
9	Series A	25,000,000	59,897	03/15/12	03/15/22	55,010	-	2,022	52,988
10	Series B	25,000,000	179,690	03/15/12	03/15/42	165,037	-	6,062	158,975
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27		\$ 125,000,000	\$ 4,527,160			\$ 1,689,449	\$ -	\$ 147,013	\$ 1,542,436

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<b>EXTRAORDINARY PROPERTY LOSSES (Account 182)</b>						
1. Report below particulars concerning the accounting for extraordinary property losses.						
2. In column (a) describe the property abandoned for extraordinary loss suffered, date of abandonment or loss, date of Department authorization of use of Account 182, and period over which amortization is being made.						
Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Written Off During Year			Balance End of Year (f)
			Previously Written off (c)	Account Charged (d)	Amount (e)	
1						
2						
3						
4	None					
5						
6						
7						
8						
9						
10	TOTALS					
<b>MISCELLANEOUS DEFERRED DEBITS (Account 186)</b>						
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						
12	Deferred Environmental	\$ 4,662,277	\$ 1,023,206	143,232,242,253,265	\$ 1,154,265	\$ 4,531,218
13						
14	Deferred Derivatives	8,848,919	26,678,764	253,282,283,409,254,495	26,980,645	8,547,037
15						
16	Deferred Income Tax	52,733,594	198,274,820	410	177,830,828	73,177,587
17	Pension and Other post-employment benefits	24,852,494	19,209,363	228,926.5,926.7	13,147,309	30,914,547
18	Merger Savings	202,266,667	4,100,004	407	12,300,004	194,066,667
19	Miscellaneous Deferred Debits	1,541,969	70,441,220	142	70,993,262	989,928
20	Regulatory Asset Deferred Federal Income Tax	8,865,329	5,920,497	253,282,283	10,521,288	4,264,538
21	Capital Tracker	-	11,171,113	-	11,171,113	-
22	Revenue Decoupling Mechanism	1,869,772	100,881,422	495	104,955,148	(2,203,954)
23	Asset Retirement Obligation	2,398,236	110,665	419	1,304,481.25	1,204,420
24	Rate Case Expense	322,918	-	407	176,136	146,782
25						
26						
27						
28						
29						
30						
31						
32						
33	TOTALS	\$ 308,362,176	\$ 437,811,075		\$ 430,534,481	\$ 315,638,770

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**DISCOUNT ON CAPITAL STOCK (Account 191)**

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

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

2. If any change occurred during the year in the

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

**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	NONE	
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
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31		
32		

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

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

Line No.	Class and Series of Stock (a)	Number of Shares Authorized (b)	Par Value per Share (c)	Outstanding per Balance Sheet*			Premium at End of Year (g)
				Amount Authorized (d)	Shares (e)	Amount (f)	
1							
2							
3							
4	Capital Stock - Common Stock	100	\$ 1.00	\$ 100.00	100	\$ 0	\$ 419,429,145
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTALS	100		\$ 100	100	\$ 0	\$ 419,429,145

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



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**OTHER PAID-IN CAPITAL (Accounts 208-211)**

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

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1		
2		
3		
4	Gain-Capital Stock (210) - no change during 2015	(5,781,655)
5	Other Paid In Capital (211) - no change during 2015	(153,208,907)
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
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32		
33		
34		
35		
36		
37	TOTAL	(\$158,990,562)

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Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Amount Authorized (d)	Amount Actually Outstanding at End of Year (e)	Interest Provisions		Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)	
						Rate Per Cent (f)	Dates Due (g)			
1										
2	SERIES CH	06/30/92	06/30/22	\$ 25,000,000	\$ 25,000,000	8.800%	J - D	\$ 2,200,000	\$ 2,200,000	
3	MTA-1	10/12/95	10/14/25	10,000,000	10,000,000	Note 1, 3	A - O	706,666	738,000	
4	MTA-2	12/15/95	12/15/25	10,000,000	10,000,000	Note 2, 3	F - A	662,667	690,000	
5	MTA-3	02/05/96	02/05/26	10,000,000	10,000,000	6.940%	F - A	694,000	694,000	
6	MTB-1	04/07/98	04/07/28	20,000,000	20,000,000	Note 3, 4	F - A	1,372,000	1,424,000	
7										
8	Unsecured Note									
9	Series A	03/15/12	03/15/22	25,000,000	25,000,000	3.296%	M - S	824,000	824,000	
10	Series B	03/15/12	03/15/42	25,000,000	25,000,000	4.628%	M - S	1,157,000	1,157,000	
11										
12										
13										
14										
15										
16										
17										
18	Note 1: For the period 10/12/95 through 10/14/05, the Rate Per Cent is 6.44%. For the period 10/15/05 through 10/14/25 the Rate Per Cent will be 7.38%.									
19	Note 2: For the period 12/15/95 through 12/14/05, the Rate Per Cent is 6.08%. For the period 12/15/05 through 12/15/25 the Rate Per Cent will be 6.90%.									
20	Note 3: These issues of bonds can be redeemed by the holder within a 30 day period at the end of ten years .									
21	Note 4: For the period 4/7/98 through 4/6/08, the Rate Per Cent is 6.34%. For the period 4/7/08 through 4/7/28 the Rate Per Cent will be 7.12%.									
22										
23										
24										
25										
26										
27										
					TOTALS	\$ 125,000,000	\$ 125,000,000	\$ 7,616,333	\$ 7,727,000	
	For issues of long-term debt made during current year state purpose for which issued, date of issue, Department authorization date and D.P.U. #.									

NOTES PAYABLE (Account 231)					
Report the particulars indicated concerning notes payable at end of year.					
Line No	Payee (a)	Date of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance End of Year (e)
1	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13				TOTAL	
PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)					
Report particulars of notes and accounts payable to associated companies at end of year.					
Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year		
			Rate (c)	Amount (d)	
14	Payable to intercompany Regulated Money Pool*	\$ 18,106,799		\$ 34,380	
15	Accounts Payable to Associated Companies:**				
16	KeySpan Corporation	\$ 11,020,302			
17	Boston Gas Company	7,811,330			
18	Other associated companies	2,988,427			
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38	TOTALS	\$ 39,926,857		\$ 34,380	

\* 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.

