

The Commonwealth of Massachusetts

ANNUAL RETURN

OF THE

BOSTON GAS COMPANY

D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND

TO THE

THE DEPARTMENT OF PUBLIC UTILITIES

OF MASSACHUSETTS

For the Year Ended December 31,

2011

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

}
}

Bradley B. White

Official title: **Vice President and Controller**

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

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GENERAL INFORMATION				
PRINCIPAL AND SALARIED OFFICERS*				
Titles		Names	Addresses	Annual Salaries
President	(1)	Reed, Marcy L.	Waltham, MA	25,925
Senior Vice President and Chief Financial Officer	(1)	Daly, Kenneth D.	New York, NY	4,915
Senior Vice President	(1)	Akley, William J.	New York, NY	27,206
Senior Vice President	(1)	Owyang, Colin	Waltham, MA	19,727
Senior Vice President and Chief Procurement Officer	(1)	Schlaff, Raymond C.	Waltham, MA	29,171
<u>DIRECTORS*</u>				
<u>Names</u>		<u>Addresses</u>		<u>Fees Paid During Year</u>
Campbell, David H.		Waltham, Massachusetts		No Fees Paid
Reed, Marcy L.		Waltham, Massachusetts		No Fees Paid
Board Positions		Waltham, Massachusetts		No Fees Paid
(1) Amounts represent salary allocated to Boston Gas Company				
* By General Laws, Chapter 164, Section 83, the Return must contain a "list of the names of all their salaried officers and the amount of the to each," and by Section 77, the department is required to include in its annual report "the names and addresses of the principal officers and of the directors."				

GENERAL INFORMATION - Continued

- | | | |
|--|--|--------------|
| 1. Corporate name of company making this report, | Boston Gas Company | |
| | D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND | |
| 2. Date of organization, | December 11, 1903 | |
| 3. Date of incorporation, | December 11, 1903 | |
| 4. Give location (including street and number) of principal business office:- | | |
| | One MetroTech Center, Brooklyn New York 11201 | |
| 5. Total number of stockholders, | Common: 1 | |
| 6. Number of stockholders in Massachusetts, | Common: 1 | |
| 7. Amount of stock held in Massachusetts, | No. of Common Shares, 514,184 | \$51,418,400 |
| 8. Capital stock issued prior to June 5, 1894, | No. of shares, N/A | \$ N/A |
| 9. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or Department of Public Utilities since June 5, 1894, | | |
| | Total, 514,184 common shares, par value, \$100.00, outstanding
December 31 of the calendar year, 2011 | |
| | | \$51,418,400 |
10. If any stock has been issued during the last fiscal period, give the date and terms upon which such issue was offered to the stockholders, and if the whole or any part of the issue was sold at auction, the date or dates of such sale or sales, the number of shares sold and the amounts realized therefrom.
11. Management Fees and Expenses during the Year.
- List all individuals, corporations or concerns with whom the company has any contract or agreement covering management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc., and show the total amount paid to each for the year.
- In 2011, the Company was charged \$105,313,949. by National Grid Corporate Services for services, which included: executive and administrative, corporate affairs, customer services, environmental services, financial services (including accounting, auditing, risk management, tax, treasury/finance), human resources, information technology, legal, materials management and purchasing, and strategic planning.

GENERAL INFORMATION - Continued

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

In Gas Property:

No Important Changes

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GENERAL INFORMATION - Continued					
Names of the cities or towns in which the company supplies GAS with the number fo customers' meters in each City or Town					
NUMBER OF CUSTOMERS METERS					
City or Town	Number of Customers	City or Town	Number of Customers	City or Town	Number of Customers
Abington	3,425	Melrose	8,396	Amesbury	4,804
Acton	4,829	Middleton	1,501	Boxford	1,327
Arlington	14,253	Milton	7,221	Byfield	222
Ayer	2,116	Nahant	1,346	Danvers	29
Bedford	4,277	Natick	42	Essex	741
Belmont	8,456	Needham	2	Georgetown	2,051
Beverly	10,316	Newton	27,344	Groveland	1,831
Boston	28,211	North Brookfield	790	Hamilton	1,060
Boxborough	524	Norwood	9,946	Haverhill	22,102
Braintree	8,387	Oxford	95	Ipswich	2,947
Brookfield	241	Peabody	12,712	Manchester	1,667
Brookline	19,289	Quincy	27,666	Merrimac	1,842
Burlington	5,751	Reading	4,208	Methuen	14
Carlisle	730	Revere	14,347	Newbury	419
Charlestown	5022	Rockland	4,956	Newburyport	7,061
Chelsea	11,089	Rockport	159	North Andover	25
Clinton	3,467	Salem	14,826	Rowley	1,425
Cohasset	1,831	Saugus	6,983	Salisbury	3,432
Concord	3,986	Shirley	689	Topsfield	1,185
Danvers	6,434	Somerville	9,282	Wenham	703
Dorchester	50,877	Southbridge	5,191	West Newbury	128
Dudley	1,355	Spencer	2,133		
East Brookfield	13,741	Stoneham	4,403		
Everett	14,905	Sudbury	3,956		
Framingham	13	Swampscott	4,311		
Gloucester	8,104	Topsfield	34		
Groton	1,111	Wakefield	106		
Hanson	12	Waltham	18,042		
Harvard	295	Warren	650		
Hingham	4,950	Watertown	12,935		
Hull	4,890	Wayland	3,089		
Lancaster	347	Webster	4,188		
Leicester	179	Wellesley	7,747		
Leominster	8,418	West Brookfield	486		
Lexington	6,171	Weston	3,177		
Lincoln	1,141	Weymouth	11,498		
Littleton	1,479	Whitman	3,517		
Lunenburg	507	Wilmington	26		
Lynn	28,655	Winchester	5,511		
Lynnfield	2,538	Winthrop	6,346		
Malden	18,126	Woburn	9,627		
Marblehead	7,020				
Medford	19,011				
				TOTAL	650,978

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

COMPARATIVE BALANCE SHEET Assets and Other Credits				
Line No.	Title of Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or (Decrease) (d)
1	UTILITY PLANT			
2	Utility Plant (101-107) p. 13	2,751,420,233	2,943,953,386	192,533,153
3	OTHER PROPERTY AND INVESTMENTS			
4	Nonutility Property (121) P. 19	3,110,005	175,662	(2,934,343)
4a	Capitalized Leases, net	5,064,749	3,717,200	(1,347,549)
5	Investment in Associated Companies (123) P. 20	0	0	0
6	Other Investments (124) P.20	250	250	0
7	Special Funds (125, 126, 127, 128) P. 21	3,222,289	3,222,513	224
8	Total Other Property and Investments	11,397,293	7,115,625	(4,281,668)
9	CURRENT AND ACCRUED ASSETS			
10	Cash (131)	198,548	150,792	(47,756)
11	Special Deposits (132, 133, 134) P. 21	6,460,000	330,000	(6,130,000)
12	Working Funds (135)	0	0	0
13	Temporary Cash Investments (136) P. 20	0	0	0
14	Notes and Accounts Receivable (141, 142, 143) P. 22	118,812,656	82,268,625	(36,544,031)
15	Receivables from Assoc. Companies (145, 146) P. 23	5,566,557	12,753,562	7,187,005
16	Materials and Supplies (151-159, 163) P. 24	83,908,265	103,259,452	19,351,187
17	Prepayments (165)	19,596,459	0	(19,596,459)
18	Interest and Dividends Receivable (171)	0	0	0
19	Rents Receivable (172)	0	0	0
20	Accrued Utility Revenues (173)	114,727,559	97,149,683	(17,577,876)
21	Misc. Current and Accrued Assets (174)	0	0	0
21A	Recoverable Fuel (175)	126,067,396	109,145,674	(16,921,722)
22	Total Current and Accrued Assets	475,337,440	405,057,788	(70,279,652)
23	DEFERRED DEBITS			
24	Unamortized Debt Discount and Expense (181) P.26	2,182,351	2,013,400	(168,951)
25	Extraordinary Property Losses (182) P.27	0	0	0
26	Preliminary Survey and Investigation Charges (183)	0	0	0
27	Clearing Accounts (184)	0	293,200	293,200
28	Temporary Facilities (185)	856,909	20,838	(836,071)
29	Miscellaneous Deferred Debits (186) P. 27	355,293,610	363,495,643	8,202,033
30	Total Deferred Debits	358,332,870	365,823,081	7,490,211
31	CAPITAL STOCK DISCOUNT AND EXPENSE			
32	Discount on Capital Stock (191) P. 28	0	0	0
33	Capital Stock Expense (192) P. 28	0	0	0
34	Total Capital Stock Discount and Expense	0	0	0
35	REACQUIRED SECURITIES			
36	Reacquired Capital Stock (196)	0	0	0
37	Reacquired Bonds (197)	0	0	0
38	Total Reacquired Securities	0	0	0
39	Total Assets and Other Debits	3,596,487,836	3,721,949,880	125,462,044

NOTES:

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

COMPARATIVE BALANCE SHEET Liabilities and Other Credits				
Line No.	Title of Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or (Decrease) (d)
1	PROPRIETARY CAPITAL			
2	CAPITAL STOCK			
3	Common Stock Issued (201) P.29	51,418,400	51,418,400	0
4	Preferred Stock Issued (204) P.29	0	0	0
5	Capital Stock Subscribed (202, 205)	0	0	0
6	Premium on Capital Stock (207) P.29	640,069	640,069	0
7	Total	52,058,469	52,058,469	0
8	SURPLUS			
9	Other Paid-In Capital (208-211) P.30	836,543,322	836,543,322	(0)
10	Earned Surplus (215,216) P.12	191,521,201	175,488,164	(16,033,037)
11	Other Comprehensive Income	84,805	76,202	(8,603)
12	Total	1,028,149,328	1,012,107,688	(16,041,640)
13	Total Proprietary Capital	1,080,207,797	1,064,166,157	(16,041,640)
14	LONG-TERM DEBT			
15	Bonds (221) P.31	153,000,000	143,000,000	(10,000,000)
16	Capital Lease Obligations (221)	5,064,749	3,717,200	(1,347,549)
17	Other Long-Term Debt (224) P.31	0	0	0
18	Total Long-Term Debt	158,064,749	146,717,200	(11,347,549)
19	CURRENT AND ACCRUED LIABILITIES			
20	Notes Payable (231) P.32	20,000,000	10,000,000	(10,000,000)
21	Accounts Payable (232)	47,842,382	72,081,395	24,239,013
22	Payables to Associated Companies (233,234) P.32	625,715,691	635,710,994	9,995,303
23	Customer Deposits (235)	2,818,539	3,975,290	1,156,751
24	Taxes Accrued (236)	(17,468,881)	(13,484,049)	3,984,832
25	Interest Accrued (237)	8,317,279	5,873,486	(2,443,793)
26	Dividends Declared (238)	0	0	0
27	Matured Long-Term Debt (239)	0	0	0
28	Tax Collections Payable (241)	3,451,875	17,223,669	13,771,794
29	Misc. Current & Accrued Liab. (242) P.33	7,795,903	7,129,429	(666,474)
30	Total Current & Accrued Liability	698,472,788	738,510,214	40,037,426
31	DEFERRED CREDITS			
32	Unamortized Premium on Debt (251) P.26	0	0	0
33	Customer Advances for Construction (252)	8,875	8,875	0
34	Other Deferred Credits (253) P.33	31,892,995	41,217,280	9,324,285
35	Total Deferred Credits	31,901,870	41,226,155	9,324,285
36	RESERVES			
37	Reserves for Depreciation (254-256) P.13	960,070,169	1,041,552,751	81,482,582
38	Reserves for Amortization (257-259) P.13	80,007,422	75,806,322	(4,201,100)
39	Reserve for Uncollectible Accounts (260)	14,618,777	11,236,563	(3,382,214)
40	Operating Reserves (261-265) P.35	146,663,043	146,190,687	(472,356)
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	0	0	0
42	Reserve for Deferred Federal Income Taxes (267, 268) P.36	426,481,221	456,600,867	30,119,646
43	Total Reserves	1,627,840,632	1,731,387,190	103,546,558
44	CONTRIBUTION IN AID OF CONSTRUCTION			
45	Contributions in Aid of Construction (271) P.36	0	(57,036)	(57,036)
46	Total Liabilities and Other Credits	3,596,487,836	3,721,949,880	125,462,044

