

THE DEPARTMENT OF PUBLIC UTILITIES

This statement is filed in accordance with Chapter 164, Section 84A

CONDENSED FINANCIAL RETURN

for the year ended December 31, 2009

Full Name of Company - Colonial Gas Company

D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND

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

Statement of Income for the Year

Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
OPERATING INCOME		
Operating Revenues	\$286,829,262	(\$68,459,349)
Operating Expenses:		
Operation Expenses	\$235,227,513	(\$63,818,330)
Maintenance Expense	5,651,372	1,804,055
Depreciation Expense	20,072,249	863,046
Amortization of Utility Plant	330,133	(2,319,454)
Amortization of Property Losses	0	0
Amortization of Conversion Expenses	0	0
Taxes Other Than Income Taxes	5,838,869	1,687,407
Income Taxes	(5,523,234)	(17,288,502)
Provision for Deferred Federal Income Taxes	9,311,534	10,779,662
Federal Income Taxes Deferred in Prior Years -- CR.	0	3,248,277
Total Operating Expenses	\$270,908,436	(\$65,043,839)
Net Operating Revenues	\$15,920,826	(\$3,415,510)
Income from Utility Plant Leased to Others	0	0
Other Utility Operating Income	0	0
Total Utility Operating Income	\$15,920,826	(\$3,415,510)
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work	\$0	\$0
Income from Nonutility Operations	0	0
Nonoperating Rental Income	0	0
Interest and Dividend Income	736,208	165,282
Miscellaneous Nonoperating Income	355,802	237,201
Total Other Income	\$1,092,010	\$402,483
Total Income	\$17,012,836	(\$3,013,027)
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	\$0	\$0
Other Income Deductions	(90,873)	(58,727)
Total Income Deductions	(\$90,873)	(\$58,727)
Income Before Interest Charges	\$16,921,963	(\$3,071,754)
INTEREST CHARGES		
Interest on Long-Term Debt	\$5,635,333	(\$751,173)
Amortization of Debt Disc. & Expense	139,272	(13,484)
Amortization of Premium on Debt -- Credit	0	0
Interest on Debt to Associated Companies	4,165,741	1,073,774
Other Interest Expense	624,559	2,287,947
Interest Charged to Construction -- Credit	(213,343)	31,011
Total Interest Charges	\$10,351,562	\$2,628,075
Net Income	\$6,570,401	(\$5,699,829)