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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)**

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

Line No.	Item (a)	Amount (b)
1		
2		
3	Accrued Gain Sharing	\$ 343,589
4	Accrued Miscellaneous	2,549,661
5	Accrued Vacation	1,034,335
6	Accrued Payroll	149,464
7	Short Term Derivative Liability	6,964,364
8		
9		
10		
11		
12	TOTAL	11,041,413

**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	\$ -	408-409	\$ 306,377	\$ -	\$ (306,377)
14	Deferred Post Retirement Financial Account	34,970	926	278,631,815	278,673,643	76,798
15	Derivatives	1,655,588	186	2,927,223	2,864,009	1,592,374
16	Asset Retirement Obligation	2,437,077	-	1,320,940,848	1,320,680,020	2,176,248
17	Deferred Off System Sales Profit	9,548,758	495	29,384,950	33,095,512	13,259,319
18	Gain on Property Sale	24,776	495	24,776	-	-
19	Miscellaneous Deferred Debits	-		566,886	187,809	(379,077)
20	Capital Tracker	2,142,297		2,142,297		-
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	\$ 15,843,465		\$ 1,634,925,172	\$ 1,635,500,992	\$ 16,419,285

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<b>RESERVE FOR DEPRECIATION OF UTILITY PLANT IN SERVICE (Account 254)</b>				
Show below the amount credited during the year to Depreciation Reserve, and the amount charged to Depreciation Reserve on account of property retired. Also the balance in the account at the end of the year.				
Line No.	(a)	Electric (b)	Gas (c)	Total (d)
1	Balance at beginning of year		305,762,623	305,762,623
2	Credits to Depreciation Reserve during year:			
3	Account 403 Depreciation		26,175,554	26,175,554
4	Other Accounts (Rental Equipment)			
5				
6	TOTAL CREDITS DURING YEAR		26,175,554	26,175,554
7	Net Charges for Plant Retired:			
8	Book Cost of Plant Retired		13,931,182	13,931,182
9	Cost of Removal		4,238,649	4,238,649
10	Salvage (Credit)			
11	Transfer/Reclass			
12	ARO Entries Journalled into the Account			
13	NET CHARGES DURING YEAR		18,169,831	18,169,831
14	Balance December 31		313,768,346	313,768,346

<b>METHOD OF DETERMINATION OF DEPRECIATION CHARGES</b>		
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	26,175,554
16	The Composite Depreciation Rate as a Percentage of the Average Depreciable	3.10%
17	Depreciation taken for Federal Income Tax purposes	32,916,632
18		
19		
20		

<b>DIVIDENDS DECLARED DURING THE YEAR (Accounts 437, 438)</b>							
Give particulars of dividends declared on each class of stock during the year, and charged to Earned Surplus. This schedule shall include only dividends that have been declared by the Board of Directors during the fiscal year.							
Line No.	Name of Security on Which Dividend was Declared (a)	Rate Per Cent		Amount of Capital Stock on Which Dividend was Declared (d)	Amount of Dividend (e)	Date	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
21	<b>NONE</b>						
22							
23							
24							
25							
26							
27							
28							
29							
30		TOTALS	0.00			0.00	
Dividend rates on Common Stock and Premium					0.00		
Dividend rates on Common Stock, Premium and Surplus					0.00		

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

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

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

Line No.	Name of Reserve (a)	Bal. Beg. of Year (b)	Credits (c)	Debits (d)	Contra Acct Debited or Credited (e)	Amount (f)
1	Account 262:					
2						
3	Workers Compensation Reserve	\$ 114,603	\$ 93,514	\$ 125,561	925, 131, 253	\$ 82,556
4	Injuries&Damages Reserve (includes Gen, Auto and OCIP)	265,000	601,239	171,239	131	695,000
5	Incurred but not reported (IBNR)	4,469,689	707,447	-	925	5,177,136
6						
7						
8	Account 263:					
9						
10	Pensions	32,308,135	12,802,826	4,130,347	926, 131	40,980,614
11	Other Post Employment Benefits Reserve	8,769,937	360,015	3,529,086	926, 131	5,600,866
12						
13						
14						
15						
16	Account 265:					
17	Environmental Reserve	7,132,771	548,608	536,313	926, 131	7,145,066
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	<b>TOTALS</b>	<b>\$ 53,060,135</b>	<b>\$ 15,113,649</b>	<b>\$ 8,492,546</b>		<b>\$ 59,681,238</b>

<b>RESERVES FOR DEFERRED FEDERAL INCOME TAXES (Accounts 267, 268)</b>					
1. Report the information called for below concerning the respondent's accounting for deferred federal income taxes.		(b) Liberalized Depreciation - - State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated useful lives and classes of plant to which each method is being applied. Furnish a table showing for each year, 1954 to date of this report, the annual amounts of tax deferral, the total debits thereto which have been accounted for as credits to Acct. 411, Federal Income Taxes Deferred in Prior Years - - Credit or comparable account of the previous system of accounts.			
2. In the space provided furnish significant explanations, including the following:					
(a) Accelerated Amortization - - State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax amounts.					
Line No.	Account Subdivisions (a)	Balance Beginning of Year (b)	Changes During Year		Balance End of Year (e)
			Amts. Debited Account 410 (1) (c)	Amts. Credited Account 411 (2) (d)	
1	Accelerated Amortization	\$ -	\$ -	\$ -	\$ -
2	(Account 267)				
3	Electric				
4	Gas				
5	Other (Specify)				
6	Totals	-	-	-	-
7					
8	Liberalized Depreciation				
9	(Account 268)				
10	Electric				
11	Gas	203,655,991	7,488,269		211,144,260
12	Trueup and Other				
13	Totals	203,655,991	7,488,269	-	211,144,260
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	203,655,991	7,488,269		211,144,260
18	Trueup and Other				
19	Totals	\$ 203,655,991	\$ 7,488,269	\$ -	\$ 211,144,260
20					
21	(1) Account 410, Provision for Deferred Federal Income Taxes				
22	(2) Account 411, Federal Income Taxes Deferred in Prior Years - - Credit				

<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (Account 271)</b>						
Report below the amount of contributions in aid of construction applicable to each utility department.						
Line No.	Class of Utility Service (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
23	CONTRIB-AID OF CONSTRUCTION	\$ -	\$ -	\$ -	\$ -	\$ -
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -

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Line No	Account (a)	Operating Revenues					DTH							
		Amount for Year (b)	Prior Year	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Prior Year	Increase or (Decrease) from Preceding Year (e)	Number for Year (f)	Prior Year	Increase or (Decrease) from Preceding Year (g)				
1	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.													
4	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.													
5	Classification of Commercial and Industrial Sales, Acc. 481, according to Small (or Commercial) and Large (or Industrial) may be according to the basis of classification regularly used by the respondent.													
6	Unmetered sales should be included below. The details of such sales should be given in a footnote.													
7														
8														
9														
10														
11														
12														
13														
14														
15														
16														
17														
18														
19														
20														
21														
22														
23														
	<b>SALES OF GAS</b>													
	480 Residential Sales	\$186,407,443	\$212,475,389	(\$26,067,946)	15,450,038	15,519,521	(69,483)	185,056	184,067	989				
	481 Commercial and Industrial Sales:													
	Small (or Commercial) see instr. 5	\$34,739,718	\$41,887,686	(\$7,147,967)	4,329,688	4,343,949	(14,262)	16,487	16,551	(64)				
	Large (or Industrial) see instr. 5	\$16,668,789	\$20,115,693	(\$3,446,904)	863,400	929,945	(66,544)	46	53	(7)				
	481 Other Sales to Public Authorities	\$15,576	\$18,753	(\$3,177)	1,326	1,332	(6)	-	-	-				
	481 Lost Margin	\$0	\$0	\$0	-	-	-	-	-	-				
	481 Quasi-Firm Sales	\$0	\$0	\$0	-	-	-	-	-	-				
	485 Miscellaneous Gas Sales	\$0	\$0	\$0	-	-	-	-	-	-				
	485 Total Sales to Ultimate Consumers	\$237,831,527	\$274,497,521	(\$36,665,994)	20,644,452	20,794,747	(150,295)	201,589	200,671	918				
	483 Sales for Resale	\$25,462,653	\$15,196,221	\$10,266,432	8,821,633	3,658,247	5,163,386	-	-	-				
	483 Total Sales of Gas	\$263,294,179	\$289,693,742	(\$26,399,563)	29,466,085	24,452,994	5,013,092	201,589	200,671	918				
	<b>OTHER OPERATING REVENUES</b>													
	487 Adjustments	\$0	\$0	\$0										
	488 Miscellaneous Service Revenues	\$90,475	\$80,600	\$9,875										
	489 Revenues from Trans. of Gas of Others	\$19,155,648	\$22,014,887	(\$2,859,239)										
	490 Sales of Products Extracted from Natural Gas	\$0	\$0	\$0										
	491 Rev. from Natural Gas Processed by Others	\$0	\$0	\$0										
	493 Rent from Gas Property	\$168,764	\$163,850	\$4,914										
	494 Interdepartmental Rents	\$0	\$0	\$0										
	495 Other Gas Revenues	(\$10,315,473)	(\$7,141,472)	(\$3,174,001)										
	Total Other Operating Revenues	\$9,099,415	\$15,117,865	(\$6,018,451)										
	Total Gas Operation Revenues	\$272,393,594	\$304,811,608	(\$32,418,014)										



## Annual Report of .....Colonial 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							
2	480	R-1 Residential No-Heat	177,736	\$ 3,287,512.37	\$18.4586	8,549	6,984
3	480	R-2 Residential SSI Non Heat	8,776	118,312	\$13.4811	251	233
4	480	R-31 Residential Heat	14,103,829	172,313,729	\$12.2175	167,037	169,436
5	480	R-32 Residential SSI Heat	1,159,697	10,687,889	\$9.2161	8,032	8,403
6	480	R-5 Residential -Non Heat			\$0.0000		
7	481	G-17 Unmetered Gas Lamps	1,326	15,576	\$11.7470	0	0
8	481	G-41 Commercial Low Load - Small	2,578,596	28,654,094	\$11.1123	13,568	13,916
9	481	G-42 Commercial Low Load - Medium	836,189	7,890,864	\$9.4367	264	277
10	481	G-43 Commercial Low Load - Large	424,632	3,538,488	\$8.3331	38	36
11	481	G-51 Commercial High Load - Small	699,272	6,085,625	\$8.7028	2,317	2,231
12	481	G-52 Commercial High Load - Medium	215,630	1,760,110	\$8.1626	63	63
13	481	G-53 Commercial High Load - Large	438,769	3,479,326	\$7.9298	11	10
14	481	Lost Margin			\$0.0000		
15	481	Interruptibles	0	0	\$0.0000	0	0
16	481						
17		G-27 CNG Fuel					
18		G-90 Special Contracts (Broker Sales)					
19	TOTAL SALES TO ULTIMATE						
20	CONSUMERS (Page 43 line 10)		20,644,452	\$ 237,831,526.56	11.5204	200,130	201,589

Annual Report of .....Colonial 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							
2							
3	489	Contract Firm Transportation					
4		G-41 Low-Load Firm Transp.	648,017	\$ 3,094,918.20	\$4.7760	1,441	1,455
5		G-42 Low-Load Firm Transp.	1,249,807	4,516,057	\$3.6134	335	332
6		G-43 Low-Load Firm Transp.	666,795	1,951,034	\$2.9260	63	66
7		G-31 Res Heating Transp	100,487	638,710	\$0.0000	0	0
8		G-46 Small Load Transp.	0	0	\$0.0000	0	0
9		G-47 Medium Load Transp.	0	0	\$0.0000	0	0
10		G-48 Large Load Transp.	0	0	\$0.0000	0	0
11		G-51 High-Load Firm Transp.	331,337	1,377,143	\$4.1563	467	480
12		G-52 High-Load Firm Transp.	441,124	1,490,567	\$3.3790	108	106
13		G-53 High-Load Firm Transp.	1,800,156	4,389,807	\$2.4386	57	54
14		G-56 Firm Small Load Transp.	0	0	\$0.0000	0	0
15		G-57 Firm Medium Load Transp.	0	0	\$0.0000	0	0
16		G-58 Firm Large Load Transp.	0	0	\$0.0000	0	0
17		G-61 Firm Small Load Transp.	0	0	\$0.0000	0	0
18		G-81 Low-Load Contract Transp.	0	63,348	\$0.0000	0	0
19		G-82 High-Load Contract Transp.	1,698,918	1,626,343	\$0.9573	11	11
20		R-1 Residential Non-Heat	609	7,720	\$12.6814	24	29
21		Interruptible	0	0	\$0.0000	0	0
22		Broker Fee	0	0	\$0.0000	0	0
23		R-5 Transport Res Seasonal					
24	<b>Total Revenues from Transportation</b>						
25	<b>of Gas for Others (Page 43, Line 16)</b>		6,937,249	\$ 19,155,648.48	2.7613	2,506	2,533
28							
29							
30							
31							
32							
33							
34							
35							
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42							
43							
44							
45							
46							
47							
48							
49	<b>Total Revenues from Transportation</b>						
50	<b>of Gas for Others (Page 43, Line 16)</b>		6,937,249	19,155,648	3	2,506	2,533