STATEMENT OF INCOME FOR THE YEAR				
Line No.	Account (a)	Current Year (b)	Prior Year (b)	Increase or (Decrease) from Preceding Year (c)
1	OPERATING INCOME			
2	Operating Revenues (400) P. 37,43	1,216,143,640	1,090,417,087	125,726,552
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	882,227,941	831,512,917	50,715,023
5	Maintenance Expense (402) P. 42,47	57,218,378	60,309,420	(3,091,042)
6	Depreciation Expense (403) P. 34	99,427,393	101,100,723	(1,673,330)
7	Amortization of Utility Plant (404 and 405)	6,915,620	7,051,052	(135,432)
8	Amortization of Investment Credit (406.0)	0	0	0
9	Amortization of Conversion Expenses (407.2)	320,538	53,423	267,115
10	Taxes Other Than Income Taxes (408) P. 49	47,158,086	30,570,087	16,587,999
11	Income Taxes (409) P. 49	6,254,391	(18,540,833)	24,795,224
12	Provision for Deferred Income Taxes (410) P. 36	18,797,038	30,260,839	(11,463,801)
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	0	0	0
14	Total Operating Expenses	1,118,319,385	1,042,317,628	76,001,757
15	Net Operating Revenues	97,824,255	48,099,459	49,724,796
16	Income from Utility Plant Leased to Others			
17	Other Utility Operating Income (414) P. 50	0	0	0
18	Total Utility Operating Income	97,824,255	48,099,459	49,724,796
19	OTHER INCOME			
20	Income from Mdse. Jobbing & Contract Work (415) P. 51	0	0	0
21	Income from Nonutility Operations (417)	0	0	0
22	Nonoperating Rental Income (418)	0	0	0
23	Interest and Dividend Income (419)	2,972,414	1,656,811	1,315,603
24	Miscellaneous Nonoperating Income (421)	22,296	22,296	0
25	Total Other Income	2,994,710	1,679,107	1,315,603
26	Total Income	100,818,965	49,778,566	51,040,399
27	MISCELLANEOUS INCOME DEDUCTIONS			
28	Miscellaneous Amortization (425)	0	0	0
29	Other Income Deductions (426)	6,461,195	12,986,649	(6,525,454)
30	Total Income Deductions	6,461,195	12,986,649	(6,525,454)
31	Income Before Interest Charges	94,357,770	36,791,917	57,565,853
32	INTEREST CHARGES			
33	Interest on Long-Term Debt (427) P. 31	12,203,517	14,423,078	(2,219,561)
34	Amortization of Debt Disc. & Expense (428) P. 26	244,551	255,754	(11,203)
35	Amortization of Prem. on Debt - - Credit (429) P. 26	0	0	0
36	Int. on Debt to Associated Companies (430) P. 31, 32	19,828,941	25,766,435	(5,937,494)
37	Other Interest Expense (431)	(1,378,645)	(13,700,837)	12,322,192
38	Interest Charged to Construction - - Credit (432)	(507,557)	(734,096)	226,539
39	Total Interest Charges	30,390,807	26,010,334	4,380,473
40	Net Income	63,966,963	10,781,583	53,185,380
41	EARNED SURPLUS			
42	Unappropriated Earned Surplus (at beginning of period) (216)	191,521,201	137,952,836	53,568,365
43	Balance Transferred from Income (433)	63,966,963	10,781,583	53,185,380
44	Miscellaneous Credits to Surplus (434)	0	42,786,782	(42,786,782)
45	Miscellaneous Debits to Surplus (435)	0	0	0
46	Appropriations of Surplus (436)	0	0	0
47	Net Additions to Earned Surplus	63,966,963	53,568,365	10,398,598
48	Dividends Declared - - Preferred Stock (437)	0	0	0
49	Dividends Declared - - Common Stock (438)	80,000,000	0	80,000,000
50	Unappropriated Earned Surplus (at end of period) (216)	175,488,164	191,521,201	(16,033,037)

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STATEMENT OF INCOME FOR THE YEAR (CONTINUED)

Note:

Pursuant to the approval of the merger of the Boston Gas Company and the Essex Gas Company with and into the Boston Gas Company per D.P.U. 09-139, the income statement results of the Essex Gas Company for the two months ended December 31, 2010 have been combined and reported with the twelve month results of the Boston Gas Company.

STATEMENT OF EARNED SURPLUS (Accounts 215-216)

1. Report in this schedule an accounting for changes in appropriated and unappropriated earned surplus for the year.
 2. Each credit and debit during the year should be identified as to the surplus account in which included (Accounts 433-438) inclusive) and the contra primary account affected shown. Minor items may be grouped by classes, however, the number of items in each group should be shown.
 3. For each reservation of appropriation of earned surplus state the purpose, amount, and in the case

of reservations, the reserve account credited. Explain in a footnote the basis for determining the amount reserved or appropriated and if such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
 4. Dividends should be shown for each class and series of capital stock. Show amounts of dividends per share.
 5. List credits first; then debits.

Line No.	Item (a)	Contra Primary Account Affected (b)	(c)
1	UNAPPROPRIATED EARNED SURPLUS (Account 216)		
2	Balance - - Beginning of year		191,521,201
3	Charges: (identify by prescribed earned surplus accounts)		
4	Transfer from income (loss)		63,966,963
5			
6			
7			
8			
9	Dividends Declared - Common Stock	438	80,000,000
10	Less: Dividends Declared - Preferred Stock	438	0
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27	Balance - - end of year		175,488,164
28	APPROPRIATED EARNED SURPLUS (Account 215)		
29	State balance and purpose of each appropriated earned surplus amount at end		
30	of year and give accounting entries for any applications of appropriated		
31	earned surplus during year.		
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION							
Line No.		Total (b)	Electric (c)	Gas (d)	(e)	(f)	Common (g)
1	UTILITY PLANT						
2	In Service:						
3	101 Plant in Service (Classified)	\$2,750,441,728		\$2,750,441,728			
4	106 Completed Construction not Classified	\$181,681,758		181,681,758			
5	Total P. 16, 18	\$2,932,123,486		\$2,932,123,486			
6	104 Leased to Others	\$0					
7	105 Held for Future Use	\$515,704		515,704			
8	107 Construction Work in Progress	\$11,314,196		11,314,196			
9	Total Utility Plant	\$2,943,953,386		\$2,943,953,386			
10	DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION						
11	In Service:						
12	254 Depreciation P. 34	\$1,041,552,751		1,041,552,751			
13	257 Amortization	\$75,806,322		75,806,322			
14	Total, in Service	\$1,117,359,073		\$1,117,359,073			
15	Leased to Others:						
16	255 Depreciation						
17	258 Amortization						
18	Total, Leased to Others						
19	Held for Future Use:						
20	256 Depreciation						
21	259 Amortization						
22	Total, Held for Future Use						
23	Total Reserves for Depreciation and Amortization	\$1,117,359,073		\$1,117,359,073			

UTILITY PLANT - GAS

		the preceding year. Such items should be included in				of such amounts.	
1. Report below the cost of utility plant in service according to prescribed accounts.		column (c) or (d) as appropriate.				4. Reclassifications or transfers within utility plant accounts should be shown in column (f).	
2. Do not include as adjustments, corrections of additions and retirements for the current or		3. Credit adjustments of plant accounts should be enclosed in parentheses to indicate the negative effect					
		Balance					
Line No.	Account (a)	Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	1. INTANGIBLE PLANT						
2	301 Organization	0	0	0	0	0	0
3	303 Miscellaneous Intangible Plant	470,262,118	1,910	0	1,774,664	0	472,038,692
4	Total Intangible Plant	470,262,118	1,910	0	1,774,664	0	472,038,692
5	2. PRODUCTION PLANT						
6	Manufactured Gas Production Plant						
7	304 Land and Land Rights	618,826	0	0	0	0	618,826
8	305 Structures and Improvements	5,408,501	40,988	(81,691)	0	0	5,367,798
9	306 Boiler Plant Equipment	790,869	0	0	0	0	790,869
10	307 Other Power Equipment	566,209	369,622	0	0	0	935,831
11	310 Water Gas Generating Equipment	0	0	0	0	0	0
12	311 Liquefied Petroleum Gas Equipment	8,599,909	0	(853,647)	0	0	7,746,263
13	312 Oil Gas Generating Equipment	0	0	0	0	0	0
14	313 Generating Equipment - - Other Processes & LNG Equipment	0	0	0	0	0	0
15	315 Catalytic Cracking Equipment	0	0	0	0	0	0
16	316 Other Reforming Equipment	6,234,565	249,668	0	0	0	6,484,233
17	317 Purification Equipment	0	0	0	0	0	0
18	318 Residual Refining Equipment	0	0	0	0	0	0
19	319 Gas Mixing Equipment	1,243,959	0	(39,695)	0	0	1,204,264
19	320 Other Equipment	7,309,375	312,386	(27,682)	0	0	7,594,079
20	339 PRD Prod-ARO	1,331	0	0	0	0	1,331
21	Total Manufactured Gas Production Plant	30,773,544	972,664	(1,002,715)	0	0	30,743,493
22	3. STORAGE PLANT						
23	360 Land and Land Rights	2,397,883	0	0	0	0	2,397,883
24	361 Structures and Improvements	10,587,540	3,560,374	(506,986)	0	0	13,640,928
25	362 Gas Holders	8,412,389	0	0	0	0	8,412,389
26	363 Other Equipment	789,920	0	0	0	0	789,920
27	363.6 Sto-Other Equip ARO	402	0	0	0	0	402
27	Total Storage Plant	22,188,134	3,560,374	(506,986)	0	0	25,241,522

The adjustment to Goodwill (included in account 303) was as a result of the National Grid's acquisition of KeySpan.

