

Commonwealth of Massachusetts
Department of Public Utilities

One South Street
Boston, MA 02110

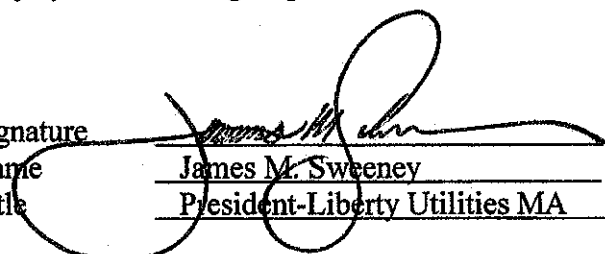
STATEMENT OF OPERATING REVENUES

YEAR 2015

Name of Company **LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS COMPANY) CORP**
D/B/A LIBERTY UTILITIES
Address 36 Fifth St.
Fall River, Ma 02721

		Location on Annual Return
Massachusetts Operating Revenues (Intrastate)	\$ <u>60,951,969</u>	<u>10</u>
Other Revenues (outside Massachusetts)	\$ _____	_____
Total Revenues	\$ _____	_____

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

Signature 
Name James M. Sweeney
Title President-Liberty Utilities MA

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

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

Name Vincent P. Duffy
Title Director of Regulatory Affairs
Address 36 Fifth St.
Fall River, MA 02721

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

LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS
COMPANY) CORP d/b/a LIBERTY UTILITIES

LOCATION OF PRINCIPAL BUSINESS OFFICE

45 North Main St.
Fall River, MA 02720

STATEMENT OF INCOME FOR THE YEAR

Item	Current Year	Increase or (Decrease) from Preceding Year
OPERATING INCOME	\$	\$
Operating Revenues	60,951,968.93	(19,454,590.09)
Operating Expenses:		
Operation Expense	40,838,615.10	(23,875,197.37)
Maintenance Expense	1,985,585.55	(286,718.33)
Depreciation Expense	5,619,928.67	771,972.21
Amortization of Utility Plant	-	-
Amortization of Property Losses (NOTE 1)	3,773,594.50	1,177,611.23
Amortization of Investment Tax Credit	-	-
Taxes Other Than Income Taxes	2,906,154.64	782,130.68
Income Taxes	(1,133,571.72)	(2,676,744.96)
Provision for Deferred Fed.Inc.Taxes	(2,858,320.60)	(2,858,320.60)
Fed. Inc. Taxes Def. in Prior Yrs.-Cr.	-	-
Total Operating Expenses	51,131,986.14	(26,965,267.14)
Net Operating Revenues	9,819,982.79	7,510,677.05
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	9,819,982.79	7,510,677.05
OTHER INCOME		
Income from Mdse. Job. & Contract Work	-	-
Income from Nonutility Operations	-	-
Nonoperating Rental Income	-	-
Interest and Dividend Income	177,044.05	177,044.05
Miscellaneous Nonoperating Income	634.25	64.50
Total Other Income	177,678.30	177,108.55
Total Income	9,997,661.09	7,687,785.60
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	(1,137,504.00)	(1.00)
Other Income Deductions	37,035.85	(34,330.38)
Total Income Deductions	(1,100,468.15)	(34,331.38)
Income Before Interest Charges	11,098,129.24	7,722,116.98
INTEREST CHARGES		
Interest on Long-Term Debt	1,607,299.92	(1.00)
Amortization of Debt Disc. & Expense	-	-
Amortization of Prem. on Debt - Credit	-	-
Int. on Debt to Associated Companies	860,751.12	311,220.00
Other Interest Expense	(459,495.84)	616,890.12
Interest Charged to Construction - Credit	-	-
Total Interest Charges	2,008,555.20	928,109.12
Net Income	9,089,574.04	6,794,007.86

NOTE 1: The amount on this line item does not represent Property Loss Amortization but rather is an expense amount corresponding to the amount of ERAC recovery that is included in Operating Revenue. As a result, the net impact of ERAC recoveries in the "Total Utility Operating Income" line item is \$0.00.

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

LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS

LOCATION OF PRINCIPAL BUSINESS OFFICE

COMPANY) CORP d/b/a LIBERTY UTILITIES

45 North Main St.

Fall River, MA 02720

BALANCE SHEET

Title of Account	Balance End of Year	Title of Account	Balance End of Year
UTILITY PLANT	\$	PROPRIETARY CAPITAL	\$
Utility Plant	168,712,770.56	CAPITAL STOCK	
OTHER PROPERTY AND INVESTMENTS		Common Stock Issued	-
Nonutility Property	15,616.33	Preferred Stock Issued	-
Investment in Associated Companies	-	Capital Stock Subscribed	-
Other Investments	-	Premium on Capital Stock	-
Special Funds	-	Total	-
Total Other Property and Investments	15,616.33	SURPLUS	
CURRENT AND ACCRUED ASSETS		Other Paid-in Capital	41,105,664.00
Cash	(537,096.27)	Earned Surplus	12,292,181.29
Special Deposits	-	OCI - Pension & FAS 87	(12,304,323.16)
Working Funds	-	Surplus Invested In Plant	5,558,766.59
Temporary Cash Investments	557,558.10	Total	46,652,308.72
Notes and Accounts Receivable	8,523,512.91	Total Proprietary Capital	46,652,308.72
Receivables from Assoc. Companies	11,220,300.30	LONG-TERM DEBT	
Materials and Supplies	2,898,768.02	Bonds	19,500,000.00
Prepayments	254,367.54	Advances from Associated Companies	14,199,032.00
Interest and Dividends Receivable	-	Other Long-Term Debt	-
Rents Receivable - Gas Costs	-	Total Long-Term Debt	33,699,032.00
Accrued Utility Revenues	(5,601,502.35)	CURRENT AND ACCRUED LIABILITIES	
Misc. Current and Accrued Assets	-	Notes Payable	-
Total Current and Accrued Assets	17,315,908.25	Accounts Payable	3,582,905.06
DEFERRED DEBITS		Payables to Associated Companies	7,600,000.00
Unamortized Debt Discount and Expense	-	Customer Deposits	285,494.67
Extraordinary Property Losses	-	Taxes Accrued	-
Preliminary Survey and Investigation Charges	-	Interest Accrued	411,329.22
Clearing Accounts	7,393.82	Dividends Declared	-
Temporary Facilities	-	Matured Long-Term Debt	-
Miscellaneous Deferred Debits	57,699,815.15	Matured Interest	-
Total Deferred Debits	57,707,208.77	Tax Collections Payable	20,916.09
CAPITAL STOCK DISCOUNT AND EXPENSE		Misc. Current and Accrued Liabilities	8,437,396.57
Discount on Capital Stock	-	Total Current and Accrued Liabilities	20,318,041.61
Capital Stock Expense	-	DEFERRED CREDITS	
Total Capital Stock Discount and Expense	-	Unamortized Premium on Debt	-
REACQUIRED SECURITIES		Customer Advances for Construction	-
Reacquired Capital Stock	-	Other Deferred Credits	69,988,229.04
Reacquired Bonds	-	Total Deferred Credits	69,988,229.04
Total Reacquired Securities	-	RESERVES	
Total Assets and Other Debits	243,751,503.91	Reserves for Depreciation	66,943,745.06
		Reserves for Amortization	-
		Reserve for Uncollectible Accounts	507,527.01
		Operating Reserves	335,451.00
		Reserve for Depreciation and Amortization of	-
		Nonutility Property	-
		Reserves for Deferred Federal Income	(914,512.44)
		Taxes	-
		Total Reserves	66,872,210.63
		CONTRIBUTIONS IN AID OF CONSTRUCTION	
		Contributions in Aid of Construction	6,221,681.91
		Total Liabilities and Other Credits	243,751,503.91

NOTES:

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 LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS COMPANY) CORP d/b/a LIBERTY UTILITIES
LOCATION OF PRINCIPAL BUSINESS OFFICE 45 North Main St.
 Fall River, MA 02720

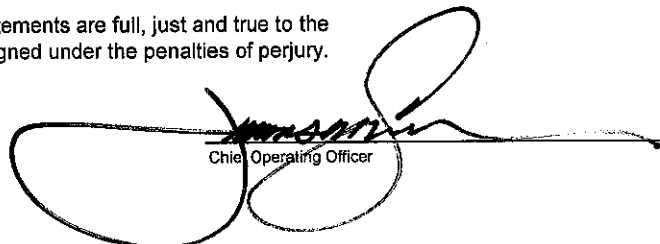
GAS OPERATING REVENUES

Account	Operating Revenues	
	Amount for Year	Increase (Decrease) from Preceding Year
SALES OF GAS	\$	\$
Residential Sales	38,363,440	(16,909,551)
Commercial and Industrial Sales	-	-
Small (or Commercial)	15,323,293	(425,595)
Large (or Industrial)	860,158	(248,410)
Other Sales to Public Authorities	-	-
Interdepartmental Sales	-	-
Miscellaneous Gas Sales	-	-
Total Sales to Ultimate Consumers	54,546,892	(17,583,557)
Sales for Resale	1,114,508	(383,078)
Total Sales of Gas	55,661,400	(17,966,636)
OTHER OPERATING REVENUES		
Supplier Sales	-	-
Unbilled Revenue	(354,938)	168,546
Miscellaneous Service Revenues	-	-
Revenues from Transportation of Gas of Others	5,628,842	(1,667,781)
Sales of Products Extracted from Natural Gas	-	-
Revenues from Natural Gas Processed by Others	-	-
Rent from Gas Property	-	-
Interdepartmental Rents	-	-
Other Gas Revenues	12,000	12,000
Total Other Operating Revenues	5,285,904	(1,487,235)
Total Gas Operating Revenues	60,947,304	(19,453,871)

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Steam Production	-	-	\$ -
Manufactured Gas Production	1,249,172	254,812	1,503,984
Other Gas Supply Expenses	18,938,285	-	18,938,285
Total Production Expenses	20,187,457	254,812	20,442,269
Local Storage Expenses	-	-	-
Transmission and Distribution Expenses	4,064,339	1,730,774	5,795,113
Customer Accounts Expenses	4,427,240	-	4,427,240
Sales Expenses	212,226	-	212,226
Administrative and General Expenses	11,947,352	-	11,947,352
Total Gas Operation and Maintenance Expenses	40,838,615	1,985,586	42,824,201

March 31, 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.