## Annual Report of .....Colonial 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	<b>PRODUCTION EXPENSE</b>			
2	<b>MANUFACTURED GAS PRODUCTION EXPENSES</b>			
3	<b>STEAM PRODUCTION</b>			
4	Operation:			
5	700 Operation supervision and engineering	-	-	-
6	701 Operation labor	-	-	-
7	702 Boiler fuel	-	-	-
8	703 Miscellaneous steam expenses	-	-	-
9	704 Steam transferred - - Cr	-	-	-
10	Total operation	-	-	-
11	Maintenance:			
12	705 Maintenance supervision and engineering	-	-	-
13	706 Maintenance of structures and improvements	-	-	-
14	707 Maintenance of boiler plant equipment	-	-	-
15	708 Maintenance of other steam production plant	-	-	-
16	Total maintenance	-	-	-
17	Total steam production	-	-	-
18	<b>MANUFACTURED GAS PRODUCTION</b>			
19	Operation:			
20	Production labor and expenses:			
21	711 Steam expenses	-	-	-
22	712 Other power expenses	-	-	-
23	715 Water gas generating expenses	-	-	-
24	716 Oil gas generating expenses	-	-	-
25	717 Liquefied petroleum gas expenses	1,158,571	959,385	199,186
26	718 Other process production expenses	-	-	-
27	Gas fuels:			
28	721 Water gas generator fuel	-	-	-
29	722 Fuel for oil gas	-	-	-
30	723 Fuel for liquefied petroleum gas process	-	-	-
31	724 Other gas fuels	-	-	-
32	Gas raw materials:			
33	726 Oil for water gas	-	-	-
34	727 Oil for oil gas	-	-	-
35	728 Liquefied petroleum gas	-	-	-
36	729 Raw materials for other gas processes	-	-	-
37	730 Residuals expenses	-	-	-
38	731 Residuals produced - - Cr	-	-	-
39	732 Purification expenses	-	-	-
40	733 Gas mixing expenses	-	-	-
41	734 Duplicate charges - - Cr	-	-	-
42	735 Miscellaneous production expenses	-	-	-
43	736 Rents	-	-	-
44	Total operation	1,158,571	959,385	199,186
45	Maintenance:			
46	740 Maintenance supervision and engineering	-	-	-
47	741 Maintenance of structures and improvements	-	-	-
48	742 Maintenance of production equipment	28,749	19,815	8,934
49	Total maintenance	28,749	19,815	8,934
50	Total manufactured gas production	\$ 1,187,320	\$ 979,200	\$ 208,120

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

<b>GAS OPERATION AND MAINTENANCE EXPENSES -- Continued</b>				
Line No.	Account (a)	Amount for Year (b)	Prior year amount	Increase/(Decrease) From Preceding Year (c)
1	<b>OTHER GAS SUPPLY EXPENSES</b>			
2	Operation:			
3	804 Natural gas city gate purchases	\$ 119,724,466	\$ 159,230,863	\$ (39,506,397)
4	805 Other gas purchases	-	-	-
5	808.10 Liquefied natural gas	12,103,957	16,947,785	(4,843,828)
6	808-20 Deferred cost of gas	(8,122,338)	(15,413,377)	7,291,039
7	812 Gas used for other utility operations -- Cr	-	-	-
8	813 Other gas supply expenses	-	-	-
9	814 Environmental Costs	-	(805)	805
10	815 Conservation & Load Management Expense	-	-	-
11				
12		123,706,085	160,764,466	(37,058,381)
13	Total production expenses	124,893,405	161,743,666	(36,850,261)
14	<b>LOCAL STORAGE EXPENSES</b>			
15	Operation:			
16	840 Operation supervision and engineering	-	-	-
17	841 Operation labor and expenses	983,977	144,392	839,585
18	842 Rents	-	-	-
19	Total operation	983,977	144,392	839,585
20	Maintenance:			
21	843-60 Maintenance supervision and engineering	-	-	-
22	844 Maintenance of structures and improvements	-	-	-
23	845 Maintenance of gas holders	-	-	-
24	846 Maintenance of other equipment	-	-	-
25	847 Maintenance Supervision and Engineering	-	-	-
26	849 Joint Expenses-Credit	(6,383,817)	(6,460,497)	76,680
27	Total maintenance	(6,383,817)	(6,460,497)	76,680
28	Total storage expenses	(5,399,840)	(6,316,105)	916,265
29	<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>			
30	Operation:			
31	850 Operation supervision and engineering	2,104,645	1,373,292	731,353
32	851 System control and load dispatching	-	-	-
33	852 Communication system expenses	-	-	-
34	853 Compressor station labor and expenses	-	-	-
35	855 Fuel and power for compressor stations	-	-	-
36	857 Measuring and regulating station expenses	340,308	264,306	76,002
37	858 Transmission and compression of gas by others	-	-	-
38	860 Transmission Rents	-	-	-
39	874 Mains and services expenses	2,229,010	2,874,403	(645,393)
40	878 Meter and house regulator expenses	2,641,258	1,774,645	866,613
41	879 Customer installations expenses	444,074	435,466	8,608
42	880 Other expenses	1,098,261	1,287,713	(189,452)
43	881 Rents	3,255	(396)	3,651
44	882 Transportation expense	-	-	-
45	Total operation	8,860,811	8,009,429	851,382
46	Maintenance:			
47	885 Maintenance supervision and engineering	501,971	411,987	89,984
48	886 Maintenance of structures and improvements	-	2,919	(2,919)
49	887 Maintenance of mains	2,319,577	2,564,221	(244,644)
50	888 Maintenance of compressor station equipment	-	-	-
51	889 Maintenance of measuring and regulating station equipment	304,994	388,951	(83,957)
52	892 Maintenance of services	4,837,547	5,757,885	(920,338)
53	893 Maintenance of meters and house regulators	2,137,274	1,773,508	363,766
54	894 Maintenance of other equipment	363,437	461,003	(97,566)
55	Total maintenance	10,464,800	11,360,474	(895,674)
56	Total transmission and distribution expenses	\$ 19,325,611	\$ 19,369,903	\$ (44,292)