Condensed Financial Return (Continued) - Colonial Gas Company

December 31, 2009

BALANCE SHEET			
Title of Account	Balance End of Year	Title of Account	Balance End of Year
UTILITY PLANT		PROPRIETARY CAPITAL	
Utility Plant	\$786,548,566	CAPITAL STOCK	
OTHER PROPERTY AND INVESTMENTS		Common Stock Issued	\$100
Nonutility Property	\$0	Preferred Stock Issued	0
Capitalized Leases, net	0	Capital Stock Subscribed	0
Investment in Associated Companies	0	Premium on Capital Stock	419,429,145
Other Investments	3,740	Total	\$419,429,245
Special Funds	0	SURPLUS	
Total Other Property and Investments	\$3,740	Other Paid-In Capital	(\$167,590,544)
CURRENT AND ACCRUED ASSETS		Earned Surplus	92,468,654
Cash	\$0	Other Comprehensive Income	0
Special Deposits	0	Total	(\$75,121,890)
Working Funds	0	Total Proprietary Capital	\$344,307,355
Temporary Cash Investments	0	LONG TERM DEBT	
Notes and Accounts Receivable	14,601,735	Bonds	\$75,000,000
Receivables from Assoc. Companies	4,593,668	Advances from Associated Companies	0
Materials and Supplies	22,764,406	Capital Lease Obligations	0
Prepayments	5,859,726	Total Long-Term Debt	\$75,000,000
Interest and Dividends Receivable	0	CURRENT AND ACCRUED	
Rents Receivable	0	LIABILITIES	
Accrued Utility Revenues	31,788,485	Notes Payable	\$0
Misc. Current And Accrued Assets	44	Accounts Payable	13,375,444
Recoverable Fuel	(39,912,275)	Payables to Associated Companies	83,682,529
Total Current and Accrued Assets	\$39,695,789	Customer Deposits	445,491
DEFERRED DEBITS		Taxes Accrued	(6,404,397)
Unamortized Debt Discount and Expense	\$2,169,960	Interest Accrued	6,575,856
Extraordinary Property Losses	0	Dividends Declared	0
Preliminary Survey and Investigation		Matured Long-Term Debt	0
Charges	0	Matured Interest	0
Clearing Accounts	0	Tax Collections Payable	371,883
Temporary Facilities	213,500	Misc. Current and Accrued Liabilities	1,154,533
Miscellaneous Deferred Debits	87,857,694	Total Current & Accrued Liabilities	\$99,201,339
Total Deferred Debits	\$90,241,154		
CAPITAL STOCK DISCOUNT		DEFERRED CREDITS	
AND EXPENSE		Unamortized Premium on Debt	0
Discount on Capital Stock	\$0	Customer Advances for Construction	33,021
Capital Stock Expense	0	Other Deferred Credits	8,889,672
Total Capital Stock Discount and Expense	\$0	Total Deferred Credits	8,922,693
REACQUIRED SECURITIES		RESERVES	
Reacquired Capital Stock	\$0	Reserves for Depreciation	245,806,375
Reacquired Bonds	0	Reserves for Amortization	9,400,680
Total Reacquired Securities	\$0	Reserve for Uncollectible Accounts	2,935,938
Total Assets and Other Debits	\$916,489,249	Operating Reserves	44,004,118
		Reserve for Depreciation and Amortization of Nonutility Property	0
		Reserves for Deferred Federal Income	
		Taxes	86,910,751
		Total Reserves	\$389,057,862
		CONTRIBUTIONS IN AID	
		OF CONSTRUCTION	
		Contributions in Aid of Construction	0
		Total Liabilities and Other Credits	\$916,489,249
NOTES:			

Condensed Financial Return (Continued) - Colonial Gas Company

December 31, 2009

STATEMENT OF EARNED SURPLUS		
Unappropriated Earned Surplus (at beginning of period)	\$85,898,253	\$12,270,230
Balance Transferred from Income	\$6,570,401	(\$5,699,829)
Miscellaneous Credits to Surplus	0	0
Miscellaneous Debits to Surplus	0	0
Appropriations of Surplus	0	0
Net Additions to Earned Surplus	\$6,570,401	(\$5,699,829)
Dividends Declared - - Preferred Stock	\$0	\$0
Dividends Declared - - Common Stock	\$0	\$0
Unappropriated Earned Surplus (at end of period)	\$92,468,654	\$6,570,401
ELECTRIC OPERATING REVENUES		
Account	Operating Revenues	
	Amount For Year	Increase or (Decrease) from Preceding Year
SALES OF ELECTRICITY		
Residential Sales		
Commercial and Industrial Sales		
Small (or Commercial)		
Large (or Industrial)		
Public Street and Highway Lighting		
Other Sales to Public Authorities		
Sales to Railroad and Railways		
Interdepartmental Sales		
Miscellaneous Electric Sales		
Total Sales to Ultimate Consumers		
Sales for Resale		
Total Sales of Electricity		
OTHER OPERATING REVENUES		
Forfeited Discounts		
Miscellaneous Service Revenues		
Sales of Water and Water Power		
Rent from Electric Property		
Interdepartmental Rents		
Other Electric Revenues		
Total Other Operating Revenues		
Total Electric Operating Revenues		