 Chief Operating Officer

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	LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS COMPANY) CORP d/b/a LIBERTY UTILITIES
LOCATION OF PRINCIPAL BUSINESS OFFICE	45 North Main St. Fall River, MA 02720

STATEMENT OF EARNED SURPLUS

	Amount for Year	Increase (Decrease) from Preceding Year
Unappropriated Earned Surplus (at beginning of period)	\$ 3,202,607	\$ 2,295,566
Balance Transferred from Income	9,089,574	6,794,008
Miscellaneous Credit to Surplus	-	-
Zero out Investment in Subsidiary	-	-
Net Additions to Earned Surplus	9,089,574	6,794,008
Dividends Declared - Preferred Stock	-	-
Dividends Declared - Common Stock	-	-
Unappropriated Earned Surplus (at end of period)	12,292,181	9,089,574

ELECTRIC OPERATING REVENUES

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

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Power Production Expenses	\$	\$	\$
Electric Generation:		N/A	
Steam Power			
Nuclear 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			

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

GENERAL INFORMATION PRINCIPAL AND SALARIED OFFICERS			
Titles	Names	Addresses	Annual Salaries
CEO, Algonquin Power & Utilities	Ian Robertson *	2845 Bristol Cir., Oakville, ON L6H 7H7	\$ 51,833
CFO, Algonquin Power & Utilities	David Bronicheski *	2845 Bristol Cir., Oakville, ON L6H 7H7	\$ 22,096
President, Liberty Utilities MA	James M. Sweeney	36 Fifth Street, Fall River, MA 02725	\$ 201,462

*Note: Robertson and Bronicheski salaries have been converted to U.S. dollars based on the average exchange rate of 1.2786 US - Canada.

Directors*

Names	Addresses	Fees Paid During Year
Ian Robertson	2845 Bristol Cir., Oakville, ON L6H 7H7	No fees paid
Gregory Sorensen	9750 Washburn Road, Downey, CA 90241	No fees paid
Richard Leehr	28 South Shore Road, Salem, NH 03079	No fees paid

RECEIVED
Rates and Revenue Division
APR -7 2016
Commonwealth of Massachusetts
Department of Public Utilities

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

GENERAL INFORMATION - Continued

1. Corporate name of company making this report.

Liberty Utilities (New England Natural Gas Company) Corp, dba Liberty Utilities

2. Date of organization. *See Item 3*

3. Date of incorporation. *12/13/2013*

4. Give location (including street and number) of principal business office:

36th Fifth Street, Fall River MA, 02721

5. Total number of stockholders. 1

6. Number of stockholders in Massachusetts. 0

7. Amount of stock held in Massachusetts, 0 No. of shares, 0

8. Capital stock issued prior to June 5, 1894: N/A No. of shares 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, N/A No. of shares, N/A

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 of any part of the issue was sold at auction, the date of dates of such sale or sales, the number of shares sold and the amounts realized therefrom.

N/A

11. Management Fees and Expenses during the Year.

List all individuals, corporations or concerns with whom the company has any contact 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.

See Page 5-A.

Liberty Utilities (New England Natural Gas Company) Corp
Page 5, Question 11: Management Fees and Expenses during the Year
FOR THE YEAR ENDED DECEMBER 31, 2015

Following is a list of all individuals, corporations or concerns with whom the company has any contract or agreement covering the management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc.

Corporate Charges and Allocations

	Direct Charges and Job Bill Amounts	Allocated Amounts	Total
Algonquin Power and Utilities Corp (APUC)	119,109	486,843	605,952
Liberty Utilities (Canada) Corp (LUC)	172,146	1,015,256	1,187,402
Liberty Utilities Services Corp (LUSC)	297,764	807,994	1,105,758
Total Allocated and Directly Charged Costs from Corporate Entities	589,019	2,310,093	2,899,112
Less Amount Capitalized through Construction Overhead	(80,067)	(483,542)	(563,610)
Net Corporate Expenses	508,951	1,826,551	2,335,502

Charges and Allocations from Other Affiliates

Liberty Utilities New Hampshire	269,516
---------------------------------	---------

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 Electric property:

NONE

In Gas property:

During the period from January 1 through December 31, 2015, the Company installed 53,902 ft of new mains and retired 48,190 ft of bare steel and cast iron mains. The Company installed 933 new Service Lines and retired 543 old bare steel Service Lines.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

GENERAL INFORMATION - Continued			
Names of the cities or towns in which the company supplies ELECTRICITY, with the number of customers' meters in each place.		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, Dec.31,2014	City or Town	Number of Customers' Meters, Dec.31,2015
		Attleboro	8
		Dartmouth	87
		Fall River	34,390
		Freetown	1
		Somerset	6,363
		Swansea	4,946
		Westport	4,049
		No Attleboro	4,195
		Plainville	1,257
TOTAL	0	TOTAL	55,288

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

COMPARATIVE BALANCE SHEET Assets and Other Debits				
Line No.	Title of Account (a)	Balance Beg of 2015 (b.)	Balance End of 2015 (c)	Increase or (Decrease) (d)
1	UTILITY PLANT	\$	\$	\$
2	Utility Plant (101-107) P.13.....	157,587,331	168,712,771	11,125,439
3	OTHER PROPERTY AND INVESTMENTS			
4	Nonutility Property (121) P.19.....	15,616	15,616	-
5	Investments in Associated Companies (123) P.20.....	-	-	-
6	Other Investments (124) P.20.....	-	-	-
7	Special Funds (125,126,127,128) P.21.....	-	-	-
8	Total Other Property and Investments.....	15,616	15,616	-
9	CURRENT AND ACCRUED ASSETS			
10	Cash (131).....	(457,184)	(537,096)	(79,912)
11	Special Deposits (132,133,134) P.21.....	-	-	-
12	Working Funds (135).....	-	-	-
13	Temporary Cash Investments (136) P.20.....	557,365	557,558	193
14	Notes and Accounts Receivable (141,142,143) P.22.....	10,232,826	8,523,513	(1,709,313)
15	Receivables from Assoc. Companies (145,146) P.23 (NOTE 1).....	-	11,220,300	11,220,300
16	Material and Supplies (151-159,163,164) P.24.....	3,339,392	2,898,768	(440,624)
17	Prepayments (165).....	-	254,368	254,368
18	Interest and Dividends Receivable (171).....	-	-	-
19	Rent Receivable (172).....	-	-	-
20	Accrued Utility Revenues (173,175) (NOTE 2).....	(283,124)	(5,601,502)	(5,318,378)
21	Misc. Current and Accrued Assets (174).....	-	-	-
22	Total Current and Accrued Assets.....	13,389,276	17,315,908	3,926,633
23	DEFERRED DEBITS			
24	Unamortized Debit Discount and Expense (181) P.26.....	-	-	-
25	Extraordinary Property Losses (182) P.27.....	-	-	-
26	Preliminary Survey and Investigation Charges (183).....	-	-	-
27	Clearing Accounts (184).....	974,699	7,394	(967,305)
28	Temporary Facilities (185).....	-	-	-
29	Miscellaneous Deferred Debits (186) P.27 (NOTE 2).....	67,776,737	57,699,815	(10,076,922)
30	Matured Interest (240).....	-	-	-
31	Total Deferred Debits.....	68,751,436	57,707,209	(11,044,228)
32	CAPITAL STOCK DISCOUNT AND EXPENSE			
33	Discount on Capital Stock (191) P.28.....	-	-	-
34	Capital Stock Expense (192) P.28.....	-	-	-
35	Total Capital Stock Discount and Expense.....	-	-	-
36	REACQUIRED SECURITIES			
37	Reacquired Capital Stock (196).....	-	-	-
38	Reacquired Bonds (197).....	-	-	-
39	Total Reacquired Securities.....	-	-	-
40	Total Assets and Other Debits.....	239,743,660	243,751,504	4,007,844
<p>NOTE 1: Intercompany payable/receivables are presented on a net basis. At 12/31/2014, balance was net credit - see page 9. At 12/31/2015 balance is a net debit.</p> <p>NOTE 2: The Deferred Gas Cost acct at 12/31/14 was an \$8.5 debit that was grouped on the Deferred Debits line. The decrease in that line is largely due to reclassifying that balance to the Accrued Utilities account. The 12/31/15 bal of Deferred Gas Cost is a \$8.1 credit which accounts for most of the change in the Accrued Utilities line above. The sum of the change in the Accrued Utilities Revenue and the Misc Deferred Debits line is largely due to the swing in the balance of Deferred Gas Cost from an \$8.5 debit to an \$8.1 million credit.</p>				

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

COMPARATIVE BALANCE SHEET Liabilities and Other Credits				
Line No.	Title of Account (a)	Balance Beg of 2015 (b)	Balance End of 2015 (c)	Increase or (Decrease) (d)
		\$	\$	\$
1	PROPRIETARY CAPITAL			
2	CAPITAL STOCK			
3	Common Stock Issued (201) P.29.....	-	-	-
4	Preferred Stock Issued (204) P.29.....	-	-	-
5	Capital Stock Subscribed (202,205).....	-	-	-
6	Premium on Capital Stock (207) P.29.....	-	-	-
7	Total.....	-	-	-
8	SURPLUS			
9	Other Paid-In Capital (208-211) P. 30.....	41,105,664	41,105,664.00	-
10	Earned Surplus (215,216) P. 12.....	3,202,607	12,292,181.29	9,089,574
10A	OCI - Pension and FAS 87	(16,686,939)	(12,304,323.16)	4,382,616
11	Surplus Invested In Plant (217).(SEE NOTE 1).....	5,492,561	5,558,786.59	66,226
12	Total.....	33,113,893	46,652,308.72	13,538,416
13	Total Proprietary Capital.....	33,113,893	46,652,308.72	13,538,416
14	LONG TERM DEBT			
15	Bonds (221) P.31.....	19,500,000	19,500,000.00	-
16	Advances from Assoc. Companies (223) P.31.....	14,199,032	14,199,032.00	-
17	Other Long-Term Debt (224) P.31.....	-	-	-
18	Total Long-Term Debt.....	33,699,032	33,699,032.00	-
19	CURRENT AND ACCRUED LIABILITIES			
20	Notes Payable (231) P.32.....	-	-	-
21	Accounts Payable (232).....	4,523,660	3,582,905.06	(940,755)
22	Payables to Associated Companies (233,234) P.32.(see NOTE 2).....	10,812,981	7,600,000.00	(3,212,981)
23	Customer Deposits (235).....	513,154	265,494.67	(247,660)
24	Taxes Accrued (236).....	259,143	-	(259,143)
25	Interest Accrued (237).....	411,329	411,329.22	(0)
26	Dividends Declared (238).....	-	-	-
27	Matured Long-Term Debt(239).....	-	-	-
28	Matured Interest (240).....	-	-	-
29	Tax Collections Payable (241).....	69,670	20,916.09	(48,754)
30	Misc. Current and Accrued Liabilities (242) P.33.....	14,812,084	8,437,396.57	(6,374,687)
31	Total Current and Accrued Liabilities.....	31,402,022	20,318,041.61	(11,083,980)
32	DEFERRED CREDITS			
33	Unamortized Premium on Debt (251) P.26.....	-	-	-
34	Customer Advances for Construction (252).....	-	-	-
35	Other Deferred Credits (253) P.33.....	72,632,581	69,988,229.04	(2,644,352)
36	Total Deferred Credits.....	72,632,581	69,988,229.04	(2,644,352)
37	RESERVES			
38	Reserves for Depreciation (254-256) P.34.....	63,094,450	66,943,745.06	3,849,295
39	Reserves for Amortization (257-259) P.34.....	-	-	-
40	Reserve for Uncollectible Accounts (260).....	147,355	507,527.01	360,172
41	Operating Reserves (261-265) P.35.....	335,452	335,451.00	(1)
42	Reserve for Depreciation and Amortization of Nonutility Property (266).....	-	-	-
43	Reserves for Deferred Federal Income Taxes (268)...P.36.....	-	(914,512.44)	(914,512)
44	Total Reserves.....	63,577,257	66,872,210.63	3,294,954
45	CONTRIBUTIONS IN AID OF CONSTRUCTION			
46	Contributions in Aid of Construction (271) P. 36B.....	5,318,875	6,221,681.91	902,807
47	Total Liabilities and Other Credits.....	239,743,660	243,751,503.91	4,007,844