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

<b>GAS OPERATION AND MAINTENANCE EXPENSES - - Continued</b>				
Line No.	Account (a)	Amount for Year (b)	Prior Year Amount	Increase/(Decrease) from Preceding Year (c)
<b>CUSTOMER ACCOUNTS EXPENSES</b>				
1	Operation:			
2	901 Supervision	\$ 147,302	\$ 64,920	\$ 82,382
3	902 Meter reading expenses	923,321	690,798	232,523
4	903 Customer records and collection expenses	3,114,573	2,482,822	631,751
5	904 Uncollectible accounts	5,072,764	5,511,736	(438,972)
6	905 Miscellaneous customer accounts expenses	22,884,016	21,050,009	1,834,007
7	Total customer accounts expenses	32,141,976	29,800,285	2,341,691
<b>SALES EXPENSES</b>				
8	Operation:			
9	911 Supervision	-	-	-
10	912 Demonstrating and selling expenses	361,012	621,952	(260,940)
11	913 Advertising expenses	861,940	43,051	818,889
12	916 Miscellaneous sales expenses	-	-	-
13	Total sales expenses	1,222,952	665,003	557,949
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>				
14	Operation:			
15	920 Administrative and general salaries	5,369,406	4,555,668	813,738
16	921 Office supplies and expenses	2,820,618	4,224,764	(1,404,146)
17	922 Administrative expenses transferred - - Cr	-	-	-
18	923 Outside services employed	2,082,759	3,299,418	(1,216,659)
19	924 Property Insurance	335,277	53,608	281,669
20	925 Injuries and damages	1,735,458	4,765,024	(3,029,566)
21	926 Employees pensions and benefits	10,094,519	10,395,020	(300,501)
22	927 Franchise Requirements	-	-	-
23	928 Regulatory commission expenses	380,449	417,215	(36,766)
24	929 Duplicate charges - - Cr	-	-	-
25	930 Miscellaneous general expenses	914,978	59,660	855,318
26	931 Rents	2,768,475	2,671,738	96,737
27	Total operation	26,501,939	30,442,115	(3,940,176)
28	Maintenance:			
29	932 Maintenance of general plant	4,284	3,930	354
30	Total administrative and general expenses	26,506,223	30,446,045	(3,939,822)
31	Total gas operation and maintenance expenses	\$ 198,690,327	\$ 235,708,797	\$ (37,018,470)
<b>SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
32	Steam production			
33	Manufactured gas production	\$ 1,158,571	\$ 28,749	\$ 1,187,320
34	Other gas supply expenses	123,706,085	-	123,706,085
35	Total production expenses	124,864,656	28,749	124,893,405
36	Local storage expenses	983,977	(6,383,817)	(5,399,840)
37	Transmission and distribution expenses	8,860,811	10,464,800	19,325,611
38	Customer accounts expenses	32,141,976	-	32,141,976
39	Sales expenses	1,222,952	-	1,222,952
40	Administrative and general expenses	26,501,939	4,284	26,506,223
41	Total gas operation and maint. expenses.	\$ 194,576,311	\$ 4,114,016	\$ 198,690,327
42	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			87.15%
43	Compute by dividing Revenues (Acct. 400) into the sum of Operation and			
44	Maintenance Expenses (P. 47, line 43 (d), Depreciation (Acct. 403) and			
45	Amortization (Acct. 407)			
46	Total salaries and wages of gas department for year, including amounts charged to			
47	operating expenses, construction and other accounts			\$ 20,642,965
48	Total number of employees of gas department at end of year, including administrative,			
49	operating, maintenance, construction and other employees - National Grid Massachusetts.			81

Annual Report of .....Colonial 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	8,821,633	2.89	25,462,653
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	TOTALS		8,821,633	2.89	25,462,653

**PURCHASED GAS (Accounts 804-806)**

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

**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 of .....Colonial 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) MCF 1,000 BTU	(d) Rate Per MCF	(e) Amount
1	<b>Algonquin Gas Transmission</b>	Metered at Everett,			
2		Weston, Waltham,			
3		Braintree, Norwood,			
4		Wellesley, Milton,			
5		Waltham Polaroid, Mansfield,			
6		Medford & Potter Street			
7	Transportation and Capacity Costs				5,176,822
8	Other Charges				-
9	<b>TOTAL ALGONQUIN</b>		-		5,176,822
10	<b>Tennessee Gas Pipeline</b>	Metered at Leominster,			
11		Clinton, Southbridge,			
12		Spencer, Lynn, Acton,			
13		Lynnfield, Arlington,			
14		Burlington, Lexington,			
15		Reading, Revere, West			
16		Peabody, Beverly/Salem,			
17		& Gloucester			
18					
19	Transportation and Capacity Costs				14,063,749
20	Other Charges				-
21	<b>TOTAL TENNESSEE</b>		-		14,063,749
22	<b>Texas Eastern</b>				
23	Transportation and Capacity Costs				6,853,099
24	Other Charges				-
25	<b>TOTAL TEXAS EASTERN</b>		-		6,853,099
26	<b>Canadian</b>				
27					
28	Commodity Cost		332,077	3.83	1,273,373
29	Transportation and Capacity Costs				-
30	Other Charges				-
31	<b>TOTAL CANADIAN</b>		332,077		1,273,373
32					
33	<b>Direct Purchases</b>				
34					
35	Commodity Cost		31,422,291	2.65	83,410,629
36	Transportation and Capacity Costs				2,375,998
37	Other Charges				-
38	<b>TOTAL DIRECT PURCHASES</b>		31,422,291		85,786,627
39					
40					
41					
42					
43					
44					