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

3a

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

GAS OPERATING REVENUES		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF GAS		
Residential Sales	\$201,762,691	(\$39,312,626)
Commercial and Industrial Sales		
Small (or Commercial)	\$54,195,676	(\$16,000,864)
Large (or Industrial)	\$8,010,338	(\$4,088,243)
Other Sales to Public Authorities	\$671,770	(\$43,758)
Interdepartmental Sales	\$0	\$0
Quasi-Firm Revenue	\$0	\$0
Miscellaneous Gas Sales (Unbilled Revenue)	\$0	
Total Sales to Ultimate Consumers	\$264,640,475	(\$59,445,491)
Sales for Resale	\$9,041,232	(\$12,094,469)
Total Sales of Gas	\$273,681,707	(\$71,539,960)
OTHER OPERATING REVENUES		
Adjustments	\$85,705	\$420
Miscellaneous Service Revenues	\$12,128,880	\$193,412
Revenues from Transportation of Gas of Others	\$0	\$0
Sales of Products Extracted from Natural Gas	\$0	\$0
Revenues from Natural Gas Processed by Others	\$0	\$0
Rent from Gas Property	\$0	\$0
Interdepartmental Rents	\$932,970	\$2,886,779
Other Gas Revenues	\$13,147,555	\$3,080,611
Total Other Operating Revenues	\$286,829,262	(\$68,459,349)
Total Gas Operating Revenues		

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				4a
Functional Classification	Operation	Maintenance	Total	
Steam Production	\$0	\$0	\$0	
Manufactured Gas Production	1,480,960	126,657	1,607,617	
Other Gas Supply Expenses	193,389,291	0	193,389,291	
Total Production Expenses	\$194,870,251	\$126,657	\$194,996,908	
Local Storage Expenses	0	(3,311,863)	(3,311,863)	
Transmission and Distribution Expenses	8,201,627	8,767,726	16,969,353	
Customer Accounts Expenses	10,773,118	0	10,773,118	
Sales Expenses	2,215,389	0	2,215,389	
Administrative and General Expenses	19,167,128	68,852	19,235,980	
Total Gas Operation and Maintenance Expenses	\$235,227,513	\$5,651,372	\$240,878,885	

March 31, 2010 I hereby certify that the foregoing statements are full, just and true to the best of my knowledge and belief. This statement is signed under the penalties of perjury.

Vice President and Controller

The Commonwealth of Massachusetts

**AMENDED
RETURN**

OF THE

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

TO THE

THE DEPARTMENT OF PUBLIC UTILITIES

OF MASSACHUSETTS

For the Year Ended December 31,

2009

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

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}

Martin Wheatcroft

Official title: **Vice President and Controller**

Office address: One MetroTech Center
Brooklyn, New York 11202

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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Other Utility Operating Income	50	None
Income from Merchandising, Jobbing and Contract Work	51	None
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Boilers	75	None
Scrubbers, Condensers and Exhausters	75	None
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GENERAL INFORMATION

PRINCIPAL AND SALARIED OFFICERS*

Titles	Names	Addresses	Annual Salaries
President and Chief Operating Officer	Stavropoulos, Nickolas	Waltham	
Senior Vice President	Howe, James B.	New York	
Senior Vice President and Chief Financial Officer	Daly, Kenneth D.	New York	
Senior Vice President and Chief Procurement Officer	Schlaff, Raymond C	Waltham	
Senior Vice President, Secretary and Clerk	Owyang, Colin	Waltham	
Senior Vice President, Gas Operations	Akley, William J.	New York	
Senior Vice President, Sales & Account Management	Murphy, Richard D.	Waltham	
Vice President	Turrini, Ross	Waltham	
Vice President and Controller	Wheatcroft, Martin	New York	
Vice President and Treasurer	Doxsee, David B.	New York	
Vice President, Gas Operations	Saad, Daniel G.	Waltham	
Assistant Treasurer	Lynch, Lorraine	New York	
Assistant Treasurer	Vernon-Parry, Julie	New York	
Assistant Treasurer	DeRosa, Charles V.	New York	
Assistant Treasurer	Bonar, David Charles	New York	
Assistant Secretary	Bereche, Alfred C.	New York	
Assistant Secretary	McAllister, Timothy E.	New York	
Assistant Secretary	O'Neill, Thomas P.	Waltham	
	<u>DIRECTORS*</u>		
<u>Names</u>	<u>Addresses</u>		<u>Fees Paid During Year</u>
Nickolas Stavropoulos	Waltham, Massachusetts		
<p>* By General Laws, Chapter 164, Section 83, the Return must contain a "list of the names of all their salaried officers and the amount of the salary paid to each," and by Section 77, the department is required to include in its annual report "the names and addresses of the principal officers and of the directors."</p>			