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UTILITY PLANT - GAS (Continued)						
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Balance End of Year (g)
4. TRANSMISSION AND DISTRIBUTION PLANT						
DISTRIBUTION PLANT						
2	365.1 Land and Land Rights	832,463	0	0	0	832,463
3	365.2 Rights-of-Way	211,167	0	0	0	211,167
4	366 Structures and Improvements	7,493,369	113,987	(11,476)	0	7,595,880
5	367 Mains	1,103,694,111	96,136,847	(1,444,247)	0	1,198,386,711
6	368 Compressor Station Equipment	0	0	0	0	0
7	369 Measuring and Regulating Station Equipment	30,541,740	7,192,272	(64,317)	0	37,669,696
8	372 T&D-AROs	1,841,093	0	0	0	1,841,093
9	380 Services	855,870,167	75,643,528	(336,843)	0	931,176,852
10	381 Meters	126,868,090	6,113,185	(2,153,716)	0	130,827,559
11	382 Meter Installations	23,149,693	6,996,437	(354,809)	0	29,791,321
12	383 House Regulators	461,014	0	0	0	461,014
13	386 Other Property on Cust's Prem	1,001,580	0	0	0	1,001,580
14	387 Other Equipment	10,918,517	18,945	0	0	10,937,462
15	388 T&D-AROs	55,788	0	0	0	55,788
	Total Transmission and Distribution Plant	2,162,938,792	192,215,201	(4,365,408)	0	2,350,788,586
5. GENERAL PLANT						
16	389 Land-Land Rights	153,225	0	0	0	153,225
17	390 Structures and Improvements	22,964,760	1,559,488	(7,980)	0	24,516,268
18	391 Office Furniture and Equipment	9,390,746	191,449	(1,349,518)	0	8,232,677
19	392 Transportation Equipment	30,721	0	0	0	30,721
20	393 Stores Equipment	709,037	0	0	0	709,037
21	394 Tools, Shop and Garage Equipment	8,717,686	838,932	(25,849)	0	9,530,769
22	395 Laboratory Equipment	8,455	0	0	0	8,455
23	396 Power Operated Equipment	238,315	0	0	0	238,315
24	397 Communication Equipment	2,305,252	15,745	(42,419)	0	2,278,578
25	398 Miscellaneous Equipment	7,111,408	486,888	(941)	0	7,597,355
26	399 Gen-AROs	15,793	0	0	0	15,793
27	Total General Plant	51,645,398	3,092,502	(1,426,706)	0	53,311,194
28	Total Gas Plant in Service	2,737,807,986	199,842,651	(7,301,815)	1,774,664	2,932,123,487
29	104 Utility Plant Leased to Others	0	0	0	0	0
	Sub Total					
30	105 Property Held for Future Use	515,704	0	0	0	515,704
31	107 Construction Work in Progress	13,096,543	379,703,162	0	(381,485,507)	11,314,197
32	Total Utility Plant - - Gas	2,751,420,233	579,545,814	(7,301,815)	(379,710,843)	2,943,953,386
<p>Note: Completed Construction Not Classified, Acct. 106, shall be classified in this schedule according to prescribed accounts, on an estimated basis if necessary, and the entries included in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (c). Likewise, if the respondent has a significant amount of plant retirements which</p>		<p>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</p>		<p>account distributions of these tentative classifications in column (c) and (d) including the reversals of the prior years tentative account distributions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.</p>		

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NONUTILITY PROPERTY (Account 121)

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

Line No.	Description of Location (a)	Book Value at End of Year (b)	Revenue for the year (c)	Expense for the year (d)	Net Revenue for Year (e)
1	Land - 97,120 Sq. Feet off				
2	Broad St., Danvers	50,701	0	8,037	(8,037)
3					
4	Land - 18,080 Sq. Feet				
5	Endicott St., Danvers	1,647	0	1,008	(1,008)
6					
7	Land - 36,282 Sq. Feet off				
8	Railroad St., Revere	12,750	0	1,567	(1,567)
9					
10	Land - 2,614 Sq. Feet				
11	Main St., Leominster	206	0	49	(49)
12					
13	Land - 145,673 Sq. Feet				
14	Robin & Rover Sts., Everett	98,866	375,918	46,650	329,268
15					
16	Land - 9,550 Sq. Feet				
17	Pleasant St., Clinton	645	0	499	(499)
18					
19	Land - 780 Sq. Feet				
20	Grove St., Arlington	2,000	0	270	(270)
21					
22	Land - 30,202 Sq. Feet				
23	River St., Beverly	2,671	0	4,428	(4,428)
24					
25	Land - 14,990 Sq. Feet				
26	River St., Beverly	1,322	0	2,154	(2,154)
27					
28					
29	Misceleanous Amount Adjustment	4,854			
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTALS	\$175,662	\$375,918	\$64,662	\$311,256

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

INVESTMENTS (Accounts 123, 124, 136)

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

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

Line No.	Description of Security Held by Respondent (a)	Amount (b)
1	Account 123 - Investments in Associated Companies	-
2	Account 124 - Other Investments	250
3		
4	Account 136 - Temporary Cash Investments	-
5		
6		
7		
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43		
44	TOTAL	\$250

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

SPECIAL FUNDS (Accounts 125, 126, 127, 128)		
(Sinking Funds, Depreciation Fund, Amortization Fund-Federal, Other Special Fund)		
Report below the balance at end of year of each special fund maintained during year. Identify each fund as to account in which included. Indicate nature of any fund included in Account 128 Other Special Funds		
Line No.	Name of Fund and Trustee If Any (a)	Balance End of Year (b)
1	Cushion Gas - Underground Storage (Account 128)	\$0
2	Other Special Funds	3,222,513
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL	\$3,222,513
SPECIAL DEPOSITS (Accounts 132, 133, 134)		
<ol style="list-style-type: none"> 1. Report below the amount of special deposits by classes at end of year. 2. If any deposit consists of assets other than cash, give a brief description of such assets. 3. If any deposit is held by an associated company, give name of company. 		
Line No.	Description and Purpose of Deposit (a)	Balance End of Year (b)
20	Interest Special Deposits (Account 132)	\$0
21	Dividend Special Deposits (Account 133)	\$0
22		
23	Other Special Deposits (Account 134):	\$330,000
24	(specify purpose of each other special deposit):	
25	Derivative counterparties' collateral position based on mark to market	
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	\$330,000

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

NOTES RECEIVABLE (Account 141)
 1. Give the particulars called for below concerning notes receivable at end of year.
 2. Give particulars of any note pledged or discounted.
 3. Minor items may be grouped by classes, showing number of such items.
 4. Designate any note the maker of which is a director, officer or other employee.

Line No.	Name of Maker and Purpose for Which Received (a)	Date of Issue (b)	Date of Maturity (c)	Interest Rate (d)	Amount End of Year (e)
1	NONE				0
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18		TOTAL			

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

Line No.	Description (a)	Amount End of Year (b)
19	Customers (Account 142):	68,876,840
20	Other Accounts Receivable (Account 143):	
21	Credit Union Receivable	6,927
22	Miscellaneous Accounts Receivable	4,469,973
23	Other Customer Billing GP	2,467,496
24	Employee Appliance Purchase	13,130
25	Other AR OffSystem Sales	5,287,819
26	Pipeline Refunds	1,146,440
27		
28		
29		
30		
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32		
33		
34		
35		
36		
37		
38		
	TOTAL	82,268,625

RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)

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

Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
1	Accounts Receivable from Associated Companies	12,753,562		0
2	(Account 146):			
3				
4				
5				
6				
7				
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9				
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11				
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35				
36	TOTALS	\$12,753,562		0

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

MATERIALS AND SUPPLIES (Accounts 151-159, 163)			
Summary Per Balance Sheet			
Line No.	Account (a)	Amount End of Year	
		Electric (b)	Gas (c)
1	Fuel (Account 151) (See Schedule, Page 25)		
2	Supplemental Fuel Stock		89,939,896
3	Residuals (Account 153)		-
4	Plant Materials and Operating Supplies (Account 154)		13,319,556
5	Merchandise (Account 155)		-
6	Other Materials and Supplies (Account 154)		-
7	Nuclear Fuel Assemblies and Components - In Reactor (Account 157)		-
8	Nuclear Fuel Assemblies and Components - Stock Account (Account 158)		-
9	Nuclear Byproduct Materials (Account 159)		-
10	Stores Expenses (Account 163)		(0)
11	Total Per Balance Sheet		\$103,259,452

PRODUCTION FUEL AND OIL STOCKS (Included in Account 151) (Except Nuclear Materials)						
1. Report below the information called for concerning production fuel and oil stocks. 2. Show quantities in tons of 2,000 lbs., gal., or Mcf., whichever unit of quantity is applicable. 3. Each kind of coal or oil should be shown separately. 4. Show gas and electric fuels separately by specific use.						
Line No.	Item (a)	Total Cost (b)	Kinds of Fuel and Oil			
			PROPANE		LIGHT OIL	
			Quantity (c)	Cost (d)	Quantity (e)	Cost (f)
1	On Hand Beginning of Year	0	0	\$0		
2	Received During Year	0	0	0		
3	Other charges	0	0	0		
4	TOTAL	0	0	0		
5	Used During Year (Note A)					
6	Liquid Propane	0	0	0		
7	SNG	0	0	0		
8	Fuel	0	0	0		
9						
10	Sold or Transferred					
11	TOTAL DISPOSED OF	0	0	0		
12	BALANCE END OF YEAR	\$0	0	\$0		
Line No.	Item (g)	Total Cost (b)	Kinds of Fuel and Oil - Continued			
			PROPANE		LIGHT OIL	
			Quantity (h)	Cost (i)	Quantity (j)	Cost (k)
13	On Hand Beginning of Year					
14	Received During Year					
15	TOTAL					
16	Used During Year (Note A)					
17						
18						
19	Sold or Transferred					
20	TOTAL DISPOSED OF					
21	BALANCE END OF YEAR					

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

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

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

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1									
2									
3	Medium-Term Notes								
4	2011 Series 8.95%		170,432	12-21-89	06-01-11	3,383	0	3,383	0
5	Medium-Term Notes								
6	2019 Series 8.97%	7,000,000	119,302	12-22-89	12-15-19	35,873	0	3,977	31,896
7	Medium-Term Notes								
8	2020 Series 9.75%	5,000,000	37,500	12-05-90	12-01-20	12,318	0	1,250	11,068
9	Medium-Term Notes								
10	2011 Series 9.0%		75,000	02-22-91	02-22-11	577	0	577	0
11	Medium-Term Notes								
12	2021 Series 9.05%	15,000,000	112,500	09-06-91	09-01-21	40,035	0	3,750	36,285
13	Medium - Term Notes								
14	2022 Series 8.33%	10,000,000	75,000	07-10-92	07-05-22	28,812	0	2,500	26,312
15	Medium - Term Notes								
16	2018 Series 8.33%	10,000,000	75,000	07-10-92	07-10-18	21,706	0	2,885	18,822
17	Medium - Term Notes								
18	2017 Series 8.33%	8,000,000	60,000	07-10-92	07-10-17	14,261	0	2,400	11,861
19	Medium-Term Notes								
20	2019 Series 6.93%	10,000,000	75,000	01-20-94	01-15-19	24,150	0	3,000	21,150
21	Medium-Term Notes								
22	2024 Series 6.98%	6,000,000	45,000	01-20-94	01-15-24	19,573	0	1,500	18,073
23	Medium-Term Notes								
24	2016 Series 6.93%	5,000,000	37,500	01-18-94	01-15-16	8,601	0	1,705	6,896
25	Medium-Term Notes								
26	2014 Series 6.93%	5,000,000	37,500	01-18-94	01-15-14	5,713	0	1,875	3,838
27									
28	SUBTOTAL see page 26 a.	81,000,000	919,734			215,002		28,802	186,200

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

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

Line No.	Designation of Long-Term Debt (a)	Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
29	Medium-Term Notes								
30	2016 Series 6.93%	10,000,000	143,983	01-18-94	04-01-16	38,167	0	5,999	32,168
31	Medium-Term Notes								
32	2014 Series 8.50%	2,000,000	11,000	10-25-94	10-24-14	2,150	0	550	1,600
33	Medium-Term Notes								
34	2025 Series 7.25%	20,000,000	1,699,499	10-03-95	10-01-25	846,755	0	56,650	790,105
35	Medium-Term Notes								
36	2025 Series 7.25%	5,000,000	424,646	10-03-95	10-01-25	211,575	0	14,155	197,420
37	Medium-Term Notes								
38	2015 Series 7.10%	5,000,000	423,397	10-11-95	10-15-15	104,632	0	21,170	83,462
39	Medium-Term Notes								
40	2012 Series 6.80%		834,750	11-30-95	11-30-12	97,192	0	49,102	48,090
41	Medium - Term Notes								
42	2013 Series 6.80%	5,000,000	417,147	12-01-95	12-02-13	69,886	0	23,175	46,711
43	Medium - Term Notes								
44	2023 Series 6.95%	10,000,000	849,750	12-01-95	12-02-23	392,619	0	30,348	362,271
45	Medium - Term Notes								
46	2024 Series 6.95%	5,000,000	423,397	12-05-95	12-01-24	204,373	0	14,600	189,773
47	BGC 2011 Debt					0	75,600	0	75,600
48									
49									
50	SUBTOTALS FROM PAGE 26	81,000,000	919,734			215,002	0	28,802	186,200
51									
52	TOTALS	\$143,000,000	\$6,147,303			\$2,182,351	\$75,600	\$244,551	\$2,013,400