NOTE 1: Amount in Account 217 is equal to negative Acquisition Adjustment required to be reflected in this account per DPU 13-07

NOTE 2: Intercompany payable/receivables are presented on a net basis. At 12/31/2014, balance was net credit. At 12/31/2015 balance is a net debit - see page 8.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

STATEMENT OF INCOME FOR THE YEAR			
Line No.	Account (a)	Amount for Year (b)	Increase or (Decrease) from Preceding Year (c)
		\$	\$
1	OPERATING INCOME		
2	Operating Revenues (400) P.37,43.....	60,951,969	(19,454,590)
3	Operating Expenses:		
4	Operation Expense (401) P.42,47.....	40,838,615	(23,875,197)
5	Maintenance Expense (402) P.42,47.....	1,985,586	(286,718)
6	Depreciation Expense (403) P.34.....	5,619,929	771,972
7	Amortization of Utility Plant (404 and 405).....	-	-
8	Amortization of Property Losses (407.1) (Note 1) ...	3,773,595	1,177,611
9	Amortization of Investment Tax Credit (406).....	-	-
10	Taxes Other Than Income Taxes (408) P.49.....	2,906,155	782,131
11	Income Taxes (409) P.49.....	(1,133,572)	(2,676,745)
12	Provision for Deferred Fed. Inc. Taxes (410) P.36.....	(2,858,321)	(2,858,321)
13	Fed. Inc. Taxes Def. in Prior Yrs.-Cr. (411) P.36.....	-	-
14	Total Operating Expenses.....	51,131,986	(26,965,267)
15	Net Operating Revenues.....	9,819,983	7,510,677
16	Income from Utility Plant Leased to Others (412)-Net.....	-	-
17	Other Utility Operating Income (414) P.50.....	-	-
18	Total Utility Operating Income.....	9,819,983	7,510,677
19	OTHER INCOME		
20	Income from Mdse. Job & Contract Work (415) P.51.....	-	-
21	Income from Nonutility Operations (417).....	-	-
22	Nonoperating Rental Income (418).....	-	-
23	Interest and Dividend Income (419).....	177,044	177,044
24	Miscellaneous Nonoperating Income (421).....	634	65
25	Total Other Income.....	177,678	177,109
26	Total Income.....	9,997,661	7,687,786
27	MISCELLANEOUS INCOME DEDUCTIONS		
28	Miscellaneous Amortization (425).....	(1,137,504)	(1)
29	Other Income Deductions (426).....	37,036	(34,330)
30	Total Income Deductions.....	(1,100,468)	(34,331)
31	Income Before Interest Charges.....	11,098,129	7,722,117
32	INTEREST CHARGES		
33	Interest on Long-Term Debt (427) P.31.....	1,607,300	(1)
34	Amortization of Debt Disc. & Expense (428) P.26.....	-	-
35	Amortization of Prem. on Debt-Credit (429) P.26.....	-	-
36	Int. on Debt to Associated Companies (430) P.31,32.....	860,751	311,220
37	Other Interest Expense (431).....	(459,496)	616,890
38	Interest Charged to Construction-Credit (432).....	-	-
39	Total Interest Charges.....	2,008,555	928,109
40	Net Income (Note 2).....	9,089,574	6,794,008
41	EARNED SURPLUS		
42	Unappropriated Earned Surplus (at beginning of period) (2).....	3,202,607	2,295,566
43	Balance Transferred from Income (433).....	9,089,574	6,794,008
44	Miscellaneous Credits to Surplus (434).....	-	-
45	Misc Debits to Surplus (435).....	-	-
46	Appropriations of Surplus (436).....	-	-
47	Net Additions of Earned Surplus.....	9,089,574	6,794,008
48	Dividends Declared-Preferred Stock (437).....	-	-
49	Dividends Declared-Common Stock (438).....	-	-
51	Unappropriated Earned Surplus (at end of period) (21).....	12,292,181	9,089,574

Note 1: Amount is equal to LDAC ERAC recoveries. Rather than crediting account 175 directly for the revenue billed ratepayers through the LDAC pertaining to recovery of ERAC expenditures, the Company is leaving the revenue in the revenue accounts and recording an entry to debit expense account 407.4 - Amortization of Reg. Assets in an amount equal to revenue with the offsetting credit to account 175).

Note 2: The majority of the increase in net income from the preceding year is due to inclusion in the current year of both a). the reversal of the estimated current income tax expense shown on the 2013 and 2014 DPU Returns (which was calculated as a percentage of book net income) and b). the revised 2013 and 2014 income tax expense which was actually a negative deferred tax expense amount (See pages 36 and 49).

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

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 or 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 payments 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)	Primary Contra Account Affected (b)	Amount (c)
1			
2	UNAPPROPRIATED EARNED SURPLUS (Account 216)		
3			
4			
5	Balance - Beginning of Year - Total		3,202,607
6			
7	Balance transferred from net income (loss) - Current Year		9,089,574
8			
9	Balance - end of year		<u>12,292,181</u>
10			
11			
12			
13			
14	APPROPRIATED EARNED SURPLUS (Account 215)		
15	State balance and purpose of each appropriated earned surplus amount at end of year and give accounting entries for any applications of appropriated earned surplus during the year.		
16			
17			
18			
19	NONE		
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			

LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS COMPANY) CORP
RETURN ON COMMON EQUITY
FOR CALENDAR YEAR 2015

		2015	MA DTE Page/Line #
1	NET UTILITY INCOME AVAILABLE FOR COMMON SHAREHOLDERS		
2			
3	Total Utility Operating Income	9,819,983	Page 10 / Line 18
4	Plus Income Taxes	(3,991,892)	Page 10 / Lines 11 and 12
5	Plus Service Quality Penalties	-	
6	Minus Long Term Interest	1,607,300	Page 10 / Line 33
7	Minus Interest on Debt to Assoc Companies	860,751	Page 10 / Line 36
8	Minus Other Utility Interest and Dividends	(459,496)	Page 10 / Line 37
9	Subtotal (L3+L4-L6-L7-L8)	3,819,535	
10			
11	Minus Income Tax Line 39	1,535,453	
12	Net Income	2,284,082	
13			
14	TOTAL UTILITY COMMON EQUITY		
15			
16	Total Proprietary Capital	46,652,309	Page 9 / Line 13
17	Minus Preferred Stock Issued	-	
18	Minus Unamortized Acquisition Premium	-	
19	Minus Surplus Invested in Plant (negative Acquisition Adjustment)	5,558,787	Page 9 / Line 11
20	Subtotal Equity (L16-L19)	41,093,522	
21	Minus Prop Capital * Allocation Ratio [100%- Line 33]* line 20	3,803	
22	Utility Common Equity	41,089,719	
23			
24			
25	ROE Line 12/22	5.56%	
26			
27	ALLOCATION FACTOR CALCULATION		
28			
29	Utility Plant	168,712,771	Page 8 / Line 2
30	Other Property & Other Investments	15,616	Page 8 / Line 8
31	Property & Investments Line 29+Line 30	168,728,387	
32			
33	Allocation Ratio Line 29/31	99.99%	
34			
35	INCOME TAX CALCULATION		
36			
37	Net Income Before Income Tax Line 9	3,819,535	
38	Blended Federal/State Income Rate Statutory Rate	40.200%	
39	Line 37 * Line 39	1,535,453	
40			
41			
42			

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION							
Line No.	Item (a)	Total (b)	Electric (c)	Gas (d)	(e)	(f)	Common (g)
1	UTILITY PLANT:	\$	\$	\$	\$	\$	\$
2	In Service:						
3	101 Plant in Service (Classified)	162,075,444		162,075,444			
4	106 Completed Construction not Classified.....	3,499,545		3,499,545			
5	Total P. 18.....	165,574,989		165,574,989			
6	104 Leased to Others.....						
7	105 Held for Future Use.....	0		-			
8	107 Construction Work in Progress	3,137,782		3,137,782			
9	Total Utility Plant.....	168,712,771		168,712,771			
10	DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION						
11	In Service:						
12	254 Depreciation P. 34.....	66,943,745		66,943,745			
13	257 Amortization.....						
14	Total, in Service.....	66,943,745		66,943,745			
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.....	66,943,745		66,943,745			