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) MCF 1,000 BTU	(d) Rate Per MCF	(e) Amount
1					
2	<b>Distrigas</b>	Metered at Everett			
3	Commodity Cost		-	-	-
4	Capacity Costs				-
5	<b>TOTAL DISTRIGAS</b>				-
6					
7					
8					
9					
10					
11	Total Commodity Cost		31,754,367	2.67	84,684,002
12	Total Transportation & Capacity Costs				28,469,668
13	Total Other Charges				-
14					
15	Unbilled Gas Cost				(5,343,846)
16	Total Purchased Gas Cost		<u>31,754,367</u>		107,809,824
17	Net Change in Holder Gas *				9,774,130
18	Deferred Cost of Gas 808-20,21,23,29				6,122,130
19	<b>Purchased Gas Expense</b>		31,754,367		123,706,085
					(0)
	<p>* Add (Decreases) / Deduct Increases in Holder Gas - Note: Column (e) of this line includes those inventory transactions necessary to reconcile "Purchased Gas Expense" to Gas Costs expensed as presented on Lines 3 through 6 on page 46.</p>				



Annual Report of ..... Colonial Gas Company ..... Year ended December 31, 2015

**TAXES CHARGED DURING YEAR**

1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.  
 2 Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts.  
 3 The aggregate of each kind of tax should be

listed under the appropriate heading of "Federal," "State," and "Local" in such manner that the total tax for each State and for all subdivisions can readily be ascertained.  
 4. The accounts to which the taxes charged were distributed should be shown in columns (c) to (h). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet account or subaccount.

5. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis for apportioning such tax.  
 6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (omit cents) (b)	Distribution of Taxes Charged (omit cents) (Show utility department where applicable and account charged)							
			Gas Acct. 107 &/or Accts. 300-398(c)	Gas (Acct.408,409) (d)	Surplus Acct. (e)	Future Use (Acct 105) (f)	Taxes included in O&M (g)	Gas Acct. 418 (h)	Gas Acct. 419 (i)	
1	Federal:									
2	Income	\$ (656,439)		\$ (656,439)						
3	Payroll	\$ 1,312,315		1,312,315						
4	Transportation/Fleet	\$ -		-						
5	Excise	\$ -		-						
6										
7	State:									
8	Income	\$ 1,810,360		1,810,360						
9	Use	\$ 22,867		22,867						
10	Sales and Use tax reserve adjustment	\$ 758,909		758,909						
11	Payroll	\$ 64,717		64,717						
12	Fuel									
13										
14	Local:									
15	Excise	\$ -		-						
16	Cities & Towns	\$ 7,152,729		7,152,729						
	<b>TOTALS</b>	<b>\$ 10,465,457</b>		<b>\$ 10,465,457</b>						

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

<b>OTHER UTILITY OPERATING INCOME (Account 414)</b>					
Report below the particulars called for in each column.					
Line No.	Property (a)	Amount of Investment (b)	Amount of Revenue (c)	Amount of Operating Expenses (d)	Gain or (Loss) from Operation (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15	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 of .....Colonial Gas Company.....Year ended December 31, 2015

<b>INCOME FROM MERCHANDISING, JOBBING AND CONTRACT WORK (Account 415)</b>					
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		<b>NONE</b>			
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	<b>TOTAL COSTS AND EXPENSES</b>				
35	Net Profit (or Loss)				

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

RECORD OF SENDOUT FOR THE YEAR IN DKTH							
Line							
No.	Item	Total	January	February	March	April	May
1	Gas Made						
2							
3							
4	Propane	-	-	-	-	-	-
5							
6	TOTAL	-	-	-	-	-	-
7							
8	Gas Purchased						
9	Natural	31,754,367	3,508,982	3,742,781	3,288,686	2,842,378	1,869,110
10	Other						
11	TOTAL	31,754,367	3,508,982	3,742,781	3,288,686	2,842,378	1,869,110
12	TOTAL MADE AND						
13	PURCHASED	31,754,367	3,508,982	3,742,781	3,288,686	2,842,378	1,869,110
14	Net Change in Holder						
15	Gas (1)	(9,462,470)	847,208	728,277	139,300	(1,204,083)	(1,123,444)
16	TOTAL SENDOUT	22,291,897	4,356,190	4,471,058	3,427,986	1,638,295	745,666
17	GAS TRANSPORTED	5,589,659	615,725	644,385	638,562	481,248	351,487
18	TOTAL THROUGHPUT	27,881,556	4,971,915	5,115,443	4,066,548	2,119,543	1,097,153
19							
20	Gas Sold *	20,216,770	3,259,888	4,121,654	3,879,725	2,263,015	1,159,950
21	Gas Used by Company	152,130	11,653	21,100	26,254	14,295	12,117
22	Gas transported *	6,937,249	680,182	738,049	790,839	651,768	433,350
23	Gas Accounted for	27,306,148	3,951,723	4,880,803	4,696,817	2,929,077	1,605,418
24	Gas Unaccounted for (2)	575,408	1,020,192	234,640	(630,270)	(809,534)	(508,265)
25	% Unaccounted						
26	for (0.00%) (2)	2.06%					
27							
28							
29	Sendout in 24 hours						
30	in DTH						
31	Maximum - DTH		226,774	235,737	180,016	119,907	64,081
32	Maximum - Date		1/7/2015	2/15/2015	3/5/2015	4/8/2015	5/1/2015
33	Minimum - DTH		92,960	136,130	82,901	42,285	23,315
34	Minimum - Date		1/4/2015	2/22/2015	3/26/2015	4/13/2015	5/24/2015
35							
36							
37							
38							
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