GENERAL INFORMATION - Continued

- | | | | |
|--|---|--|--------|
| 1. Corporate name of company making this report, | Colonial Gas Compnay
D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND | | |
| 2. Date of organization, | May 2, 1849 | | |
| 3. Date of incorporation, | May 2, 1849 | | |
| 4. Give location (including street and number) of principal business office:- | One MetroTech Center, Brooklyn, New York 11201 | | |
| 5. Total number of stockholders, | Common: 1 (recordholders) | | |
| 6. Number of stockholders in Massachusetts, | Common: 1 (recordholders) | | |
| 7. Amount of stock held in Massachusetts, | No. of Common Shares, 100 | | \$100 |
| 8. Capital stock issued prior to June 5, 1894, | No. of shares, N/A | | \$ N/A |
| 9. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or Department of Public Utilities since June 5, 1894, | | | |
| Total, 100 common shares, par value, \$100.00, outstanding December 31 of the fiscal year, 2009 | | | \$100 |
10. If any stock has been issued during the last fiscal period, give the date and terms upon which such issue was offered to the stockholders, and if the whole or any part of the issue was sold at auction, the date or dates of such sale or sales, the number of shares sold and the amounts realized therefrom.
11. Management Fees and Expenses during the Year.
- List all individuals, corporations or concerns with whom the company has any contract or agreement covering management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc., and show the total amount paid to each for the year.
- In 2009, the Company was charged \$29,368,140 by National Grid Corporate Services for services, which included: executive and administrative, corporate affairs, customer services, environmental services, financial services (including accounting, auditing, risk management, tax, treasury/finance), human resources, information technology, legal, materials management and purchasing, and strategic planning.**

GENERAL INFORMATION - Continued

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

In Gas Property:

No Important Changes

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

GENERAL INFORMATION - Continued			
Names of the cities or towns in which the company supplies GAS with the number of customers' meters in each place.			
City or Town	Number of Customers Meters, Dec.31, 2009	City or Town	Number of Customers Meters, Dec.31, 2009
		<u>LOWELL DIVISION</u>	
		Billerica	11,007
		Chelmsford	11,771
		Dracut	8,972
		Dunstable	342
		Groton	92
		Lowell	29,760
		Littleton	44
		Lynnfield	1
		North Reading	2,956
		Pepperell	1,982
		Tewksbury	8,721
		Tyngsboro	3,156
		Westford	6,614
		Wilmington	3,191
			88,609
		<u>CAPE COD DIVISION</u>	
		Barnstable	20,587
		Bourne	6,603
		Brewster	2,749
		Chatham	5,260
		Dennis	10,631
		Eastham	2,231
		Falmouth	12,991
		Harwich	7,012
		Mashpee	7,903
		Orleans	1,715
		Sandwich	5,048
		Wareham	7,588
		Yarmouth	13,921
			104,239
		<u>NON FRANCHISE AREA</u>	
		Andover	47
		Carver	2
		Methuen	19
		Otis	100
		Woburn	48
			216
TOTAL			193,064