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

UTILITY PLANT-GAS							
1. Report below the cost of utility plant in service according to prescribed accounts. 2. Do not include as adjustments, corrections of additions and retirements for the current or		the preceding year. Such items should be included in column (c) or (d) as appropriate. 3. Credit adjustments of plant accounts should be enclosed in parentheses to indicate the negative			effect of such amounts. 4. Reclassifications or transfers within utility plant accounts should be shown in column (f).		
Line No.	Account (a)	Balance Beg of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	1. INTANGIBLE PLANT	\$	\$	\$	\$	\$	\$
2	301 Organization.....	4,543,315	415,424	-	-	-	4,958,740
3	303 Miscellaneous Intangible Plant.....						
4	Total Intangible Plant.....	4,543,315	415,424	-	-	-	4,958,740
5	2. PRODUCTION PLANT						
6	Manufactured Gas Production Plant.....	27,598					27,598
7	304 Land and Land Rights.....	4,607,733	969,707				5,577,440
8	305 Structures and Improvements.....	1,398					1,398
9	306 Boiler Plant Equipment.....	85,193	37,766				122,959
10	307 Other Power Equipment.....	-					-
11	310 Water Gas Generating Equipment.....	-					-
12	311 Liquefied Petroleum Gas Equipment.....	(0)					(0)
13	312 Oil Gas Generating Equipment.....	-					-
14	313 Generating Equipment-Other Processes.....	2,074,870					2,074,870
15	315 Catalytic Cracking Equipment.....	-					-
16	316 Other Reforming Equipment.....	-					-
17	317 Purification Equipment.....	-					-
18	321 LNG Equipment.....	-					-
19	319 Gas Mixing Equipment.....	-					-
20	320 Other Equipment.....	96,781	1,824				98,604
21	Total Manufactured Gas Production Plant.....	6,893,572	1,009,296	-	-	-	7,902,868
22	3. STORAGE PLANT						
23	360 Land and Land Rights.....	-					-
24	361 Structures and Improvements.....	66,549					66,549
25	362 Gas Holders.....	-					-
26	363 Other Equipment.....	182,639					182,639
27	Total Storage Plant.....	249,187	-	-	-	-	249,187

UTILITY PLANT - GAS (Continued)							
Line No.	Account (a)	Balance Beg of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	4. DISTRIBUTION PLANT						
2	365.1 Land and Land Rights.....	83,484					83,484
3	365.2 Rights of Way.....	-					-
4	366 Structures and Improvements.....	-					-
5	367 Mains.....	50,596,722	5,545,372	436,641	1		55,705,454
6	368 Compressor Station Equipment.....	-					-
7	369 Measuring and Regulating Station Equipment.....	-					-
8	380 Services.....	2,966,841	89,819	-			3,056,659
9	381 Meters.....	57,993,138	4,187,049	808,986			61,371,201
10	382 Meter Installations.....	9,205,502	435,922	207,709			9,433,715
11	383 House Regulators.....	11,828,416	917,388	-			12,745,804
12	384 House Regulators Installations.....	338,917	-	-			338,917
13	386 Other Property on Cust's Prem.....	192,744	-	-			192,744
14	387 Other Equipment.....	138,299	62,478	-			200,777
15	Total Transmission and Distribution Plant.....	133,344,062	11,238,027	1,453,335	1	-	143,128,755
16	5. GENERAL PLANT						
17	389 Land and Land Rights.....	41,368	-	-			41,368
18	390 Structures and Improvements.....	2,393,312	77,844	-			2,471,156
19	391 Office Furniture and Equipment.....	1,391,542	101,509	-			1,493,051
20	392 Transportation Equipment.....	2,404,948	91,401	16,458			2,479,891
21	393 Stores Equipment.....	39,770	-	-			39,770
22	394 Tools, Shop, and Garage Eqp.....	1,140,684	53,107	-			1,193,791
23	395 Laboratory Equipment.....	23,578	-	-			23,578
24	396 Power Operated Equipment.....	802,809	25,399	-			828,208
25	397 Communication Equipment.....	313,383	92,406	-			405,789
26	398 Miscellaneous Equipment.....	351,762	7,075	-			358,837
27	399 Other Tangible Property.....	-	-	-			-
28	Total General Plant.....	8,903,157	448,740	16,458	-	-	9,335,439
29	Total Gas Plant in Service.....	153,933,293	13,111,488	1,469,793	1	-	165,574,989
30	104 Utility Plant Leased to Others.....	-					-
31	105 Property Held for Future Use.....	-					-
32	107 Construction Work in Progress.....	3,654,038	12,595,232	13,111,488			3,137,782
33	Total Utility Plant - Gas.....	157,587,331	25,706,719	14,581,281	1	-	168,712,771

Note: Completed Construction Not Classified, Account 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 distribution of prior year reported in column (b). 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 columns (c) and (d) including the reversal of the prior year years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of the respondent's plant actually in service at end of year.

18A

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

Support for Classification of Account 1060 - Completed Construction Not Classified by Major Plant Category

305 Structures and Improvements.....	14,430.45
367 Mains.....	2,014,794.06
380 Services.....	1,196,434.84
382 Meter Installations.....	273,885.39
	<u>3,499,544.74</u>

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

NONUTILITY PROPERTY (ACCOUNT 121)

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

Line No.	Description and Location (a)	Book Value at End of Year (b)	Revenue for the Year (c)	Expense for the Year (d)	Net Revenue for the Year (e)
1					
2	Two (2) Family Frame Dwelling				
3	at 216 Charles Street				
4	Fall River, MA	2,175			
5	Less: Reserve for				
6	Depreciation of				
7	Non-Utility Property	-			
8					
9		2,175		-	-
10					
11					
12					
13					
14	Land - 45.9 Acres More or				
15	Less at Sanford Road,				
16	Westport, MA	13,441			-
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38	Summary:				
39	Non-Utility Property a/c 121	15,616			
40	Less: Reserve for				
41	Depreciation of				
42	Non-Utility Property	-			
43	a/c 266				
44					
45	TOTALS	15,616		-	-

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

INVESTMENTS (ACCOUNTS 123,124,136)

Give particulars of all investments in stocks, bonds, notes, etc. held by the respondent at the end of the year.
Provide a subheading for each list thereunder the information called for.

Line No.	Description of Security Held by Respondent (a)	Amount (b)
1		
2		
3	a/c 123 - Investment in Associated Company	
4	-----	
5		
6		
7		
8	NONE	
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		\$ -
21		
22		
23	a/c 124 - Other Investments	
24	-----	
25		
26		\$ -
27	NONE	
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		
47		

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

SPECIAL FUNDS (Account 125, 126, 127, 128)

(Sinking Funds Depreciation Fund, Amortization Fund-Federal, Other Special Funds)

Report below the balance at end of year of each special fund maintained during year. Identify each fund as to account in which include. Indicate nature of any fund included in Account 128, other Special Funds.

Line No.	(a) Name of fund and Trustee if Any	Balance End of Year (b)
1	NONE	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		

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.

	(a) Description and Purpose of Deposit	Balance End of Year (b)		
21	NONE			
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41			TOTAL	\$ -
42				

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

NOTES RECEIVABLE (Account 141)					
1. Give the particulars called for below concerning notes receivable at the 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	NONE				\$
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
TOTAL					\$ -

ACCOUNTS RECEIVABLE (Account 142, 143)	
1. Give the particulars called for below concerning accounts receivable at end of year.	2. Designate any account included in Account 143 in excess of \$5,000.

Line No.	Description (a)	Amount End of Year (b)
17	Customers (Account 142): Other Accounts Receivable (Account 143): Miscellaneous (group and describe by classes): Due from the State of Massachusetts for Reimbursement for the Rt.79 Hwy Project	\$
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38	TOTAL	\$ 8,523,513

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145,146)

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

Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
1		\$		\$
2				
3	Acct 146			
4	Due From New England Regulated, Net	11,220,300		
5				
6	NOTE: Intercompany payable/receivables are presented on a net basis. At 12/31/2014, balance was net credit			
7	At 12/31/2015 balance is a net debit.			
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41	TOTALS	\$ 11,220,300.30		\$ -
42				

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

MATERIAL 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	Fuel Stock Expenses (Account 152).....		-	
3	Residuals (Account 153).....		-	
4	Plant Materials and Operating Supplies (Account 154).....	NOT APPLICABLE	1,007,692	
5	Merchandise (Account 155).....			
6	Other Materials and Supplies (Account 156).....			
7	Liquefied Natural Gas (Account 164, Page 25).....		1,891,076	
8	Nuclear Fuel Assemblies and Components-Stock Account (Account 158).....		-	
9	Nuclear Byproduct Materials (Account 159).....		-	
10	Stores Expense (Account 163).....		-	
11				
12	Total Per Balance Sheet			2,898,768
13				
14				

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

PRODUCTION FUEL AND OIL STOCKS - Included in Account 151 & 164 (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)	Kinds of Fuel and Oil				
		Total Cost (b)	#2 Oil		Liquid Propane	
			Quantity (c) Gal.	Cost (d)	Quantity (e) Gal.	Cost (f)
1	On Hand Beginning of Year	2,591,903	-	-	-	-
2						
3	Received During Year	2,061,104				
4	TOTAL AVAILABLE	4,653,007	-	-	-	-
5	Used During Year (Note A)					
6	Compressor Fuel	-				
7	Boiler Fuel	-				
8	Vaporized	2,761,930				
9	Vapor - Send Out	-				
10	Propane Air	-				
11	Sold or Transferred	-				
12	TOTAL DISPOSED OF	2,761,930	-	-	-	-
13	BALANCE END OF YEAR	1,891,077	-	-	-	-
Kinds of Fuel and Oil - Continued						
Line No.	Item (a)	Liquid Natural Gas		Natural Gas In Storage		
		Quantity (h) MMBtu	Cost (i)	Quantity (j) MMBtu	Cost (k)	
14	On Hand Beginning of Year	158,189	1,830,495	167,987	761,406	
15						
16	Received During Year	151,195	1,664,410	266,777	396,694	
17	TOTAL AVAILABLE	309,384	3,494,905	434,764	1,158,100	
18	Used During Year (Note A)					
19	Compressor Fuel					
20	Vaporized	159,549	1,893,888	250,357	868,042	
21	Vapor - Send Out					
22	Sold or Transferred					
23						
24	TOTAL DISPOSED OF	159,549	1,893,888	250,357	868,042	
25	BALANCE END OF YEAR	149,835	1,601,017	184,407	290,058	

NOTE A - Indicate specific purpose for which used, e.g., Boiler Oil, Make Oil, Generator Fuel, etc.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

EXTRAORDINARY PROPERTY LOSSES (Account 182)

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

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

MISCELLANEOUS DEFERRED DEBITS (Account 186)

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

Line No.	Description (a)	Balance Beg of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (d)	
11	Miscellaneous Deferred Debits 10-1920-1860 & 10-1920-1290	1,124,951	5,496,606	69-5615-9302, 10-1168-1750, 69-5044-9260, 69-5610-9280, 69-5043-9267	5,144,621	1,476,936
12						
13	Environmental Reserve 0400-10-1920-1863	20,636,974	2,795,585	20-2110-2282, 20-2930-2282	829,479	22,603,080
14						
15	Environmental 0400-10-1168-1822	3,295,799	468,550	69-5610-9280, 69-5615-9302, 80-8641-4074	629,192	3,135,157
16						
17	Deferred Remediation Costs 0400-10-1930-1824	18,815,760	4,456,747	10-1168-1750	7,271,007	16,001,500
18						
19	Deferred Rate Case Expense 0400-10-1930-1823, 0400-10-1168-1823	237,115	911,834	69-5610-9280	237,115	911,834
20						
21	Pension-OPEB Regulatory Asset 0400-10-1930-1826	15,120,464	3,323,227	10-1920-1860, 20-2930-2283, 20-2930-2285, 20-2930-2286, 69-5043-9267, 69-5044-9262	4,872,383	13,571,308
22						
23	Deferred Gas Cost (Note 1) 0400-10-1940-1910	8,545,674		N/A	8,545,674	0
24						
25						
26						
27						
28						
29						
30						
31						
32						
33	TOTALS	67,776,737	17,452,549		27,529,471	57,699,815

Note 1: In prior year's, the Company reported the Deferred Gas Cost account in account 186. However, beginning with the 2015 Return, the Company is reflecting that balance in account 175 - Accrued Utility Revenues. Accordingly, the 12/31/15 balance reported on this page for deferred gas cost at 12/31/2015 is \$0.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

DISCOUNT ON CAPITAL STOCK (Account 191)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock.
 2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a state-

ment giving particulars of the change. State the reason for any charge-off during the year and specify the amount charged.