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EXTRAORDINARY PROPERTY LOSSES (Account 182)						
1. Report below particulars concerning the accounting for extraordinary property losses.						
2. In column (a) describe the property abandoned for extraordinary loss suffered, date of abandonment or loss, date of Department authorization of use of Account 182, and period over which amortization is being made.						
Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written off (c)	Written Off During Year		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1	None					
2						
3						
4						
5						0
6						
7						
8						
9						
10		TOTALS	\$0	\$0		\$0
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars called for concerning miscellaneous deferred debits.						
2. For any deferred debit being amortized show period of amortization.						
3. Minor items may be grouped by classes, showing number of such items.						
Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
11	Deferred Environmental	35,826,260	10,636,934	265	5,958,412	40,504,780
12	Deferred Rate Case Expenses	1,869,801	0	928,4073	320,538	1,549,263
13	Deferred Transition Obligation	12,468,705	0	9267	4,400,719	8,067,986
14	Deferred Carrying Cost	(10,917,439)	12,648,825	431	8,303,087	(6,571,700)
15	Pension and OPEB True-ups	24,485,009	2,583,368	9265,9267	18,847,392	8,220,985
16	Accrued Unfunded Post Retirement -					
17	FAS158	104,558,584	0	228,9265,9267	12,604,304	91,954,280
18	Environmental Recoveries	11,738,387	6,388,453	232,131,175	7,721,642	10,405,198
19	Deferred Derivatives	44,167,835	102,995,617	143,232,242,253,254,495	99,933,279	47,230,173
20	Deferred Income Tax	127,814,076	298,727,096	253,282,283,409,410	282,937,427	143,603,747
21	Deferred Miscellaneous	3,282,392	15,370,723	495,419,232	131,181	18,530,931
22						
23						
24						
25						
26						
27						
28						
29						
30						
	TOTALS	\$355,293,610	\$449,351,016		\$441,157,981	\$363,495,643

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DISCOUNT ON CAPITAL STOCK (Account 191)

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

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

2. If any change occurred during the year in the

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

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

2. If any change occurred during the year in the

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
15		\$0
16		
17		
18		
19		
20		
21		
22		
23		
24	NONE	
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36	TOTAL	\$0

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

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

1. Report below the particulars called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show totals separately for common and preferred stock.
 2. Entries in column (b) should represent the number of shares authorized by the Department.

3. Give particulars concerning shares of any class and series of stock authorized to be issued by the Department which have not yet been issued.
 4. The designation of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.

5. State if any capital stock which has been nominally issued is nominally outstanding at end of year.
 6. Give particulars of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledge and purpose of pledge.

Line No.	Class and Series of Stock (a)	Number of Shares Authorized (b)	Par Value per Share (c)	Outstanding per Balance Sheet*			Premium at End of Year (g)
				Amount Authorized (d)	Shares (e)	Amount (f)	
1							
2							
3							
4	Capital Stock - Common Stock	514,184	\$100.00	\$51,418,400	514,184	\$51,418,400	\$640,069
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTALS	514,184		\$51,418,400	514,184	\$51,418,400	\$640,069

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

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OTHER PAID-IN CAPITAL (Accounts 208-211)

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

2. Donations Received from Stockholders (Account 208)

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1		
2		
3	Other Paid In Capital	\$ 836,543,322
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	TOTAL	\$836,543,322

Annual Report ofBoston Gas Company..... Year ended December 31, 2011

LONG-TERM DEBT (Accounts 221, 223-224)									
Report by balance sheet accounts particulars concerning long-term debt in Accounts 221, Bonds; 223 Advances from Associated Companies; and 224, Other Long-Term Debt									
Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Amount Authorized (d)	Amount Actually Outstanding at End of Year (e)	Interest Provisions		Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)
						Rate Per Cent (f)	Dates Due (g)		
1	Account 221:								
2									
3									
4	Medium-Term Note - 2011 Series	12-21-89	06-01-11	10,000,000	0	8.95	4/1, 10/1	372,917	372,917
5	Medium-Term Note - 2019 Series	12-22-89	12-15-19	7,000,000	7,000,000	8.97	4/1, 10/1	627,900	627,900
6	Medium-Term Note - 2020 Series	12-05-90	12-01-20	5,000,000	5,000,000	9.75	4/1, 10/1	487,500	487,500
7	Medium-Term Note - 2011 Series	02-22-91	02-22-11	10,000,000	0	9.00	4/1, 10/1	127,500	127,500
8	Medium-Term Note - 2021 Series	09-06-91	09-01-21	15,000,000	15,000,000	9.05	4/1, 10/1	1,357,500	1,357,500
9	Medium-Term Note - 2017 Series	07-10-92	07-10-17	8,000,000	8,000,000	8.33	4/1, 10/1	666,400	666,400
10	Medium-Term Note - 2018 Series	07-10-92	07-10-18	10,000,000	10,000,000	8.33	4/1, 10/1	833,000	833,000
11	Medium-Term Note - 2022 Series	07-10-92	07-10-22	10,000,000	10,000,000	8.33	4/1, 10/1	833,000	833,000
12	Medium-Term Note - 2014 Series	01-18-94	01-15-14	5,000,000	5,000,000	6.93	4/1, 10/1	346,500	346,500
13	Medium-Term Note - 2016 Series	01-18-94	04-01-16	10,000,000	10,000,000	6.93	4/1, 10/1	693,000	693,000
14	Medium-Term Note - 2016 Series	01-18-94	01-15-16	5,000,000	5,000,000	6.93	4/1, 10/1	346,500	346,500
15	Medium-Term Note - 2019 Series	01-20-94	01-15-19	10,000,000	10,000,000	6.93	4/1, 10/1	693,000	693,000
16	Medium-Term Note - 2024 Series	01-20-94	01-15-24	6,000,000	6,000,000	6.98	4/1, 10/1	418,800	418,800
17	Medium-Term Note - 2014 Series	10-25-94	01-24-14	2,000,000	2,000,000	8.50	4/1, 10/1	170,000	170,000
18	Medium-Term Note - 2025 Series	10-03-95	10-01-25	20,000,000	20,000,000	7.25	4/1, 10/1	1,450,000	1,450,000
19	Medium-Term Note - 2025 Series	10-03-95	10-01-25	5,000,000	5,000,000	7.25	4/1, 10/1	362,500	362,500
20	Medium-Term Note - 2015 Series	10-11-95	10-15-15	5,000,000	5,000,000	7.10	4/1, 10/1	355,000	355,000
21	Medium-Term Note - 2012 Series	11-30-95	11-30-12	10,000,000	10,000,000	6.80	4/1, 10/1	680,000	680,000
22	Medium-Term Note - 2013 Series	12-01-95	12-02-13	5,000,000	5,000,000	6.80	4/1, 10/1	340,000	340,000
23	Medium-Term Note - 2023 Series	12-01-95	12-01-23	10,000,000	10,000,000	6.95	4/1, 10/1	695,000	695,000
24	Medium-Term Note - 2024 Series	12-05-95	12-01-24	5,000,000	5,000,000	6.95	4/1, 10/1	347,500	347,500
25									
26									
27									
28	Other Long Term Debt Capital Lease								
29	TOTALS			173,000,000	153,000,000			12,203,517	12,203,517

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

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NOTES PAYABLE (Account 231)					
Report the particulars indicated concerning notes payable at end of year.					
Line No	Payee (a)	Date of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance End of Year (e)
1	Medium-Term Notes				
2	2012 Series 6.80%	11-30-95	11-30-12	6.80%	10,000,000
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13			TOTAL		\$10,000,000
PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)					
Report particulars of notes and accounts payable to associated companies at end of year.					
Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year		
			Rate (c)	Amount (d)	
14					
15					
16	Advance from KeySpan	480,000,000	7.129%	18,385,715	
17					
18	Note Payable to Utility Pool - Working Capital	(72,232,250)	1.259%	(79,772)	
19					
20	Note Payable to Pool Gas Financing (1)	90,182,473	1.448%	1,305,741	
21					
22	Payable to Associated Companies	137,760,771		217,257	
23					
24					
25					
26					
27					
28					
29					
30	(1) Interest charged to cost of gas				
31					
32					
33					
34					
35					
36					
37	TOTALS	\$635,710,994		\$19,828,941	

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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)
 1. Report the amount and description of other current and accrued liabilities at end of year.
 2. Minor items may be grouped under appropriate title.

Line No.	Item (a)	Amount (b)
1		
2		
3	Accrued Gain Sharing	1,002,085
4	Accrued Miscellaneous	304,060
5	Accrued Vacation	5,289,684
6	Accrued Incentive Compensation	533,600
7		
8		
9		
10		
11		
12	TOTAL	\$7,129,429

OTHER DEFERRED CREDITS (Account 253)
 1. Report below the particulars called for concerning other deferred credits.
 2. For any deferred credits being amortized show the period of amortization.
 3. Minor items may be grouped by classes. Show number of items.

Line No.	Description of Other Deferred Credit (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
13	Deferred Tax Surplus	4,015,251	408-409	0	0	4,015,251
14	Residential Conservation Surcharge	62,448	175	0	503,125	565,571
15	Miscellaneous Deferred Credits	135,561	142	5,175	0	130,386
16	Deferred Post Retirement FAS 112	952,123	926	0	176,177	1,128,300
17	Derivatives	13,649,824	186	0	7,956,360	21,606,185
18	Asset Retirement Obligation	12,838,673	231	0	765,198	13,603,871
19	INV TAX CR POST-1970	239,116	236	71,400	0	167,716
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	31,892,995		76,575	9,400,858	41,217,280

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RESERVE FOR DEPRECIATION OF UTILITY PLANT IN SERVICE (Account 254)				
Show below the amount credited during the year to Depreciation Reserve, and the amount charged to Depreciation Reserve on account of property retired. Also the balance in the account at the end of the year.				
Line No.	(a)	Electric (b)	Gas (c)	Total (d)
1	Balance at beginning of year		\$960,070,169	\$960,070,169
2	Balance at beginning of the Year		\$960,070,169	\$960,070,169
3	Credits to Depreciation Reserve during year:			
4	Account 403 Depreciation		\$99,427,393	\$99,427,393
5				
6				
7	Other Accounts (Rental Equipment)			
8	TOTAL CREDITS DURING YEAR		\$99,427,393	\$99,427,393
9	Net Charges for Plant Retired:			
10	Book Cost of Plant Retired		\$7,301,815	\$7,301,815
11	Cost of Removal		20,378,927	20,378,927
12	Salvage (Credit)			
13				
14	ARO Entries Journalled into the Account		32,817	32,817
15	Other Adjustment Entries - reclass of capital lease amortization			
16	to account 257-259, Reserve for amortization		(9,768,748)	(9,768,748)
17	NET CHARGES DURING YEAR		\$17,944,811	\$17,944,811
18	Balance December 31		\$1,041,552,751	\$1,041,552,751

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.			
19	Depreciation -	\$99,427,393.45	
20	The Composite Depreciation Rate as a Percentage of the Average Depreciable Property in Service was -		3.51%
21	Taken for Federal Income Taxes - Liberalized Depreciation and other Timing		
22	Differences		\$ 130,210,908.78
23			

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	
		Reg'l'r (b)	Extra (c)			Declared (f)	Payable (g)
24	Common Stock	\$0.0000		0	\$0		
25							
26	Preferred Stock	\$0.0000		0	\$0		
27		\$0.0000		0	\$0		
28		\$0.0000		0	\$0		
29							
30	Added Accrual				\$0		
31							
32							
33	TOTALS	\$0.000			\$0		
Dividend rates on Common Stock and Premium					0.00%		
Dividend rates on Common Stock, Premium and Surplus					0.00%		

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

1. Report below an analysis of the changes during the year for each of the above-named reserves.

2. Show name of reserve and account number, balance beginning of year, credits, debits, and balance at end of year. Credit amounts should be shown in black, debit amounts enclosed by parentheses.