## RECORD OF SENDOUT FOR THE YEAR IN DTH

Line No.	June	July	August	September	October	November	December
1							
2							
3							
4	-	-	-	-	-	-	-
5							
6	-	-	-	-	-	-	-
7							
8							
9	1,403,148	2,006,842	2,191,297	2,200,886	3,205,507	3,089,376	2,405,373
10							
11	1,403,148	2,006,842	2,191,297	2,200,886	3,205,507	3,089,376	2,405,373
12							
13	1,403,148	2,006,842	2,191,297	2,200,886	3,205,507	3,089,376	2,405,373
14							
15	(681,814)	(1,325,491)	(1,515,154)	(1,581,002)	(2,030,405)	(1,323,980)	(391,881)
16	721,334	681,351	676,143	619,884	1,175,102	1,765,396	2,013,492
17	338,891	303,866	310,910	324,251	488,255	541,886	550,193
18	1,060,225	985,217	987,053	944,135	1,663,357	2,307,282	2,563,685
19							
20	652,616	488,647	472,867	424,812	561,064	1,082,600	1,849,932
21	10,601	9,364	8,705	9,865	8,797	9,245	10,135
22	406,618	468,370	480,784	514,204	483,299	600,289	689,497
23	1,069,835	966,381	962,357	948,880	1,053,161	1,692,133	2,549,564
24	(9,610)	18,836	24,696	(4,745)	610,196	615,149	14,121
25							
26							
27							
28							
29							
30							
31	55,015	38,863	37,782	41,646	97,053	130,005	138,683
32	6/1/2015	7/23/2015	8/31/2015	9/28/2015	10/18/2015	11/23/2015	12/29/2015
33	23,557	21,437	21,462	20,938	30,842	24,973	41,719
34	6/27/2015	7/4/2015	8/22/2015	9/19/2015	10/7/2015	11/6/2015	12/24/2015
35							
36							
37							
38							
39							
40							
41							
42							

Annual Report of .....Colonial 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) (A)
1	Propane Air:		
2	Lowell Division: High Pressure Mix	0	-
3			
4			
5	Liquefied Natural Gas:		
6	Lowell Division: Tewksbury, MA	4	80,000
7			
8			
9	Cape Cod Division: South Yarmouth, MA	4	40,800
10	Wareham, MA	4	4,300
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
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31			
32			
33			
34			
35			
36	<b>NOTE (A): Assumes 1,000 BTU per cubic foot.</b>		
37			
38			
39			
40		<b>Total</b>	<b>125,100</b>

Annual Report of .....Colonial 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	Location					
2	Lowell, MA					
3	School and Rock Sts.		PSIG			AT 212F
4						100C
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						

Line No. SCRUBBERS, CONDENSERS AND EXHAUSTERS. 24 HOUR CAPACITY (MCF)

Line No.		Kind of Gas	Total Capacity
26			
27			
28	Scrubbers		
29		NONE	
30			
31			
32			
33	Condensers		
34			
35			
36			
37			
38			
39	Exhausters		
40			
41			
42			
43			
44			
45			
46			
47			

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

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

<b>HOLDERS (Including Relief Holders). Indicate Relief Holders by the letters R.H.</b>							
	Location	Type of Tank	Dimensions		No. of Lifts	Number	Working Capacity
			Diam.	Height			
22							
23							
24							
25							
26							
27							
28							
29	NONE						
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							



**TRANSMISSION AND DISTRIBUTION MAINS**

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

Line No.	Diameter	Total Length in			Abandoned but not Removed	Total Length in
		Feet at Beginning of Year	Added During Year	Taken Up During Year		
<b><u>CAST IRON</u></b>						
1	3"	446	-	-	-	446
2	4"	322,867	-	-	6,003	316,864
3	6"	442,056	-	-	41,806	400,250
4	8"	18,738	-	-	1,595	17,143
5	10"	17,398	-	-	-	17,398
6	12"	64,690	-	-	-	64,690
7	14"	-	-	-	-	-
8	16"	9,863	-	-	-	9,863
9	18"	5,136	-	-	-	5,136
10	20"	3,742	-	-	-	3,742
11	24"	2,287	-	-	-	2,287
12						
13	<u>Subtotal</u>	<u>887,223</u>	-	-	<u>49,404</u>	<u>837,819</u>
<b><u>STEEL OR WROUGHT IRON</u></b>						
14	3/4"	-	-	-	-	-
15	1"	48,101	-	-	795	47,306
16	1-1/4"	9,702	-	-	-	9,702
17	1-1/2"	86,287	-	-	-	86,287
18	2"	4,205,407	-	-	205,326	4,000,081
19	3"	283,001	-	-	6,783	276,218
20	4"	1,513,824	34	-	61,170	1,452,688
21	5"	13,169	-	-	-	13,169
22	6"	591,782	608	-	24,868	567,522
23	8"	529,449	1,205	-	19,731	510,923
24	10"	145,749	2	-	-	145,751
25	12"	341,587	6,976	-	710	347,853
26	14"	887	-	-	-	887
27	16"	1,555	-	-	-	1,555
28	18"	-	5	-	-	5
29	20"	104	-	-	-	104
30	24"	722	-	-	-	722
31						
32	<u>Subtotal</u>	<u>7,771,326</u>	<u>8,830</u>	<u>0</u>	<u>319,383</u>	<u>7,460,773</u>
<b><u>PLASTIC</u></b>						
33	1/2"	38,855	-	-	-	38,855
34	5/8"	269	-	-	-	269
35	3/4"	10,278	-	-	-	10,278
36	1"	38,605	1,153	-	-	39,758
37	1-1/4"	31,320	-	-	-	31,320
38	1-1/2"	14,804	-	-	-	14,804
39	2"	8,188,731	392,618	-	9,469	8,571,880
40	3"	13,131	60	-	11	13,180
41	4"	2,007,086	115,380	-	1,256	2,121,210
42	6"	731,309	75,331	-	1,370	805,270
43	8"	263,357	31,490	-	-	294,847
44	10"	1,870	-	-	-	1,870
45	12"	709	6,761	-	-	7,470
46	20"	582	-	-	-	582
47						
	<u>Subtotal</u>	<u>11,340,906</u>	<u>622,793</u>	-	<u>12,106</u>	<u>11,951,593</u>
<b>Totals</b>		<b>19,999,455</b>	<b>631,623</b>	-	<b>380,893</b>	<b>20,250,185</b>
Normal Operating Pressure -- Mains and Lines -- Maximum.....60# PSI...Minimum.....7" W.C.....						
Normal Operating Pressure -- Services -- Maximum.....60# PSI...Minimum.....7" W.C.....						
		Miles Added	120		72 Miles Retired	

Annual Report of .....Colonial 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	Total Length in Feet at Beginning of Year	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
1	No category	2,347	7,447	-	-	9,794
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
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31						
32						
33						
34						
35						
36						
37						
38						
39	<b>GRAND TOTAL</b>	<b>20,001,802</b>	<b>639,070</b>	<b>0</b>	<b>380,893</b>	<b>20,259,979</b>
40	Normal Operating Pressure - Mains and Lines - Maximum 60 PSIG Minimum 4" W.C					
41	Normal Operating Pressure - Services - Maximum 60 PSIG Minimum 4" W.C.					
42						