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		
15		
16		
17		
18		
19		
20		
21	TOTAL	0

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.
 2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a state-

ment giving particulars of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
22	NONE	
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

CAPITAL STOCK AND PREMIUM (Account 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 pledgee and purpose of pledge.

Line No.	Class and Series of Stock (a)	Number of Shares Authorized (b)	Per Value Share (c)	Amount Authorized (d)	Outstanding per Balance Sheet		Premium at End of Year (g)
					Shares (e)	Amount (f)	
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24	TOTALS	0				\$ -	\$ -

OTHER PAID-IN CAPITAL (Accounts 208-211)

- | | |
|--|--|
| <p>1. Report below balance at end of year and the information specified in the instructions below for respective other paid-in capital accounts. Provide a conspicuous subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet. Additional columns may be added for any account if deemed necessary. Explain the change in any account during the year and give the accounting entries effecting such change.</p> <p>2. Donations received from Stockholders (Account 208) - State amount and give brief explanation of the origin and purpose of each donation.</p> <p>3. Reduction in Par Value of Capital Stock (Account 209) - State amount and give brief explanation of the capital changes which gave rise to amounts reported under the caption including identification with the class and series of stock to which related.</p> | <p>4. Gain on Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a succinct designation of the nature of each credit and debit identified as to class and series of stock to which related.</p> <p>5. Miscellaneous Paid-in Capital (Account 211) - Classify amounts included in this account at end year according to captions which, together with brief explanations, disclose the general nature of transactions which gave rise to the reported amounts</p> |
|--|--|

Line No.	Item (a)	
1		
2		
3	<u>Miscellaneous Paid in Capital</u>	
4	Balance - Beginning of Year	41,105,664
5	Additions in 2015	0
6		
7	Balance - End of Year	41,105,664
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41	TOTAL	41,105,664

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp Year ended December 31, 2015

LONG TERM DEBT (Accounts 221,223-224)									
Report by balance sheet particulars concerning long-term debt in Accounts 221, Bonds; 223 Advances from Associated Companies; and 224, Other Long-Term Debt.									
Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Amount Authorized (d)	Amount Actually Outstanding at End of Year (e)	Interest Provisions Rate per Cent (f)	Dates Due (g)	Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)
1	Bonds - Fall River 7.99% Debt	9/20/1996	9/20/2026	7,000,000	7,000,000	7.99%	3/15 & 9/15	559,300	559,300
2	Bonds - Fall River 9.44% Debt	2/20/1990	2/20/2020	6,500,000	6,500,000	9.44%	2/15 & 8/15	613,600	613,600
3	Bonds - Fall River 7.24% Debt	12/11/1997	12/11/2027	6,000,000	6,000,000	7.24%	6/15 & 12/15	434,400	434,000
4									
5	Subtotal - DPU Accts 221 & 427			19,500,000	19,500,000			1,607,300	1,606,900
6									
7	Note Payable LUCo & LUNENatGasCo \$2.8M @ 3.23% 7yr	12/20/2013	12/20/2020	2,839,806	2,839,806	3.23%	1/30 & 7/30	76,689	91,726
8	Note Payable LUCo & LUNENatGasCo \$8.5M @ 3.86% 10yr	12/20/2013	12/20/2023	8,519,419	8,519,419	3.86%	1/30 & 7/30	274,940	328,850
9	Note Payable LUCo & LUNENatGasCo \$2.8M @ 4.26% 15yr	12/20/2013	12/20/2028	2,839,806	2,839,806	4.26%	1/30 & 7/30	101,144	120,976
10									
11	Subtotal - DPU Accts 223 & 430			14,199,032	14,199,032			452,772	541,551
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
			TOTALS	33,699,032	33,699,032			2,060,072	2,148,451

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

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp. Year ended December 31, 2015

NOTES PAYABLE (Account 231)

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

Line No.	Payee (a)	Date of Note (b)	Date of Maturity (c)	Int. Rate (d)	Balance End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18	TOTAL				-

PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)

Report the particulars indicated concerning payables 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)
19	<u>Acct 233</u>	\$		\$
20	Note Pay-LU Co & New Eng Gas-\$7.6M @ 1.4%	7,600,000	1.40%	106,400
21				
22				
23	<u>Acct 234</u>	-		
24				
25	NOTE: Intercompany payable/receivables are presented on a net basis. At 12/31/2014, balance was net credit			
26	At 12/31/2015 balance is a net debit. See account 146.			
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41	TOTALS	7,600,000		106,400

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

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

Line No.	Description (a)	Amount (b)
1	Current Portion-Misc Operating Reserves 20-2110-2282	2,228,644
2	Misc Accrued Liabilities 20-2110-2420	1,625,090
3	Short Term Pension Obligation accrual 20-2110-2421	339,801
4	Short Term OPEB obligation accrual 20-2110-2429	719,331
5	Gas/Power Purchases Accrual 20-2110-2425	816,987
6	Unapplied payments 20-2111-2420	1,806,982
7	Unpaid Invoice Accrual 20-2111-2421	41,983
8	Accrued Payroll 20-2130-2420	177,123
9	Bonus Accrual 20-2130-2425	614,324
10	Charitable Org. Accrual 20-2140-2422	(0)
11	Curr&Accr Liab-Vac Accrual 20-2141-2428	75,708
12	Flexible Spending Account 20-2140-1860	(8,575)
13		
14		
15	TOTAL	8,437,397

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 Beg of Year (b)	Debits		Credits (e)	Balance End of Year (dr)/c (f)
			Account Debited (c)	Amount (d)		
16	FAS 87 Liability 20-2930-2285	23,791,982	20-2001-2320, 10-1930-1826, 69-5043-9267, 10-1168-1780, 20-2930-2283, 30-3800-2192, 30-3800-2193	6,133,517	641,517	18,299,982
17						
18	Environmental 20-2930-2282	15,194,326	10-1920-1863, 20-2110-2282, 20-2110-2420	4,000,994	9,181,105	20,374,437
19						
20	FAS 106 Liability - OPEB 20-2930-2283	12,006,671	20-2001-2320, 20-2110-2420, 69-5044-9261, 69-5044-9262, 69-5044-9266, 69-5044-9268	2,225,808	1,458,739	11,239,602
21						
22	Other Long Term Post Retirement Accrual 20-2930-2286	4,340,798	20-2001-2320, 20-2140-1847, 69-5044-9261, 30-3800-2194, 10-1930-1826,	3,441,008	2,983,045	3,882,835
23						
24	Rate Base Offset 20-2910-2543	17,028,214	80-8641-4250	1,137,504		15,890,710
25						
26	Asset Retirement Obligation 20-2930-2300	270,590	N/A	0	30,073	300,663
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTALS	72,632,581		16,938,831	14,294,479	69,988,229

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

RESERVE FOR DEPRECIATION OF UTILITY PLANT IN SERVICE (Account 254-259)				
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 Total.....		63,094,450	63,094,450
2	Credits to Depreciation Reserve during year:			
3	Account 80-8610-4030 Depreciation.....		5,619,929	5,619,929
4	Account 10-1251-1843 TWE Clearing.....		184,064	184,064
5	TOTAL CREDITS DURING YEAR.....		5,803,992	5,803,992
6	Net Charges for Plant Retired:			
7	Book Cost of Plant Retired.....		1,469,792	1,469,792
8	Cost of Removal.....		539,806	539,806
9	Salvage (Credit).....		(54,902)	(54,902)
10				-
11				
12	NET CHARGES DURING YEAR.....		1,954,697	1,954,697
13	Balance December 31.....	-	66,943,745	66,943,745

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

14 Book depreciation was calculated using the depreciation rates approved in D.P.U. 10-114.
 15
 16
 17
 18
 19
 20
 21
 22

DIVIDENDS DECLARED DURING THE YEAR (Accounts 437,438)
 Give particulars of dividends declared on each class of stock during the year, and charged to Earned Surplus. This schedule shall include only dividends that have been declared by the Board of Directors during the fiscal year.

Line No.	Name of Security on Which Dividend was Declared (a)	Rate Per Cent		Amount of Capital Stock On Which Dividend Was Declared (d)	Amount of Dividend (e)	Date	
		Regular (b)	Extra (c)			Declared	Payable
23	NONE						
24							
25							
26							
27							
28							
29							
30							
31							
32	TOTALS	-		-	-		
33							
34	Dividend rates on Common Stock and Premium	0.0%					
35	Dividend rates on Common Stock, Premium and Surplus				0.0%		

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

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

- | | |
|--|--|
| <p>1. Report below an analysis of the change during the year for each of the above-named reserves.</p> <p>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.</p> <p>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</p> | <p>than one utility department, contra accounts debited or credited should indicate the utility department affected.</p> <p>4. For Accounts 261, Property Insurance Reserve and 262, Injuries and Damages Reserve, explain the nature of the risks covered by the reserve.</p> <p>5. For Account 265, Miscellaneous Operating Reserves, report separately each reserve comprising the account and explain briefly its purpose.</p> |
|--|--|

Line No.	Item (a)	Contra Account Debited or Credited (b)	Amount (c)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11	<u>A/C 265 Reserve for Liability & Damages</u>		
12			
13	Balance - Beginning of Year		335,451
14			
15	Provisions, net of payments for current year		-
16			
17			
18			-
19			
20			
21	Balance - End of Year		<u>335,451</u>
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			
48		TOTAL	335,451
49			
50			
51			
52			
53			

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

RESERVES FOR DEFERRED FEDERAL INCOME TAXES (Accounts 267, 268)

1. Report the information called for below concerning the respondent's accounting for deferred federal income taxes.

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.