3. Each credit and debit amount should be described as to its general nature and the contra account debited or credited shown. Combine the amounts of monthly accounting entries of the same general nature.

If respondent has more than one utility department, contra accounts debited or credited should indicate the utility department affected.

4. For Accounts 261, Property Insurance Reserve and 262, Injuries and Damages Reserve, explain the nature of the risks covered by the reserve.

5. For Account 265, Miscellaneous Operating Reserves, report separately each reserve comprising the account and explain briefly its purpose.

Line No.	Name of Reserve (a)	Bal. Beg. of Year (b)	Credits (c)	Debits (d)	Contra Acct. Debited or Credited (e)	Amount (f)
1	Account 262:					
2						
3	General Liability Reserve	13,729	0	71,091	926,131	(57,362)
4	Workers Compensation Reserve	3,805,276	(998,268)	0	926,131	2,807,006
5	Injuries&Damages Reserve	0	0	0	925	0
6						
7						
8	Account 263:					
9						
10	Pensions Reserve	2,119,684	13,321,859	25,909,821	926,131	(10,468,278)
11	OPEB Reserve	103,473,182	9,491,234	12,359,618	926,131	100,604,798
12						
13						
14						
15						
16	Account 265:					
17	Environmental Reserve	37,251,172	35,581,147	19,527,798	186,926	53,304,523
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	146,663,043	57,395,972	57,868,328		146,190,687

RESERVES FOR DEFERRED FEDERAL INCOME TAXES (Accounts 267, 268)					
1. Report the information called for below concerning the respondent's accounting for deferred federal income taxes.		(b) Liberalized Depreciation - - State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated useful lives and classes of plant to which each method is being applied. Furnish a table showing for each year, 1954 to date of this report, the annual amounts of tax deferral, the total debits thereto which have been accounted for as credits to Acct. 411, Federal Income Taxes Deferred in Prior Years - - Credit or comparable account of the previous system of accounts.			
2. In the space provided furnish significant explanations, including the following:					
(a) Accelerated Amortization - - State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax amounts.					
Line No.	Account Subdivisions (a)	Balance Beginning of Year (b)	Changes During Year		Balance End of Year (e)
			Amts. Debited Account 410 (1) (c)	Amts. Credited Account 411 (2) (d)	
1	Accelerated Amortization				
2	(Account 267)				
3	Electric				
4	Gas	0	0	0	0
5	Other (Specify)				
6	Totals	0	0	0	0
7					
8	Liberalized Depreciation				
9	(Account 268)				
10	Electric				
11	Gas	368,118,852	35,211,897		403,330,748
	Prov Deferred Merger Cost				
12	Trueup and Other				0
13	Totals	368,118,852	35,211,897	0	403,330,748
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	368,118,852	35,211,897	0	403,330,748
	Prov Deferred Merger Cost				
18	Trueup and Other	0	0	0	0
19	Totals	368,118,852	35,211,897	0	403,330,748
20	Note (A) Includes debits and credits to Account 236 and 253 and also reclass between Federal and State Account 268.				
21	(1) Account 410, Provision for Deferred Federal Income Taxes				
22	(2) Account 411, Federal Income Taxes Deferred in Prior Years - - Credit				

CONTRIBUTIONS IN AID OF CONSTRUCTION (Account 271)						
Report below the amount of contributions in aid of construction applicable to each utility department.						
Line No.	Class of Utility Service (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
23	CONTRIB-AID OF CONSTRUCTION	0	107	8,246,400	8,189,363	(57,036)
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	-	107	8,246,400	8,189,363	(57,036)

GAS OPERATING REVENUES (Account 400)										
1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.			counted for each group of meters so added.			4. Unmetered sales should be included below. The details of such sales should be given in a footnote.				
2. If increases and decreases are not derived from previously reported figures explain any inconsistencies.			The average number of customers means the average of the 12 figures at the close of each month. If the customer count in the residential service classification includes customers counted more than once because of special services, such as water heating, etc., indicate in a footnote the number of such duplicate customers included in the classification.			5. Classification of Commercial and Industrial Sales, Acct. 481, according to Small (or Commercial) and Large (or Industrial) may be according to the basis of classification regularly used by the respondent.				
3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be										
Line No	Account (a)	Operating Revenues			Dth Sold (1000 BTU)			Average No. of Cust. Per Month		
		Amount for Year (b)	Prior Year	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Prior Year	Increase or (Decrease) from Preceding Year (e)	Number for Year (f)	Prior Year	Increase or (Decrease) from Preceding Year (g)
1	SALES OF GAS									
2	480 Residential Sales	\$718,023,122	\$657,210,996	\$60,812,126	48,435,839	42,742,002	5,693,837	602,545	597,320	5,225
3	481 Commercial and Industrial Sales:									
4	Small (or Commercial) see instr. 5	130,717,158	116,152,032	14,565,126	9,445,908	8,093,213	1,352,695	42,573	42,689	(116)
5	Large (or Industrial) see instr. 5	94,134,747	97,023,386	(2,888,639)	7,637,902	7,669,207	(31,305)	4,854	4,948	(94)
6	482 Other Sales to Public Authorities	1,427,089	1,212,574	214,515	110,505	95,156	15,349	3	0	0
7	484 Interdepartmental Sales	0	0	0	0	0	0	0	0	0
8		0	0	0	0	0	0	0	0	0
9	485 Miscellaneous Gas Sales	0	0	0	0	0	0	0	0	0
10	Total Sales to Ultimate Consumers	\$944,302,115	\$871,598,988	\$72,703,127	65,630,155	58,599,578	7,030,577	649,975	644,957	5,018
11	483 Sales for Resale	117,228,395	113,382,962	\$3,845,433	48,385,341	33,311,179	15,074,162	0	0	0
12	Total Sales of Gas*	\$1,061,530,510	\$984,981,950	\$76,548,560	114,015,496	91,910,757	22,104,739	649,975	644,957	5,018
13	OTHER OPERATING REVENUES									
14	487 Adjustments	\$ -	\$ -	\$0						
15	488 Miscellaneous Service Revenues	584,628	73,495	511,133						
16	489 Revenues from Trans. of Gas of Others	135,349,157	103,364,207	31,984,950						
17	490 Sales of Products Extracted from Natural Gas	0	0	0						
18	491 Rev. from Natural Gas Processed by Others	0	0	0						
19	493 Rent from Gas Property	0	0	0						
20	494 Interdepartmental Rents	0	0	0						
21	495 Other Gas Revenues	18,679,345	1,997,435	16,681,910						
22	Total Other Operating Revenues	\$ 154,613,130	\$ 105,435,137	\$49,177,993						
23	Total Gas Operation Revenues	\$1,216,143,640	\$1,090,417,087	\$125,726,553						
		0			Purchased Price Adjustment Clauses	Fuel Clauses				
					\$0					
					0					
	* Includes revenues from application of Total M.C.F. to which Applied									

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SALES OF GAS TO ULTIMATE CONSUMERS							
Report by Account the M.C.F. sold, the amount derived and the number of customers under each filed schedule or contract. Contract sales and unbilled sales may be reported separately in total.							
Line No.	Account No.	Schedule (a)	DTH (1000 BTU) (b)	Revenue (c)	Average Revenue per M.C.F. (\$0.0000) (d)	Number of Customers (Per Bills Rendered)	
						July 31 (e)	December 31 (f)
1		<u>Total Company</u>					
2							
3	480	R-1 Residential Non-Heat	1,800,699	39,114,869	21.7220	111,554	110,475
4		R-2 Residential SSI Non-Heat	179,565	2,772,769	15.4416	5,850	5,617
5		R-31 Residential Heat	42,209,518	628,575,423	14.8918	421,559	461,529
6		R-32 Residential SSI Heat	4,246,058	47,560,060	11.2010	25,228	24,924
7							
8	481	G-17 Unmetered Gas Lamps	1,027	25,220	24.5520	11	10
9		G-41 Low Load - Small	3,305,586	50,537,649	15.2886	23,949	26,456
10		G-42 Low Load - Medium	3,256,687	43,500,648	13.3573	6,430	6,719
11		G-43 Low Load - Large	5,314,509	66,638,249	12.5389	3,549	3,675
12		G-44 Low Load - Extra Large	852,036	10,112,861	11.8691	153	161
13		G-51 High Load - Small	1,328,325	17,846,892	13.4356	5,976	6,725
14		G-52 High Load - Medium	1,554,283	18,806,749	12.1000	2,819	2,663
15		G-53 High Load - Large	1,233,486	14,682,606	11.9033	1,083	969
16		G-54 High Load - Extra Large	236,535	2,649,110	11.1997	59	45
17		G-61 Summer Load - Small	-	-	0.0000		
18		G-62 Summer Load - Medium	-	-	0.0000		
19		G-63 Summer Load - Large	-	-	0.0000		
20		G-64 Summer Load-Extra Large	-	-	0.0000		
21		Non-Core, Special Contracts		45,538	0.0000	1	1
22		Interruptible (808)	1,337	6,383	4.7742	3	3
23							
24							
25		G-27 CNG Fuel	-	-	0.0000		
26		G-92 Special Contract	-	-	0.0000		
27							
28							
29							
30							
31	482	G-7 Street Lighting (807)	110,505	1,427,089	12.9142	3	3
32							
33							
34							
35		* Customers included in Rate Class R-1					
36							
37							
38							
39	TOTAL SALES TO ULTIMATE						
40	CONSUMERS (Page 43 line 10)		65,630,155	944,302,115	\$14.3882	608,227	649,975