Annual Report of .....Colonial Gas Company.....Year ended December 31, 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	295,695		261,677
2	Additions during year:			
3	Purchased			12,915
4	Installed	4,583		0
5	Associated with Plant acquired			
6	Total Additions	4,583		12,915
7	Reductions during year:			
8	Retirements	3,235		5,636
9	Associated with Plant sold	0		0
10	Total Reductions	3,235		5,636
11	Number at End of Year	297,043		268,956
12	In Stock			59,161
13	On Customers' Premises - - Inactive			4,087
14	On Customers' Premises - - Active			205,708
15	In Company Use			0
16	Number at End of Year			268,956
17	Number of Meters Tested by State Inspectors during Year			24,421

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

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

**RATE SCHEDULE INFORMATION**

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

Date Effective	M.D.T.E. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
May 1, 2013	6.3	Residential Non-Heating Rate R-1	1%	
Jan 0, 1900	7.3	Residential Assistance Non-Heating Rate R-2	1%	
Jan 0, 1900	8.3	Residential Heating Rate R-3	4%	
Jan 0, 1900	9.3	Residential Assistance Heating Rate R-4	4%	
Jan 0, 1900	10.3	Commercial/Industrial, Small - Low Load Factor Rate G-41	4%	
Jan 0, 1900	11.3	Commercial/Industrial, Medium - Low Load Factor Rate G-42	4%	
Jan 0, 1900	12.3	Commercial/Industrial, Large - Low Load Factor Rate G-43	3%	
Jan 0, 1900	13.3	Commercial/Industrial, Small - High Load Factor Rate G-51	4%	
Jan 0, 1900	14.3	Commercial/Industrial, Medium - High Load Factor Rate G-52	3%	
Jan 0, 1900	15.3	Commercial/Industrial, Large - High Load Factor Rate G-53	2%	
Total			3%	
Overall Average			3%	

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2015

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

1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referrals, legislation or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or refocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities; Account 426.4.

2. Advertising expenditures in this Account shall be classified according to subheadings, as follows:  
 (a) radio, television, and motion picture advertis-

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.

3. Expenditures within the definition of par. (1) other than advertising shall be reported according to captions or descriptions, clearly indicating the nature and purpose of the activity.

4. If respondent has not incurred any expenditures contemplated by the instruction of Acct. 426.4, so state.

5. For reporting years which begin during the calendar year 1963 only, minor amounts may be grouped by classes if the number of items so grouped is shown.

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

Line No.	Item (a)	Amount (b)
1		
2	Expenditures for Certain Civic, Political and Related Activities	\$ 19,406
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	TOTAL	\$ 19,406

Annual Report of .....Colonial 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		\$ 861,940
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
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26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42		TOTAL	\$ 861,940

**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		\$ 991,042
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Interest is accrued and paid pursuant to Provisions of	
16	22 C.M.R. 26.09 (DPU Order #999 - 09/23/82)	
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	<b>TOTAL</b>	\$ 991,042
41		

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*Partridge*

.....Vice President and Controller

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

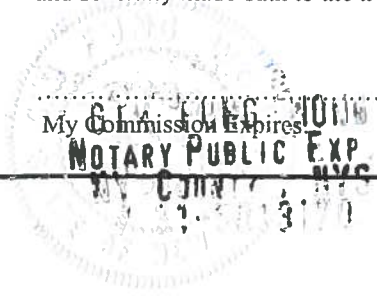
SIGNATURES OF PARTIES AFFIXED OUTSIDE THE COMMONWEALTH OF MASSACHUSETTS MUST BE PROPERLY SWORN TO

Kings, New York, ss

March 24, 2016

Then personally appeared.....*Sharon Partridge, Vice President and Controller*.....  
.....

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



*Shirley Woj*

.....Notary Public



THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*Marcy Reed*.....President

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

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

Kings, New York, ss

March 24, 2016

Then personally appeared... *Marcy Reed, president*.....

.....  
.....

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

GIM FUNG HONG  
NOTARY PUBLIC EXP. 7/15/13  
NY COUNTY OF HYS  
My Commission Expires:

*Gim Fung Hong*

.....Notary Public

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

Net Income Calculation.

1	Utility Operating Income DPU page 10, Line 18	\$ 18,510,045
2		
3	Less: Allocated Interest(See Below)	(9,998,356)
4		
5		
6	<b>Net Utility Income Available for Common Shareholders</b>	<b><u>\$ 8,511,689</u></b>

Calculation of Allocated Interest:

11		
12	Interest + Preferred Dividends - DPU page 10, Lines 39 and 48	<u>\$ 9,998,398</u>
13		
14	Utility Plant--DPU page 8, Line 2	\$ 891,377,970
15	Other Property & Investments - DPU page 8, Line 8	3,740
16	Total	<u>\$ 891,381,710</u>
17		
18	Utility % (% of Line 14 to Line 16)	<u>100.00%</u>
19		
20	Allocated Interest(Line 18 above times Line 12)	<u>\$ 9,998,356</u>

Total Utility Common Equity:

25		
26		
27	Proprietary Capital - DPU page 9,Line 13	\$ 389,096,849
28		
29	Less preferred DPU Page 9, Line 4	-
30		
31	Less: Unamortized Acquisition Premium	(117,944,017)
32		
33	Less: Goodwill DPU Page 17, Line 3a	(54,563,911)
34		
35	Long Term Debt - DPU Page 9, Line 18	125,000,000
36	Capitalization	<u>\$ 341,588,921</u>
37		
38		
39	50%/50% Capital Structure DPU 10-55	50%
40	Hypothetical Total Equity, December 31, 2015	<u>\$ 170,794,461</u>
41		
42		
43		
44		
45		
46		
47		
48	Ending Hypothetical Utility Common Equity Multiplied by Utility %	\$ 170,793,744
49		
50	Beginning Hypothetical Utility Common Equity Multiplied by Utility %	<u>164,268,630</u>
51		
52	Total	<u>\$ 335,062,374</u>
53		
54	<b>Average Hypothetical Common Equity</b>	<b><u>\$ 167,531,187</u></b>

55		
56		
57	<b>NET UTILITY INCOME DIVIDED BY AVERAGE HYPOTHETICAL EQUITY</b>	<b><u>5.08%</u></b>