(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 Account 411, Federal Income Taxes Deferred in Prior Years - Credit or comparable account of the previous system of accounts.

Line No.	Account Subdivisions (a)	Balance Beg of 2015 (b)	Changes During Year					Balance End of Year cr/(dr) (f)
			Acct 410 cr/(dr) (See Note) (c1)	Acct 410 cr/(dr) Current Year Activity (c2)	Acct 410 cr/(dr) Total (c3)	Acct 411 cr/(dr) (d)	OCI cr/(dr) (e)	
1	Accelerated Amortization	\$	\$				\$	
2	(Account 267)							
3	Electric.....	0						0
4	Gas - State.....	0			0			0
5	Gas - Federal.....	0			0			0
6	Other (Specify).....	0						0
7								
8	Totals.....	0	0	0	0	0	0	0
9								
10	Liberalized Depreciation							
11	(Account 268)							
12	Electric.....	0						0
13	Gas - State.....	0	858,083	632,609	1,490,692		0	1,490,692
14	Gas - Federal.....	0	5,525,533	4,073,621	9,599,154		0	9,599,154
15	Other (Specify).....	0						0
16								
17	Totals.....	0	6,383,615	4,706,230	11,089,846	0	0	11,089,846
18								
19	Other							
20	(Accounts)							
21	Electric.....	0						0
22	Gas - State.....	0	(1,393,559)	(499,271)	(1,892,830)		261,286	(1,631,544)
23	Gas - Federal.....	0	(8,973,675)	(3,081,662)	(12,055,337)		1,682,522	(10,372,814)
24	Other.....	0						0
25								
26	Totals.....	0	(10,367,234)	(3,580,933)	(13,948,166)	0	1,943,808	(12,004,358)
27								
28	Total (Accounts 267, 268)							
29	Electric.....	0	0	0	0	0	0	0
30	Gas - State.....	0	(535,476)	133,339	(402,138)	0	261,286	(140,852)
31	Gas - Federal.....	0	(3,448,142)	991,959	(2,456,183)	0	1,682,522	(773,661)
32	Other (Specify).....	0	0	0	0	0	0	0
33								
34	Totals.....	0	(3,983,618)	1,125,298	(2,858,321)	0	1,943,808	(914,512)
35					0			0
36								

Note: Col (c1) establish ADIT as of 12/31/2014 which was not reflected on 2013 and 2014 DPU Return and reflect deferred tax expense for CY 2013 and CY 2014. See page 49, Note 1 for reversal of tax expense reflected on CY 2013 and CY 2014 DPU Returns.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

CONTRIBUTIONS IN AID OF CONSTRUCTION (Account 271)

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

Line No.	Class of Utility Service (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
1	Total CIAC	5,318,875	1070	8,586	911,393	6,221,682
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12	TOTALS	5,318,875		8,586	911,393	6,221,682

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

		GAS OPERATING REVENUES (Account 400)					Average Number of Customers per Month	
Line No.	Account (a)	Operating Revenues		MCF Sold (1000 BTU)		Number For Year (f)	Increase or (Decrease) from Preceding Year (g)	
		Amount for Year (b)	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Increase or (Decrease) from Preceding Year (e)			
1	SALES OF GAS	\$		\$				
2	480 Residential Sales.....	38,363,440	(16,909,551)	3,948,432	(6,484)	50,106	517	
3	481 Commercial and Industrial Sales:							
4	Small (or Commercial)...see instr.5	15,323,293	(425,595)	1,085,136	12,591	3,626	(6)	
5	Large (or Industrial)...see instr.5	860,158	(248,410)	103,480	7,281	3	(1)	
6	482 Other Sales to Public Authorities	-	-	-	-	-	-	
7	484 Interdepartmental Sales.....	-	-	-	-	-	-	
8	485 Miscellaneous Gas Sales... Unbilled	-	-	-	-	-	-	
9	Total Sales to Ultimate Consumers	54,546,892	(17,583,557)	5,137,048	13,388	53,735	511	
10	483 Sales for Resale.....	1,114,508	(383,076)	188,652	(6,355)	1	-	
11	Total Sales of Gas *	55,661,400	(17,966,636)	5,325,700	7,003	53,736	511	
12	OTHER OPERATING REVENUES							
13	486 Supplier Sales	-	-	-	-	-	-	
14	487 Unbilled Revenue.....	(354,938)	168,546	-	-	-	-	
15	488 Miscellaneous Service Revenues.....	4,664	(719)	-	-	-	-	
16	489 Revenues from Trans.of Gas of Others.....	5,628,842	(1,667,781)	-	-	-	-	
17	490 Sales of Products Extracted from Natural Gas	-	-	-	-	-	-	
18	491 Rev. from Natural Gas Processed by Others	-	-	-	-	-	-	
19	493 Rent from Gas Property	-	-	-	-	-	-	
20	494 Interdepartmental Rents.....	-	-	-	-	-	-	
21	495 Other Gas Revenues.....	12,000	12,000	-	-	-	-	
22	Total Other Operating Revenues.....	5,290,569	(1,487,954)	-	-	-	-	
23	Total Gas Operating Revenues.....	60,951,969	(19,454,590)	-	-	-	-	
		Purchased Price Adjustment Clauses		Fuel Clauses				

1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.
 2. If increases and decreases are not derived from previously reported figures explain any inconsistencies.
 3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added. The average number of customers means the average of the 12 figures at the close of each month. If the customer count in the residential service classification includes customers counted more than once because of special services, such as water heating etc., indicate in a footnote the number of such duplicate customers included in the classification.

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

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

SALES OF GAS TO ULTIMATE CONSUMERS							
Report by account the MCF 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)	M.C.F (1000 BTU) (b)	Revenue (c)	Average Revenue per MCF (\$0.0000) (see Note) (d)	Number of Customers (Per Bills Rendered)	
						July 31 (e)	December 31 (f)
1	RESIDENTIAL						
2							
3		R-1 Residential Non-heating	44,707	929,394.290	20.7886	2,861	2,710
4							
5		R-2 Residential Non-heating, Low income	2,845	43,538.340	15.3035	120	280
6							
7		R-3 Residential Heating	3,112,468	48,253,936.860	15.5034	37,536	37,527
8							
9		R-4 Residential Heating, Low income	788,412	9,171,393.940	11.6327	9,261	10,033
10							
11		LDAC Deferred Revenue		(1,267,159.000)			
12							
13		Res Decoupling Revenue Deferred		(737,304.310)			
14							
15		Gas Revenue Deferred		(18,030,359.830)			
16							
17	COMMERCIAL & INDUSTRIAL						
18							
19		G-41 C&I Low Annual Use, Low Load Factor	455,998	7,028,618.430	15.4137	2,755	2,824
20							
21		G-42 C&I Medium Annual Use, Low Load Factor	366,570	4,897,409.270	13.3601	187	201
22							
23		G-51 C&I Low Annual Use, High Load Factor	121,243	1,331,268.880	10.9802	546	553
24							
25		G-52 C&I Medium Annual Use, High Load Factor	141,325	1,466,721.440	10.3784	84	87
26							
27	Com Decoupling Revenue Deferred		599,275.200				
28							
29	G-43 C&I High Annual Use, Low Load Factor	29,034	369,146.540	12.7143	2	1	
30							
31	G-53 C&I High Annual Use, High Load Factor	74,446	491,011.880	6.5955	1	6	
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43	Note: Average revenue per MCF for individual rate classes above is calculated based on revenue billed for each class, without allocating impact of LDAC, GAF, and Decoupling accruals and deferrals.						
44	TOTAL SALES TO ULTIMATE CONSUMERS (Page 43 line 9)		5,137,048	54,546,891.930	10.6183	53,353	54,222

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp. 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)	Increase or (Decrease) from of Preceding Year (c)
1	PRODUCTION EXPENSES		
2	MANUFACTURED GAS PRODUCTION EXPENSES		
3	STEAM PRODUCTION		
4	Operation:		
5	700 Operation supervision and engineering.....	-	-
6	701 Operation labor.....	-	-
7	702 Boiler fuel.....	-	-
8	703 Miscellaneous steam expenses.....	-	-
9	704 Steam transferred --Cr.....	-	-
10	Total operation.....	-	-
11	Maintenance:		
12	705 Maintenance supervision and engineering.....	-	-
13	706 Maintenance of structures and improvements.....	-	-
14	707 Maintenance of boiler plant equipment.....	-	-
15	708 Maintenance of other steam production plant.....	-	-
16	Total maintenance.....	-	-
17	Total steam production.....	-	-
18	MANUFACTURED GAS PRODUCTION		
19	Operation:		
20	710 Operation supervision and engineering.....	-	-
21	Production labor and expenses:		
22	711 Steam expenses.....	-	-
23	712 Other power expenses.....	-	-
24	715 Water gas generating expenses.....	-	-
25	716 Oil gas generating expenses.....	-	-
26	717 Liquefied petroleum gas expenses.....	1,053,329	(54,966)
27	718 Other process production expenses.....	-	-
28	Gas fuels:		
29	721 Water gas generator fuel.....	-	-
30	722 Fuel for oil gas.....	-	-
31	723 Fuel for liquefied petroleum gas process.....	88,285	3,931
32	724 Other gas fuels.....	-	-
33	Gas raw materials:		
34	726 Oil for water gas.....	-	-
35	727 Oil for oil gas.....	-	-
36	728 Liquefied petroleum gas.....	-	-
37	808.1 Liquefied Natural Gas (Costs included in Act 804.1).....	-	-
38	730 Residuals expenses.....	-	-
39	731 Residuals produced -- Cr.....	-	-
40	732 Purification expenses.....	-	-
41	733 Gas mixing expenses.....	-	-
42	734 Duplicate charges -- Cr.....	-	-
43	735 Miscellaneous production expenses.....	107,558	46,041
44	736 Rents.....	-	-
45	Total operation.....	1,249,172	(4,995)
46	Maintenance:		
47	740 Maintenance supervision and engineering.....	-	-
48	741 Maintenance of structures and improvements.....	143,676	142,373
49	742 Maintenance of production equipment.....	111,135	70,223
50	Total maintenance.....	254,812	212,597
51	Total manufactured gas production.....	1,503,984	207,602