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REVENUES FROM TRANSPORTATION							
Report by account the DKTH. sold, the amount derived and the number of customers under each filed schedule or contract. Municipal sales, contract sales and unbilled sales may be reported separately in total.							
Line No.	Acct. No.	Schedule (a)	DKTH (1000 BTU) (b)	Revenue (c)	Average Revenue per M.C.F. (0.0000) (d)	Number of Customers (per Bills Rendered)	
						July 31 (e)	Dec. 31 (f)
1		<u>Total Company</u>					
2							
3	489	Contract Firm Transportation					
4		G-41 Low-Load Firm Transp.	544,465	3,090,719.93	5.6766	1,477	1701
5		G-42 Low-Load Firm Transp.	1,748,023	8,391,789.58	4.8007	1,860	2026
6		G-43 Low-Load Firm Transp.	8,230,323	34,327,196.06	4.1708	2,979	3202
7		G-44 Low-Load Firm Transp.	5,498,842	20,308,753.90	3.6933	784	884
8		G-51 High-Load Firm Transp.	389,917	1,875,021.43	4.8088	852	777
9		G-52 High-Load Firm Transp.	976,829	3,965,938.89	4.0600	778	731
10		G-53 High-Load Firm Transp.	2,403,429	9,181,340.18	3.8201	981	874
11		G-54 High-Load Firm Transp.	5,722,313	17,552,986.67	3.0675	345	256
12		G-55 High -Load Metered Demand- Essex	163,448	461,050.04	2.8208	4	9
13		G-61 Summer-Load Firm Transp.	0	0.00	0.0000	0	0
14		G-62 Summer-Load Firm Transp.	0	0.00	0.0000	0	0
15		G-63 Summer-Load Large Transp.	0	0.00	0.0000	0	0
16		G-64 Summer-Load Extra-Large Transp.	0	0.00	0.0000	0	0
17		G-81 Low-Load Firm.	3,088,939	3,244,614.89	1.0504	17	17
18		G-82 High-Load Firm	16,260,762	19,904,378.76	1.2241	148	148
19		G-83 Low-Load Firm Optional Svc.	62,818	353,971.41	5.6348	-	0
20		G-84 High-Load Firm Optional Svc.	162,807	843,501.27	5.1810	1	1
21		Non-Firm Transportation					
22		R-1 Residential Non-Heat	5,042	49,717.97	9.8614	84	83
23		R-10 Interruptible Transport	-	0.00			
24		R-31 Residential Heat	238,780	1,444,366.54	6.0490	817	874
25		Broker (48900-005590 Broker Balance Charges)		7,202,348.11			
26		Special Contracts (82) 4810K-V882 and 48100-005	74,879,637	3,151,461.20	0.0421	4	4
27		Special Contracts (83)4810k-00V883 Firm Transport					
28		Special Contracts (84)4810-00V884					
29							
30							
31							
32							
33							
34							
35							
36							
37							
38		Total Revenues from Transportation					
40		of Gas for Others (Page 43, Line 16)					
			120,376,373	\$135,349,157	1.1244	11,131	11,587

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GAS OPERATION AND MAINTENANCE EXPENSES

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

Line No.	Account (a)	Amount for Year (b)	Prior Year amount	Increase/(Decrease) from Preceding Year (c)
1	PRODUCTION EXPENSE			
2	MANUFACTURED GAS PRODUCTION EXPENSES			
3	STEAM PRODUCTION			
4	Operation:			
5	700 Operation supervision and engineering	0	\$0	\$0
6	701 Operation labor	0	0	0
7	702 Boiler fuel	0	0	0
8	703 Miscellaneous steam expenses	0	0	0
9	704 Steam transferred - - Cr	0	0	0
10	Total operation	\$0	\$0	\$0
11	Maintenance:			
12	705 Maintenance supervision and engineering	0	0	0
13	706 Maintenance of structures and improvements	0	0	0
14	707 Maintenance of boiler plant equipment	0	0	0
15	708 Maintenance of other steam production plant	0	0	0
16	Total maintenance	\$0	\$0	\$0
17	Total steam production	\$0	\$0	\$0
18	MANUFACTURED GAS PRODUCTION			
19	Operation:			
20	710 Operation supervision and engineering	0	0	
21	Production labor and expenses:			
22	711 Steam expenses	0	0	0
23	712 Other power expenses	0	0	0
24	715 Water gas generating expenses	0	0	0
25	716 Oil gas generating expenses	0	0	0
26	717 Liquefied petroleum gas expenses	0	0	0
27	718 Other process production expenses	2,208,570	1,825,861	382,709
28	Gas fuels:			
29	721 Water gas generator fuel	0	0	0
30	722 Fuel for oil gas	0	0	0
31	723 Fuel for liquefied petroleum gas process	0	0	0
32	724 Other gas fuels	0	0	0
33	Gas raw materials:			
34	726 Oil for water gas	0	0	0
35	727 Oil for oil gas	0	0	0
36	728 Liquefied petroleum gas	(30,781)	38,658	(69,439)
37	729 Raw materials for other gas processes	0	0	0
38	730 Residuals expenses	0	0	0
39	731 Residuals produced - - Cr	0	0	0
40	732 Purification expenses	0	0	0
41	733 Gas mixing expenses	0	0	0
42	734 Duplicate charges - - Cr	0	0	0
43	735 Miscellaneous production expenses	3,781	20,000	(16,219)
44	736 Rents	0	0	0
45	Total operation	\$2,181,570	\$1,884,519	\$297,051
46	Maintenance:			
47	740 Maintenance supervision and engineering	(1,514)	0	(1,514)
48	741 Maintenance of structures and improvements	0	0	0
49	742 Maintenance of production equipment	960,638	859,603	101,035
50	Total maintenance	\$959,124	\$859,603	\$99,522
51	Total manufactured gas production	\$3,140,694	\$2,744,122	\$396,573

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GAS OPERATION AND MAINTENANCE EXPENSES - - Continued				
Line No.	Account (a)	Amount for Year (b)	Prior year amount	Increase/(Decrease) From Preceding Year (c)
1	OTHER GAS SUPPLY EXPENSES			
2	Operation:			
3	804 Natural gas city gate purchases	524,715,446	581,966,039	(\$57,250,593)
4	805 Other gas purchases	6,296,434	6,104,406	192,029
5	808-10 Liquefied natural gas	23,594,255	28,285,643	(4,691,388)
6	808-20 Deferred cost of gas	115,759,121	56,951,405	58,807,716
7	812 Gas used for other utility operations - - Cr	0	-	0
8	813 Other gas supply expenses	5,456	19,694	(14,238)
9	814 Environmental Costs	2,439,849	-	2,439,849
10	815 Conservation & Load Management Expense	0	-	0
11				
12		\$672,810,561	673,327,186	(\$516,625)
13	Total production expenses	\$675,951,255	\$676,071,308	(\$120,053)
14	LOCAL STORAGE EXPENSES			
15	Operation:			
16	840 Operation supervision and engineering	0	-	0
17	841 Operation labor and expenses	1,664,181	1,297,555	366,626
18	842 Rents	0	-	0
19	Total operation	\$1,664,181	1,297,555	\$366,626
20	Maintenance:			
21	843 Maintenance supervision and engineering	0	-	0
22	844 Maintenance of structures and improvements	0	-	0
23	845 Maintenance of gas holders	0	-	0
24	846 Maintenance of other equipment	0	-	0
25	849 Joint Expenses-Credit	(11,938,308)	(12,660,338)	722,030
26	Total maintenance	(\$11,938,308)	(12,660,338)	\$722,030
27	Total storage expenses	(\$10,274,127)	(11,362,783)	\$1,088,656
28	TRANSMISSION AND DISTRIBUTION EXPENSES			
29	Operation:			
30	850 Operation supervision and engineering	1,518,508	41,034	1,477,475
31	851 System control and load dispatching	0	-	0
32	852 Communication system expenses	0	-	0
33	853 Compressor station labor and expenses	0	-	0
34	855 Fuel and power for compressor stations	0	-	0
35	857 Measuring and regulating station expenses	2,865,323	4,187,358	(1,322,034)
36	858 Transmission and compression of gas by others	0	-	0
37	860 Transmission Rents	0	(15)	15
38	874 Mains and services expenses	16,439,265	13,275,501	3,163,765
39	878 Meter and house regulator expenses	17,406,034	16,635,576	770,458
40	879 Customer installations expenses	(1,579,698)	(842,756)	(736,941)
41	880 Other expenses	589,359	782,436	(193,077)
42	881 Rents	0	-	0
43	882 Transportation expense	0	-	0
44	Total operation	\$37,238,792	34,079,132	\$3,159,660
45	Maintenance:			
46	885 Maintenance supervision and engineering	1,930,954	1,780,366	150,588
47	886 Maintenance of structures and improvements	217,108	285,201	(68,093)
48	887 Maintenance of mains	44,841,757	50,230,312	(5,388,555)
49	888 Maintenance of compressor station equipment	0	-	0
50	889 Maintenance of measuring and regulating station equipment	2,660,123	2,952,979	(292,855)
51	892 Maintenance of services	16,588,075	15,253,225	1,334,850
52	893 Maintenance of meters and house regulators	1,787,642	1,230,520	557,121
53	894 Maintenance of other equipment	66,076	102,656	(36,579)
54	Total maintenance	\$68,091,735	71,835,258	(\$3,743,524)
55	Total transmission and distribution expenses	\$105,330,526	105,914,390	(\$583,864)

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GAS OPERATION AND MAINTENANCE EXPENSES - - Continued				
Line No.	Account (a)	Amount for Year (b)	Prior yr amount	Increase/(Decrease) from Preceding Year (c)
CUSTOMER ACCOUNTS EXPENSES				
1	Operation:			
2	901 Supervision	383,753	364,041	\$19,712
3	902 Meter reading expenses	2,885,160	4,340,471	(1,455,310)
4	903 Customer records and collection expenses	18,589,957	20,072,588	(1,482,631)
5	904 Uncollectible accounts	8,057,398	11,815,497	(3,758,099)
6	905 Miscellaneous customer accounts expenses	34,382,739	4,048,091	30,334,648
7	Total customer accounts expenses	\$64,299,007	\$40,640,688	\$23,658,319
SALES EXPENSES				
9	Operation:			
10	911 Supervision	1,720	0	1,720
11	912 Demonstrating and selling expenses	10,317,277	6,955,389	3,361,888
12	913 Advertising expenses	213,046	1,813,837	(1,600,791)
13	916 Miscellaneous sales expenses	(3,492,871)	(2,806,327)	(686,545)
14	Total sales expenses	\$7,039,171	\$5,962,899	\$1,076,272
ADMINISTRATIVE AND GENERAL EXPENSES				
16	Operation:			
17	920 Administrative and general salaries	24,048,869	23,263,601	785,268
18	921 Office supplies and expenses	19,187,724	16,809,225	2,378,499
19	922 Administrative expenses transferred - - Cr	0	152	(152)
20	923 Outside services employed	6,554,664	4,660,666	1,893,997
21	924 Property Insurance	155,319	128,747	26,572
22	925 Injuries and damages	4,240,837	5,005,113	(764,277)
23	926 Employees pensions and benefits	38,317,491	16,528,832	21,788,659
24	927 Franchise Requirements	0	0	0
25	928 Regulatory commission expenses	2,002,251	3,359,483	(1,357,232)
26	929 Duplicate charges - - Cr	0	0	0
27	930 Miscellaneous general expenses	351,811	318,390	33,421
28	931 Rents	2,135,694	1,821,346	314,347
29	Total operation	\$96,994,659	\$71,895,555	\$25,099,104
30	Maintenance:			
31	932 Maintenance of general plant	105,827	274,897	(169,070)
32	Total administrative and general expenses	\$97,100,486	\$72,170,452	\$24,930,034
33	Total gas operation and maintenance expenses	\$939,446,319	\$889,396,954	\$50,049,365
SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				
Line	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
34	Steam production	\$0	\$0	\$0
35	Manufactured gas production	2,181,570	959,124	3,140,694
36	Other gas supply expenses	672,810,561	0	672,810,561
37	Total production expenses	\$674,992,131	\$959,124	\$675,951,255
38	Local storage expenses	1,664,181	(11,938,308)	(10,274,127)
39	Transmission and distribution expenses	37,238,792	68,091,735	105,330,526
40	Customer accounts expenses	64,299,007	0	64,299,007
41	Sales expenses	7,039,171	0	7,039,171
42	Administrative and general expenses	96,994,659	105,827	97,100,486
43	Total gas operation and maint. expenses.	\$882,227,941	\$57,218,378	\$939,446,319
44	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			85.45%
45	Compute by dividing Revenues (Acct. 400) into the sum of Operation and			
46	Maintenance Expenses (P. 47, line 43 (d), Depreciation (Acct. 403) and			
47	Amortization (Acct. 407)			
48	Total salaries and wages of gas department for year, including amounts charged to			
49	operating expenses, construction and other accounts			\$126,301,503
50	Total number of employees of gas department at end of year, including administrative,			
51	operating, maintenance, construction and other employees - National Grid Massachusetts.			989

If gas is purchased or sold at two or more different rates, the amounts at each rate should be shown in the following tables.
SALES FOR RESALE (Account 483)