GAS OPERATION AND MAINTENANCE EXPENSES - Continued			
Line No.	Account (a)	Amount for Year (b)	Increase or (Decrease) from of Preceding Year (c)
1	OTHER GAS SUPPLY EXPENSES	\$	\$
2	<i>Operation:</i>		
3	804 Natural gas city gate purchases.....	18,719,674	(20,803,871)
4	805 Other gas purchases.....	-	(2,768,727)
5	806 Exchange gas.....	-	-
6	807 Purchased Gas Expenses.....	-	-
7	810 Gas used for compressor station fuel - Cr.....	-	-
8	811 Gas used for products extraction - Cr.....	-	-
9	812 Gas used for other utility operations - Cr.....	(50,905)	44,391
10	813 Other gas supply expenses (CGA & Capacity Release).....	269,516	733,014
11	Total other gas supply expenses.....	18,938,285	(22,795,192)
12	Total production expenses.....	20,442,269	(22,587,589)
13	LOCAL STORAGE EXPENSES		
14	<i>Operation:</i>		
15	835 Measuring & Regulating Equipment	-	-
16	840 Operation supervision and engineering.....	-	-
17	841 Operation labor and expenses.....	-	-
18	842 Rents.....	-	-
19	Total operation.....	-	-
20	<i>Maintenance:</i>		
21	843 Maintenance supervision and engineering.....	-	-
22	844 Maintenance of structures and improvements.....	-	-
23	845 Maintenance of gas holders.....	-	-
24	846 Maintenance of other equipment.....	-	-
25	Total maintenance.....	-	-
26	Total storage expenses.....	-	-
27	TRANSMISSION AND DISTRIBUTION EXPENSES		
28	<i>Operation:</i>		
29	850 Operation supervision and engineering.....	125,331	(93,711)
30	851 System control and load dispatching.....	4,369	(86,369)
31	852 Communication system expenses.....	-	-
32	853 Compressor station labor and expense.....	-	-
33	855 Fuel and power for compressor stations.....	-	-
34	857 Measuring and regulating station expenses.....	862	(3,314)
35	858 Transmission and compression of gas by others.....	-	-
36	874 Mains and services expenses.....	1,231,697	(452,068)
37	878 Meter and house regulator expenses.....	439,380	(263,379)
38	879 Customer installations expenses.....	1,723,723	(30,921)
39	880 Other expenses.....	538,978	74,187
40	881 Rents.....	-	-
41	Total operation.....	4,064,339	(855,575)
42	<i>Maintenance:</i>		
43	885 Maintenance supervision and engineering.....	-	-
44	886 Maintenance of structures and improvements.....	312,976	(104,727)
45	887 Maintenance of mains.....	585,424	(292,405)
46	888 Maintenance of compressor station equipment.....	-	-
47	889 Maintenance of measuring and regulating station equipment.....	20,333	(15,343)
48	891 City Gate	-	-
49	892 Maintenance of services.....	104,197	(301,624)
50	893 Maintenance of meters and house regulators.....	633,201	206,867
51	894 Maintenance of other equipment.....	74,643	7,917
52	Total maintenance.....	1,730,774	(499,315)
53	Total transmission and distribution expenses.....	5,795,113	(1,354,890)

GAS OPERATION AND MAINTENANCE EXPENSES - Continued				
Line No.	Account (a)	Amount for Year (b)	Increase or (Decrease) from of Preceding Year (c)	
1	CUSTOMER ACCOUNTS EXPENSES	\$	\$	
2	<i>Operation:</i>			
3	901 Supervision.....	-	-	
4	902 Meter reading expenses.....	372,449	(220,471)	
5	903 Customer records and collection expenses.....	2,860,161	(137,057)	
6	904 Uncollectible accounts.....	1,194,630	(202,348)	
7	905 Miscellaneous customer accounts expenses.....	-	-	
8	Total customer accounts expenses.....	4,427,240	(559,877)	
9	SALES EXPENSES			
10	<i>Operation:</i>			
11	909 I&I Advertising Exp- Sales Exp.....	-	-	
12	910 Misc Cust Assist Exp-Information.....	-	-	
13	912 Demonstrating and selling expenses.....	56,292	(139,432)	
14	913 Advertising expenses.....	81,714	10,995	
15	916 Miscellaneous sales expenses.....	74,220	61,681	
16	Total sales expenses.....	212,226	(66,756)	
17	ADMINISTRATIVE AND GENERAL EXPENSES			
18	<i>Operation:</i>			
19	920 Administrative and general salaries.....	3,369,359	1,191,997	
20	921 Office supplies and expenses.....	1,498,789	502,291	
21	922 Administrative expenses transferred - Cr.....	(3,144,883)	(24,172)	
22	923 Outside services employed.....	2,991,688	(393,759)	
23	924 Property insurance.....	579,996	2,360	
24	925 Injuries and damages.....	(197,224)	(294,464)	
25	926 Employees pensions and benefits.....	6,204,571	386,672	
26	928 Regulatory commission expenses.....	311,696	(143,619)	
27	929 Duplicate charges - Cr.....	-	-	
28	930 Miscellaneous general expenses.....	333,359	(820,110)	
29	931 Rents.....	-	-	
30	Total operation:	11,947,352	407,197	
31	<i>Maintenance:</i>			
32	932 Maintenance of general plant.....	-	-	
33	Total administrative and general expenses.....	11,947,352	407,197	
34	Total gas operation and maintenance expenses.....	42,824,201	(24,161,916)	
SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
35	Steam production.....	\$	\$	\$
36	Manufactured gas production.....	1,249,172	254,812	1,503,984
37	Other gas supply expenses.....	18,938,285	-	18,938,285
38	Total production expenses.....	20,187,457	254,812	20,442,269
39	Local storage expenses.....	-	-	-
40	Transmission and distribution expenses.....	4,064,339	1,730,774	5,795,113
41	Customer accounts expenses.....	4,427,240	-	4,427,240
42	Sales expenses.....	212,226	-	212,226
43	Administrative and general expenses.....	11,947,352	-	11,947,352
44	Total gas operation and maintenance expenses.....	40,838,615	1,985,586	42,824,201
45	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g.: 0.00%) Compute by dividing Revenues (Acct 400) into the sum of Operation and Maintenance Expenses (P. 47 line 44 (d), Depreciation (Acct 403) and Amortization (Acct 407)			85.67%
46	Total salaries and wages of gas department for year, including amounts charged to operating expenses, construction and other accounts			\$ 12,347,959
47	Total number of employees of gas department at end of year, including administrative, operating, maintenance, construction and other employees (including part time employees)			145

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

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

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. (c)	Rate per M.C.F. (d)	Amount (e)
1	Assonet Gate Station		188,652	\$ 5.9077	\$ 1,114,508
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					

SALE OF RESIDUALS (Accounts 730, 731)

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

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

PURCHASED GAS (Accounts 804-806)

Line No.	Names of Companies from Which Gas is Purchased (a)	Where Received and Where and How Measured (b)	M.C.F. (1000 BTU) (c)	Rate per M.C.F. (\$0.0000) (d)	Amount (e)
24	See Page 48A				
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

Support for page 48

		Year ended December 31, 2015	
		<u>MCF</u>	<u>COST</u>
Gas Purchased, Produced and Sold	Delivered & Measured by		
	Orifice Meter @ Charles St.		
AGT Imbalance	Plant Westport &	(15,063)	\$ (412,439)
	Swansea Gate Stations		
COMMODITY:			
Direct Energy (INCL INJECTIONS)		5,315,518	9,296,982
RESERVATION/DEMAND CHARGES:			8,337,757
Algonquin, Texas Eastern, Dominion, Transco, National Fuel			
STORAGE WITHDRAWAL		244,013	899,569
LNG PRODUCED / VAPORIZED		<u>155,506</u>	<u>1,943,129</u>
		5,699,974	\$ 3.5202 20,064,998

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... 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 plant 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 of apportioning such a 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)							
			Electric Acct. 408, 409 (c)	Subtotal Gas Acct. 408 (d)	Gas Acct. 409 (Note 1) (f)	Gas Acct. 409 (Note 2) (g)	Subtotal Gas Acct. 409 (h)	(i)		
1	Federal:									
2	Income Tax (see NOTE)	(964,605)			(1,724,481)	759,876		(964,605)		
3	Social Security	749,842		749,842						
4	FICA / Medicare	180,921		180,921						
5	Unemployment	6,788		6,788						
6	Total Federal	(27,053)		937,552	(1,724,481)	759,876		(964,605)		
7										
8	State:									
9	Franchise Tax (see NOTE)	(168,967)			(271,109)	102,142		(168,967)		
10	Unemployment	46,435		46,435						
11	Excise, Sales & Other	2,168		2,168						
12	Total State	(120,364)		48,603	(271,109)	102,142		(168,967)		
13										
14	Municipal:									
15	City & Towns - Property	1,920,000		1,920,000						
16	Total Municipal	1,920,000		1,920,000						
17										
18										
19	TOTALS	1,772,583		2,906,155	(1,995,590)	862,018		(1,133,572)		
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										

Note 1: Reversal of current income tax expense estimated on Liberty 2013 and 2014 DPU Return using book net income. See Page 36, Col (c1) and Note re revised 2013 and 2014 income tax expense which should be reflected as deferred rather than current tax expense.

Note 2: Liberty current year income taxes payable, per tax department, pertaining to regulated operations.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

OTHER UTILITY OPERATING INCOME (ACCOUNT 414)

Report below the particulars called for in each column.