Line No.	Names of Companies to Which Gas Is Sold (a)	Where Delivered and Where and How Measured (b)	M.C.F. (1000 BTU) (c)	Rate Per M.C.F. (\$0.0000) (d)	Amount (e)
1	Off-System Sales	Delivered to customers, various points of delivery	48,385,341	2.42	117,228,395
2					
3					
4	Resale Non-Firm	Interruptible	1,337	4.77	6,383
5					
6					
7					
8					
9					
10					
11					
12	TOTALS		48,386,678		117,234,778

PURCHASED GAS (Accounts 804-806)

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

SALES OF RESIDUALS (Accounts 730,731)

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

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

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Line No.	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) M.C.F. 1,000 BTU	(d) Rate Per M.C.F.	(e) Amount
1	Algonquin Gas Transmission	Metered at Everett,			
2		Weston, Waltham,			
3		Braintree, Norwood,			
4		Wellesley, Milton,			
5		Waltham Polaroid, Mansfield,			
6		Medford & Potter Street			
7	Transportation and Capacity Costs				24,167,694
8	Other Charges				211,548
9	TOTAL ALGONQUIN		0		24,379,242
10	Tennessee Gas Pipeline	Metered at Leominster,			
11		Clinton, Southbridge,			
12		Spencer, Lynn, Acton,			
13		Lynnfield, Arlington,			
14		Burlington, Lexington,			
15		Reading, Revere, West			
16		Peabody, Beverly/Salem,			
17		& Gloucester			
18					
19	Transportation and Capacity Costs				57,486,165
20	Other Charges				(87,850)
21	TOTAL TENNESSEE		0		57,398,316
22	Texas Eastern				
23	Transportation and Capacity Costs				24,572,395
24	Other Charges				851,622
25	TOTAL TEXAS EASTERN		0		25,424,016
26	Canadian				
27					
28	Commodity Cost		1,162,443	9.93	11,547,816
29	Transportation and Capacity Costs				1,231,367
30	Other Charges				0
31	TOTAL CANADIAN		4,388,967		12,779,183
32					
33	Direct Purchases				
34					
35	Commodity Cost		83,261,819	5.91	492,372,630
36	Transportation and Capacity Costs				(2,630,674)
37	Other Charges				0
38	TOTAL DIRECT PURCHASES		63,036,656		489,741,956
39					
40					
41	Distrigas	Metered at Everett			
42	Commodity Cost		0		0
43	Capacity Costs				2,188,714
44	TOTAL DISTRIGAS				2,188,714

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	(a)	(b)	(c)	(d)	(e)
	Name of Companies From Which Gas is Purchased	Where Rec'd & Where & How Measured	M.C.F. 1,000 BTU	Rate Per M.C.F.	Amount
1					
2					
3	Commonwealth Gas - Commodity	Metered at customers'			
4		houses in Wellesley,			
5		Acton & Medford	0		0
6					
7	Total Commodity Cost		84,424,262	5.97	503,920,446
8	Total Transportation & Capacity Costs				107,015,661
9	Total Other Charges				975,320
10					
11	Unbilled Gas Cost				(18,218,053)
12	Total Purchased Gas Cost		84,424,262		593,693,375
13	Net Change in Holder Gas *		(15,986,077)		19,720,476
14	Deferred Cost of Gas 808-20,21,23,29				56,951,405
15	Purchased Gas Expense		68,438,185		670,365,256
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35	* Add (Decreases) / Deduct Increases in Holder Gas - Note: Column (e) of this line includes those				
36	inventory transactions necessary to reconcile "Purchased Gas Expense" to Gas Costs expensed				
37	as presented on Lines 3 through 6 on page 46.				
38					
39					
40					
41					
42					

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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.			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.				5. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis for apportioning such tax.		
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.			4. The accounts to which the taxes charged were distributed should be shown in columns (c) to (h). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet account or subaccount.				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.		
3. The aggregate of each kind of tax should be									
Line No.	Kind of Tax (a)	Total Taxes Charged During Year (omit cents) (b)	Distribution of Taxes Charged (omit cents) (Show utility department where applicable and account charged)						
			Gas Acct. 107 &/or Accts. 300-398(c)	Gas (Acct.408,409) (d)	Surplus Acct. (e)	Future Use (Acct 105) (f)	Taxes included in O&M (g)	Gas Acct. 418 (h)	Gas Acct. 419 (i)
1	Federal:								
2	Income	2,133,518		2,133,518					
3	F.I.C.A. & Medicare	2,486,286		2,486,286					
4	Transportation/Fleet	3,956		3,956					
5	Excise								
6									
7	State:								
8	Franchise	4,120,873		4,120,873					
9	Use	8,638,499		8,638,499					
10	Payroll	902,996		902,996					
11	Fuel	17,506		17,506					
12	Local:								
13	Cities & Towns	35,107,622		35,107,622					
14	Excise	1,221		1,221					
15									
16									
TOTALS		\$53,412,477	\$0	\$53,412,477	\$0	\$0	\$0	\$0	\$0

OTHER UTILITY OPERATING INCOME (Account 414)

Report below the particulars called for in each column.

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

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INCOME FROM MERCHANDISING, JOBBING AND CONTRACT WORK (Account 415)					
Report by utility department the revenues, costs, expenses, and net income from merchandising, jobbing, and contract work during year.					
Line No.	Item (a)	Electric Department (b)	Gas Department (c)	Other Utility Department (d)	Total (e)
1		NONE			
2					
3					
4					
5					
6					
7					
8					
9					
10				\$0	
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	TOTAL COSTS AND EXPENSES		\$0		\$0
35	Net Profit (or Loss)		\$0		\$0

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RECORD OF SENDOUT FOR THE YEAR IN MCF BASED ON 1000 BTU PER CUBIC FOOT (a)							
Line No.	Item	Total	January	February	March	April	May
1	<u>Gas Made</u>						
2							
3							
4	Propane	0	0	0	0	0	0
5							
6	TOTAL	0	0	0	0	0	0
7							
8	<u>Gas Purchased</u>						
9	Natural	84,424,262	12,706,193	10,038,218	10,021,404	6,447,917	5,247,419
10	Other						
11	TOTAL	84,424,262	12,706,193	10,038,218	10,021,404	6,447,917	5,247,419
12	TOTAL MADE AND						
13	PURCHASED	84,424,262	12,706,193	10,038,218	10,021,404	6,447,917	5,247,419
14	Net Change in Holder						
15	Gas (1)	(15,986,077)	1,887,493	1,799,332	(520,794)	(1,248,609)	(2,236,402)
16	TOTAL SENDOUT	68,438,185	14,593,686	11,837,550	9,500,610	5,199,308	3,011,017
17	GAS TRANSPORTED	120,006,410	12,715,312	11,760,037	11,496,414	8,369,960	9,642,005
18	TOTAL THROUGHPUT	188,444,595	27,308,998	23,597,587	20,997,024	13,569,268	12,653,022
19							
20	Gas Sold *	63,926,330	12,618,836	10,118,594	8,971,473	4,757,008	5,220,955
21	Gas Used by Company	18,416	1,936	2,794	2,868	2,266	2,266
22	Gas transported *	120,597,081	13,173,884	12,423,900	11,779,946	9,047,756	8,865,386
23	Gas Accounted for	184,541,827	25,794,656	22,545,287	20,754,286	13,807,030	14,088,607
24	Gas Unaccounted for (2)	3,902,768	1,514,342	1,052,300	242,737	(237,762)	(1,435,585)
25	% Unaccounted						
26	for (0.00%) (2)	2.07%					
27							
28							
29	<u>Sendout in 24 hours</u>						
30	<u>in MCF</u>						
31	Maximum - MCF		928,084	750,564	724,787	474,505	278,611
32	Maximum - Date		1/24/11	2/21/11	3/3/11	4/1/11	5/17/11
33	Minimum - MCF		316,077	351,060	252,307	161,520	125,389
34	Minimum - Date		1/1/11	2/18/11	3/18/11	4/29/11	5/29/11
35							
36							
37							
38	B.T.U. Content of Gas Delivered to Customers 1,042 per Cubic Foot.						
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						
42							

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

RECORD OF SENDOUT FOR THE YEAR IN MCF BASED ON 1000 BTU PER CUBIC FOOT (a)							
Line No.	June	July	August	September	October	November	December
1							
2							
3							
4	0	0	0	0	0	0	0
5							
6	0	0	0	0	0	0	0
7							
8							
9	3,657,235	4,956,717	4,871,660	4,661,333	5,244,548	7,275,186	9,296,431
10							
11	3,657,235	4,956,717	4,871,660	4,661,333	5,244,548	7,275,186	9,296,431
12							
13	3,657,235	4,956,717	4,871,660	4,661,333	5,244,548	7,275,186	9,296,431
14							
15	(1,669,032)	(3,422,580)	(3,368,548)	(2,976,650)	(1,916,137)	(1,824,571)	(489,578)
16	1,988,203	1,534,137	1,503,112	1,684,683	3,328,411	5,450,615	8,806,853
17	7,851,286	8,724,088	9,131,191	9,488,309	10,558,637	9,642,766	10,626,405
18	9,839,489	10,258,225	10,634,303	11,172,992	13,887,048	15,093,381	19,433,258
19							
20	1,584,440	1,220,026	1,400,238	1,670,415	3,423,163	4,787,999	8,153,185
21	481	914	914	873	873	941	1,291
22	8,022,473	8,235,909	9,531,723	9,409,059	9,503,913	10,278,133	10,325,000
23	9,607,394	9,456,849	10,932,874	11,080,347	12,927,950	15,067,072	18,479,475
24	232,095	801,375	(298,571)	92,644	959,099	26,309	953,783
25							
26							
27							
28							
29							
30							
31	205,614	237,600	206,611	169,522	440,021	455,930	682,355
32	06/08/2011	07/21/2011	08/01/2011	09/20/2011	10/29/2011	11/23/2011	12/18/2011
33	125,836	109,687	110,821	113,823	130,724	190,959	221,494
34	06/17/2011	07/30/2011	08/13/2011	09/04/2011	10/01/2011	11/14/2011	12/06/2011
35							
36							
37							
38							
39							
40							
41							
42							

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

GAS GENERATING PLANT			
Line No.	General Description--Location, Size, Type, etc.	No. of Sets	24 Hour Cap. (MCF)
1	Liquefied Petroleum:		
2	Everett 697,000 gals. of Propane with vaporizing and		
3	Decommissioned accessory equipment		
4			
5	Southbridge 127,500 gals. of Propane with vaporizing and	1	1,900
6	accessory equipment		
7	Norwood 155,500 gals. of Propane with vaporizing and	1	3,000
8	accessory equipment		
9	Danvers 127,500 gals. of Propane with vaporizing and		
10	Decommissioned accessory equipment		
11	Gloucester - decommissioned 102,000 gals. of Propane with vaporizing and		
12	accessory equipment		
13	Spencer 15,300 gals. of Propane with vaporizing and		
14	Decommissioned accessory equipment		
15	North Avenue Station		
16	Propane Air Plant		
17	Propane Vaporizers Decommissioned	2	
18	30,000 gallon tanks	6	
19	36,000 gallon tanks	10	
20	7 1/2 H.P. Propane vapor compressor	1	30.8 MCF
21	Propane liquid pumps	2	259.2 Mgals.
22	Liquefied Natural Gas:		
23			
24	Commercial Point Vaporization of LNG	4	187,400
25	Liquefaction Plant for Natural Gas	1	6,000
26	331,000 Barrels of LNG		
27	Lynn (Capitalized Lease) Vaporization of LNG	3	87,600
28	290,000 Barrels of LNG		
29			
30	Salem (Capitalized Lease) Vaporization of LNG	2	30,400
31	290,000 Barrels of LNG		
32	LNG Plant (leased)		
33	116,000 barrel tank	1	
34	Vaporizers	2	40,000 MCF
35	Pumps	2	30,000 MCF
36		1	36,000 MCF
37	Boil-off compressor	1	400 MCF
38	Electric air compressor 350 cu. ft. per minute		Removed
39	Note: Vap. Capacity is determined by pump capacity 36,000 MCFD		
40			
41		TOTAL	

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

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

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

HOLDERS (Including Relief Holders). Indicate Relief Holders by the letters R.H.							
Line No.	Location	Type of Tank	Dimensions		No. of Lifts	Number	Working Capacity
			Diam.	Height			
23	NONE						
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
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46							
47							

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

TRANSMISSION AND DISTRIBUTION MAINS						
Report by size, for all mains and lines, the information called for below for cast iron, welded, wrought iron and steel mains.						
Sub-totals should be shown for each type.						
Line No.	Diameter	Total Length in Feet at Beginning of Year	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
1	STREET MAINS - CAST IRON					
2	3" &					
3	smaller	694,684	0	0	10,405	684,279
4	4"	4,170,218	0	0	37,716	4,132,502
5	5"	0	0	0	0	0
6	6"	4,704,972	0	0	41,917	4,663,055
7	8"	903,743	0	0	9,654	894,089
8	10"	339,030	0	0	31	338,999
9	12"	983,520	0	0	1,587	981,933
10	14"	6,252	0	0	0	6,252
11	16"	159,396	0	0	0	159,396
12	18"	16,890	0	0	0	16,890
13	20"	108,085	0	0	0	108,085
14	24"	180,328	0	0	0	180,328
15	30"	66,147	0	0	0	66,147
16	36"	63,992	0	0	0	63,992
17	42"	13,278	0	0	0	13,278
18	54"	1,004	0	0	0	1,004
19	Total	12,411,539	0	0	101,310	12,310,229
20						
21	STREET MAINS - STEEL OR WROUGHT IRON					
22						
23	2" &					
24	smaller	3,188,437	278	0	26,289	3,162,426
25	2 1/2"	20,563	0	0	0	20,563
26	3"	2,491,408	3	0	5,815	2,485,596
27	3 1/2"	278	0	0	0	278
28	4"	3,165,157	1,614	0	6,837	3,159,934
29	5"	12,694	0	0	0	12,694
30	6"	2,296,409	529	0	11,253	2,285,685
31	8"	875,255	1,985	0	5,415	871,825
32	10"	82,638	28	0	1,126	81,540
33	12"	986,883	8,323	0	150	995,056
34	14"	1,041	0	0	0	1,041
35	16"	202,617	218	0	146	202,689
36	18"	531	0	0	0	531
37	20"	107,793	402	0	128	108,067
38	24"	77,828	326	0	105	78,049
39	30"	14,740	25	0	55	14,710
40	36"	3,495	0	0	0	3,495
41	42"	1,542	0	0	0	1,542
42	Total	13,529,309	13,731	0	57,319	13,485,721
43						
44	SUB-TOTALS	25,940,848	13,731	0	158,629	25,795,950
45						
46	Normal Operating Pressure - Mains and Lines - Maximum			Minimum		
47	Normal Operating Pressure - Services - Maximum			Minimum		

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

TRANSMISSION AND DISTRIBUTION MAINS

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

Line No.	Diameter	Total Length in Feet at Beginning of Year	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
1	STREET MAINS - PLASTIC PIPE FUSED					
2	2" &					
3	smaller	4,089,597	96,058	0	1,358	4,184,297
4	3" &	0	0		0	0
5	smaller	275,186	44	0	52	275,178
6	4"	2,871,078	95,350	0	1,784	2,964,644
7	5"	118,225	0	0	0	118,225
8	6"	3,119,332	239,689	0	1,362	3,357,659
9	8"	1,498,945	95,265	0	289	1,593,921
10	10"	645	0	0	0	645
11	12"	35,101	5,966	0	0	41,067
12	16"	3,722	1,660	0	0	5,382
13	Total	12,011,830	534,032	0	4,845	12,541,017
14						
15						
16	STREET MAINS - WELDED STEEL PIPE FUSED					
17	2.0"	653,023	0	0	0	653,023
18	4.0"	561,300	0	0	0	561,300
19	5.0"	43,690	0	0	0	43,690
20	6.0"	249,374	0	0	0	249,374
21	8.0"	171,473	0	0	0	171,473
22	10.0"	64,678	0	0	0	64,678
23	12.0"	97,086	0	0	0	97,086
24	16.0"	34,388	0	0	0	34,388
25	20.0"	2,424	0	0	0	2,424
26	24.0"	146	0	0	0	146
27	Total	1,877,582	0	0	0	1,877,582
28						
29	No category	16,561	0	0	0	16,561
30						
31						
32						
33						
34						
35						
36						
37						
38						
39	GRAND TOTAL	39,846,822	547,763	0	163,474	40,231,111
40	Normal Operating Pressure - Mains and Lines - Maximum 60 PSIG Minimum 4" W.C					
41	Normal Operating Pressure - Services - Maximum 60 PSIG Minimum 4" W.C.					
42						

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

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.....	598,780	0	1,026,614
2	Additions during year:			
3	Purchased.....	0		90,017
4	Installed.....	17,615		
5	Associated with Plant acquired.....			
6	Total Additions.....	17,615		90,017
7	Reductions during year:			
8	Retirements.....	613		25,835
9	Associated with Plant sold.....			
10	Total Reductions.....	613		25,835
11	Number at End of Year.....	615,782		1,090,796
	In Stock.....			403,683
12	On Customers' Premises--Inactive.....			25,216
13	On Customers' Premises--Active.....			661,897
14	In Company Use.....			0
15	Number at End of Year.....			1,090,796
16				
17				
18	Number of Meters Tested by State Inspectors			
19	During Year.....			108,143
20				

*House Governors are considered part of service installation.

Annual Report of Boston Gas Company Year ended December 31, 20

RATE SCHEDULE INFORMATION				
1. Attach copies of all Filed Rates for General Consumers.				
2. Show below the changes in rate schedules during year and the estimated increase or decrease in annual revenue predicated on the previous year's operations.				
Date Effective	M.D.T.E. Number	Rate Schedule	Estimated Effect on Annual Revenues 1/	
			Increases	Decreases
Nov 1, 2011	6.1	Residential Non-Heating Rate R-1	\$51,795	\$0
Nov 1, 2011	7.1	Residential Assistance Non-Heating Rate R-2	\$5,259	\$0
Nov 1, 2011	8.1	Residential Heating Rate R-3	\$1,267,648	\$0
Nov 1, 2011	9.1	Residential Assistance Heating Rate R-4	\$130,600	\$0
Nov 1, 2011	10.1	Commercial/Industrial, Small - Low Load Factor Rate G-41B	\$51,051	\$0
Nov 1, 2011	11.1	Commercial/Industrial, Medium - Low Load Factor Rate G-42B	\$115,136	\$0
Nov 1, 2011	12.1	Commercial/Industrial, Large - Low Load Factor Rate G-43B	\$336,840	\$0
Nov 1, 2011	13.1	Commercial/Industrial, Extra Large - Low Load Factor Rate G-44B	\$10,038	\$0
Nov 1, 2011	14.1	Commercial/Industrial, Small - High Load Factor Rate G-51B	\$16,319	\$0
Nov 1, 2011	15.1	Commercial/Industrial, Medium - High Load Factor Rate G-52B	\$37,628	\$0
Nov 1, 2011	16.1	Commercial/Industrial, Large - High Load Factor Rate G-53B	\$66,387	\$0
Nov 1, 2011	17.1	Commercial/Industrial, Extra Large - High Load Factor Rate G-54B	\$0	(\$325,152)
Nov 1, 2011	18.1	Commercial/Industrial, Small - Low Load Factor Rate G-41E	\$22,494	\$0
Nov 1, 2011	19.1	Commercial/Industrial, Medium - Low Load Factor Rate G-42E	\$11,811	\$0
Nov 1, 2011	20.1	Commercial/Industrial, Large - Low Load Factor Rate G-43E	\$3,608	\$0
Nov 1, 2011	21.1	Commercial/Industrial, Small - High Load Factor Rate G-51E	\$10,897	\$0
Nov 1, 2011	22.1	Commercial/Industrial, Medium - High Load Factor Rate G-52E	\$4,709	\$0
Nov 1, 2011	23.1	Commercial/Industrial, Large - High Load Factor Rate G-53E	\$7,786	\$0
			\$2,150,006	(\$325,152)
				\$1,824,854

1/ November 2011 increase due to DPU-10-55-A, and DPU 11-58 (RDM)

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

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

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

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1		
2	Expenditures for Certain Civic, Political and Related Activities	423,520
3	Government Relations Lobbying	26,578
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
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23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33	TOTAL	\$450,098

Annual Report ofBoston Gas Company.....Year ended December 31, 2011

913. Advertising Expenses

Line No.	Type (a)	General Description (b)	Amount for Year (c)
1			
2	Corporate Advertising, Advertising	Media, Direct Mail, Other	
3	Residential Advertising		213,046
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
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34			
35			
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40			
41			
42		TOTAL	213,046

DEPOSITS AND COLLATERAL

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

Line No.	Name of City of Town	Amount
1		
2	Pursuant to Mass. General Laws Chapter 164, Section 128	
3	Security Deposits - Commercial And Industrial Accounts	
4		\$3,975,290
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Interest is accrued and paid pursuant to Provisions of	
16	22 C.M.R. 26.09 (DPU Order #999 - 09/23/82)	
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	TOTAL	\$3,975,290

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

Mary Reed

.....President

Billy B. Jett

.....Vice President and Controller

.....Director

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

Kings, New York, ss

March 31, 2012

Then personally appeared.....

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

Michael Aschenjorf

.....Notary Public

My Commission Expires:

MICHAEL ASCHENJORF
Notary Public, State of New York
No. 01AS62469:4
Qualified in Kings County
Commission Expires August 15, 20 15

Boston Gas Company
Return on Average Common Equity

2011

Net Income Calculation:

Utility Operating Income DPU page 10, Line 18	97,824,255
Adjustments	
Exogenous Cost - Bad Debts	-
Incremental Cost Adjustment	
Add: Amortization of Acquisition Premium	-
Add: service quality penalties	-
Less: Allocated Interest(See Below)	(30,317,529)
	-
Net Utility Income Available for Common Shareholders	67,506,726

Calculation of Allocated Interest:

Interest + Preferred Dividends - DPU page 10, Lines 39 and 48	30,390,807
Utility Plant--DPU page 8, Line 2	2,943,953,386
Other Property & Investments - DPU page 8, Line 8	7,115,625
Total	2,951,069,011
% of Line 21 to Line 23	99.76%
Allocated Interest(Line 19 above times Line 25)	30,317,529

Total Utility Common Equity:

Proprietary Capital - DPU page 9, Line 13	1,064,166,157
Less preferred: DPU Page 9, Line 4	-
Less: Unamortized Acquisition Premium	(396,321,766)
Add back Push Down Debt - Acquisition Premium Finance by debt	-
Long Term Debt - DPU Page 9, Line 18 plus Page 32 line 16	626,717,200
	1,294,561,591
50%/50% Capital Structure DPU 10-55	50.00%
	647,280,795
Total Equity	647,280,795
% Above	99.76%
Ending Utility Common Equity	645,720,070
Beginning Utility Common Equity	628,489,570
Total	1,274,209,640
Average Common Equity	637,104,820

NET UTILITY INCOME DIVIDED BY AVERAGE EQUITY

10.60%