Line No.	Property (a)	Amount of Investment (b)	Amount of Revenue (c)	Amount of Operating Expenses (d)	Gain or (Loss) from Operation (e)
1	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51	Totals				\$ -

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

INCOME FROM MERCHANDISING, JOBBING, AND CONTRACT WORK (Account 415)					
Report by utility departments 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	Revenues:				
2	Merchandise sales, less discounts,				
3	allowance and returns				
4	Contract work				
5	Commissions				
6	Other (list according to major classes)		NONE		NONE
7					
8					
9					
10					
11	Total Revenues		-		-
12					
13					
14					
15	Costs and Expenses:				
16	Cost of sales (list according to major				
17	classes of cost)				
18					
19					
20					
21					
22					
23					
24	Sales expenses				
25	Customer accounts expenses				
26	Administrative and general expenses				
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51	TOTAL COSTS AND EXPENSES	-	-	-	-
	Net Profit (or Loss)				

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

RECORD OF SENDOUT FOR THE YEAR IN MCF
BASED ON 1000 BTU PER CUBIC FOOT

Line Item No.	Totals	January	February	March	April	May
1 <u>Gas Made</u>						
2 Liquefied Natural Gas	139,730	27,161	72,584	3,242	2,734	2,875
3 Liquefied Petroleum Gas	-	-	-	-	-	-
4 Gas						
5 Gas						
6 TOTAL	139,730	27,161	72,584	3,242	2,734	2,875
7						
8 <u>Gas Purchased</u>						
9 Natural	6,735,728	1,284,950	1,281,175	1,056,278	530,617	263,660
10 Transportation	-	-	-	-	-	-
11 TOTAL	6,735,728	1,284,950	1,281,175	1,056,278	530,617	263,660
12 TOTAL MADE AND						
13 PURCHASED	6,875,458	1,312,111	1,353,759	1,059,520	533,351	266,535
14 Net Change in Holder Gas						
15 TOTAL SENDOUT	6,875,458	1,312,111	1,353,759	1,059,520	533,351	266,535
16						
17						
18						
19 Gas Sold	6,766,915	1,051,636	1,253,482	1,159,309	862,851	432,736
20 Gas Used by Company	17,928	6,385	1,168	3,581	1,247	655
21 Gas Accounted for	6,784,843	1,058,021	1,254,650	1,162,890	864,098	433,391
22 Gas Unaccounted for	90,615	254,090	99,109	(103,370)	(330,747)	(166,856)
23 % Unaccounted for (0.00%)	1.32%	19.36%	7.32%	-9.76%	-62.01%	-62.60%
24						
25						
26						
27 <u>Sendout in 24 hours</u>						
<u>in MCF</u>						
28 Maximum-MCF		60,823	60,838	46,743	29,745	15,439
29 Maximum-Date		Jan. 7	Feb. 15	March 5	April 9	May 1
30 Minimum-MCF		23,254	35,568	22,412	10,110	6,073
31 Minimum-Date		Jan. 4	Feb. 22	March 26	April 18	May 30
32						
33						
34						
35 B.T.U. Content of Gas Delivered: 1,029 per cf.		1.028	1.029	1.032	1.028	1.028

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

RECORD OF SENDOUT FOR THE YEAR IN MCF-Continued
BASED ON 1000 BTU PER CUBIC FOOT

	June	July	August	September	October	November	December
1 <u>Gas Made</u>							
2 Liquefied Natural Gas	2,851	4,213	5,767	5,101	4,858	4,361	3,983
3 Liquefied Petroleum Gas	-	-	-	-	-	-	-
4 Gas							
5 Gas							
6 TOTAL	2,851	4,213	5,767	5,101	4,858	4,361	3,983
7							
8 <u>Gas Purchased</u>							
9 Natural	223,207	181,625	187,175	199,016	358,429	534,889	634,707
10 Transportation	-	-	-	-	-	-	-
11 TOTAL	223,207	181,625	187,175	199,016	358,429	534,889	634,707
12 TOTAL MADE AND							
13 PURCHASED	226,058	185,838	192,942	204,117	363,287	539,250	638,690
14 Net Change in Holder							
15 Gas							
16 TOTAL SENDOUT	226,058	185,838	192,942	204,117	363,287	539,250	638,690
17							
18 Transportation							
19 Gas Sold	268,527	183,045	190,403	184,825	248,038	393,543	538,520
20 Gas Used by Company	541	476	219	149	304	1,036	2,167
21 Gas Accounted for	269,068	183,521	190,622	184,974	248,342	394,579	540,687
22 Gas Unaccounted for	(43,010)	2,317	2,320	19,143	114,945	144,671	98,003
23 % Unaccounted							
for (0.00%)	-19.03%	1.25%	1.20%	9.38%	31.64%	26.83%	15.34%
24							
25							
26							
27 <u>Sendout in 24 hours</u>							
in MCF							
28 Maximum-MCF	13,064	7,057	7,370	8,076	21,603	30,574	33,076
29 Maximum-Date	June 2	July 28	Aug. 12	Sept. 23	Oct. 18	Nov. 23	Dec. 29
30 Minimum-MCF	5,637	5,057	4,862	4,786	7,706	8,357	9,465
31 Minimum-Date	June 20	July 11	Aug. 1	Sept. 6	Oct. 11	Nov. 24	Dec. 24
32							
33							
34							
35 B.T.U. Content of Gas Delivered: 1,029 per cf.	1.027	1.027	1.027	1.027	1.027	1.028	1.028

GAS GENERATING PLANT			
Line No.	General Description - Location, Size, Type, etc.	No. of Sets	24 Hour Cap. (MCF)
1			
2	<u>Other Gas Producing Equipment</u>		
3			
4	NONE		
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49		TOTAL	

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... 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	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
SCRUBBERS, CONDENSERS AND EXHAUSTERS. 24 HOUR CAPACITY (MCF)						
Line No.		Kind of Gas			Total Capacity	
29	Scrubbers		NONE			
30						
31						
32	Condensers		NONE			
33						
34						
35						
36						
37						
38	Exhausters		NONE			
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

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

HOLDERS (Including Relief Holders). Indicate Relief Holders by the letters R.H.

Line No.	Location	Type of Tank	Dimensions		No. of Lifts	Number	Working Capacity
			Diam.	Height			
23	NONE						
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... 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	Adjustments During Year	Abandoned But Not Removed During Year	Total Length in Feet at End
1						
2						
3	Steel					
4	2" or less	429,639	4	(326)	15,682	413,635
5	Over 2" thru 4"	674,224	10	983	14,087	661,130
6	Over 4" thru 8"	202,213	153	178	357	202,187
7	Over 8" thru 12"	63,165	42	(1)	110	63,096
8	Over 12"	12,778	-	-	-	12,778
9						
10						
11	Cast/Wrought Iron					
12	2" or less	2,974	-	(6)	1,099	1,869
13	Over 2" thru 4"	393,851	-	(727)	16,238	376,886
14	Over 4" thru 8"	195,904	-	1	228	195,677
15	Over 8" thru 12"	47,372	-	9	389	46,992
16	Over 12"	24,563	-	-	-	24,563
17						
18						
19	Plastic					
20	2" or less	538,175	28,585	530	1,348	565,942
21	Over 2" thru 4"	391,971	17,971	362	1,922	408,382
22	Over 4" thru 8"	245,832	7,134	141	1,335	251,772
23	Over 8" thru 12"	15,085	3	7	2,275	12,820
24	Over 12"	-	-	-	-	-
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
	TOTALS	3,237,746	53,902	1,151	55,070	3,237,729
	Normal Operating Pressure - Mains and Lines	- Maximum	70 psi	Minimum	6" w.c.	
			-		-	
	Normal Operating Pressure - Services	- Maximum	70 psi	Minimum	6" w.c.	
			-		-	

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.....	35,923	12,137	62,520
2	Additions during year:			
3	Purchased.....	933	572	1,010
4	Installed.....			
5	Associated with Plant acquired.....			
6	Total Additions.....	933	572	1,010
7	Reductions during year:			
8	Retirements.....	721	208	1,607
9	Associated with Plant sold.....			
10	Total Reductions.....	721	208	1,607
11	Number at End of Year.....	36,135	12,501	61,923
12	In Stock.....			5,099
13	On Customers' Premises - Inactive.....			1,505
14	On Customers' Premises - Active.....			55,296
15	in Company Use.....			23
16	Number at End of Year.....			61,923
17	Number of Meters Tested by State Inspectors During Year.....			6,349

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... 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.P.U. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
		<i>See Attached</i>		

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... 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, referenda, legislation or ordinances (either with respect to the possible adoption of referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities; Account 426.4.

2. Advertising expenditures in this Account shall be classified according to subheadings, as follows: (a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customers' bills; (d) inserts in reports to stockholders;

(e) newspaper and magazine editorial services; and (f) other advertising.

3. Expenditures within the definition of paragraph (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 instructions of Account 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 for ratemaking or other purposes.

Line No.	Item (a)	Amount (b)
1		
2	ANIMAL RESCUE LEAGUE OF FALL RIVER	\$ 2,500
3	CHILDRENS ADVOCACY CENTER OF	2,500
4	CITIZENS FOR CITIZENS	3,245
5	DANA FARBER CANCER INSTITUTE INC	540
6	DURFEE HILLTOPPER ATHLETIC FOUNDATION	1,000
7	GREATER FALL RIVER RE-CREATION	5,000
8	MASSACHUSETTS GOOD NEIGHBOR	10,000
9	NEIGHBORS HELPING NEIGHBOR	5,000
10	PAULO MATOS MEMORIAL FOUNDATION	2,000
11	STEPPING STONE INC	1,000
12	THOMAS CHEW MEMORIAL	2,500
13	TOWN OF NORTH ATTLEBORO	1,000
14	MAIN ST. FLORIST	330
15	DONATIC	109
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26	TOTAL	
27		\$ 36,723
28		

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

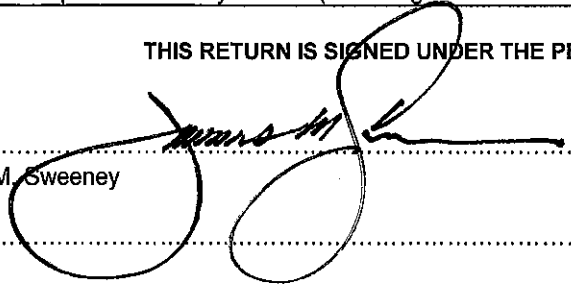
DEPOSITS AND COLLATERAL

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

Line	Name of City or Town	Amount
1		\$
2	Fall River	135,629
3		
4	Somerset	11,465
5		
6	Swansea	20,692
7		
8	Westport	6,910
9		
10	Attleboro Falls	12,970
11		
12	North Attleboro	54,100
13		
14	Plainville	16,969
15		
16	Attleboro	6,760
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
42		
43		
44		
45		
46		
47		
48		
49		
50		
51		
52		
53	TOTAL	265,495
54		

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY



James M. Sweeney

President- Liberty Utilities MA

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

Directors.

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

.....ss.20

Then personally appeared.....

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

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

Notary Public or
Justice of the Peace.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

R. J. Ritchie

Ronald Ritchie

Treasurer and Secretary

Directors.

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

ss.

20

Then personally appeared.....

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

Notary Public or
Justice of the Peace.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

Gregory S. Sorensen
Gregory S. Sorensen - Director

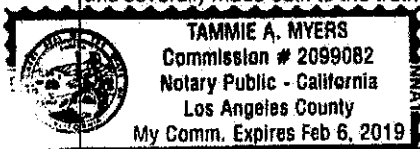
Directors.

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

State of California & County of Los Angeles...ss. March 28 20 16

Then personally appeared... *Gregory Scott Sorensen*

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



Tammie A. Myers

Notary Public or Justice of the Peace.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2015

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

Richard Leehr - Director

Richard Leehr

Directors.

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

Orlville, Ontarioss. *March 23*20 *16*

Then personally appeared *Richard Leehr, director of Liberty Utilities*

(New England Natural Gas Company) Corp.

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

[Signature]
Danielle Elan Waldron

Notary Public or
Justice of the Peace.