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	774,950,320	786,548,566	11,598,246
3	OTHER PROPERTY AND INVESTMENTS			
4	Nonutility Property (121) P. 19	0	0	0
4a	Capitalized Leases, net	0	0	0
5	Investment in Associated Companies (123) P. 20	0	0	0
6	Other Investments (124) P.20	3,740	3,740	0
7	Special Funds (125, 126, 127, 128) P. 21	0	0	0
8	Total Other Property and Investments	3,740	3,740	0
9	CURRENT AND ACCRUED ASSETS			
10	Cash (131)	0	0	0
11	Special Deposits (132, 133, 134) P. 21	0	0	0
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	24,019,389	14,601,735	(9,417,654)
15	Receivables from Assoc. Companies (145, 146) P. 23	3,983,407	4,593,668	610,261
16	Materials and Supplies (151-159, 163) P. 24	40,654,189	22,764,406	(17,889,783)
17	Prepayments (165)	603,605	5,859,726	5,256,121
18	Interest and Dividends Receivable (171)	0	0	0
19	Rents Receivable (172)	0	0	0
20	Accrued Utility Revenues (173)	30,711,415	31,788,485	1,077,070
21	Misc. Current and Accrued Assets (174)	14,757	44	(14,713)
21A	Recoverable Fuel (175)	(36,286,081)	(39,912,275)	(3,626,194)
22	Total Current and Accrued Assets	63,700,681	39,695,789	(24,004,892)
23	DEFERRED DEBITS			
24	Unamortized Debt Discount and Expense (181) P.26	2,309,232	2,169,960	(139,272)
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	0	0
28	Temporary Facilities (185)	221,476	213,500	(7,976)
29	Miscellaneous Deferred Debits (186) P. 27	79,862,240	87,857,694	7,995,454
30	Total Deferred Debits	82,392,948	90,241,154	7,848,206
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	921,047,689	916,489,249	(4,558,440)
NOTES:				

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	100	100	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	419,429,145	419,429,145	0
7	Total	419,429,245	419,429,245	0
8	SURPLUS			
9	Other Paid-In Capital (208-211) P.30	(173,508,189)	(167,590,544)	5,917,645
10	Earned Surplus (215,216) P.12	85,898,253	92,468,654	6,570,401
11	Other Comprehensive Income	0	0	0
12	Total	(87,609,936)	(75,121,890)	12,488,046
13	Total Proprietary Capital	331,819,309	344,307,355	12,488,046
14	LONG-TERM DEBT			
15	Bonds (221) P.31	75,000,000	75,000,000	0
16	Capital Lease Obligations (221)	0	0	0
	Advances from Associated Companies (223) P. 31	0	0	0
17	Other Long-Term Debt (224) P.31	0	0	0
18	Total Long-Term Debt	75,000,000	75,000,000	0
19	CURRENT AND ACCRUED LIABILITIES			
	Capitalized Lease Obligation			
20	Notes Payable (231) P.32	0	0	0
21	Accounts Payable (232)	17,903,941	13,375,444	(4,528,497)
22	Payables to Associated Companies (233,234) P.32	128,624,910	83,682,529	(44,942,381)
23	Customer Deposits (235)	527,925	445,491	(82,434)
24	Taxes Accrued (236)	(7,435,533)	(6,404,397)	1,031,136
25	Interest Accrued (237)	5,977,264	6,575,856	598,592
26	Dividends Declared (238)	0	0	0
27	Matured Long-Term Debt (239)	0	0	0
	Matured Interest (240)	0	0	0
28	Tax Collections Payable (241)	289,802	371,883	82,081
29	Misc. Current & Accrued Liab. (242) P.33	1,414,786	1,154,533	(260,253)
30	Total Current & Accrued Liability	147,303,095	99,201,339	(48,101,756)
31	DEFERRED CREDITS			
32	Unamortized Premium on Debt (251) P.26	0	0	0
33	Customer Advances for Construction (252)	33,021	33,021	0
34	Other Deferred Credits (253) P.33	25,169,255	8,889,672	(16,279,583)
35	Total Deferred Credits	25,202,276	8,922,693	(16,279,583)
36	RESERVES			
37	Reserves for Depreciation (254-256) P.13	230,965,530	245,806,375	14,840,845
38	Reserves for Amortization (257-259) P.13	9,066,013	9,400,680	334,667
39	Reserve for Uncollectible Accounts (260)	1,413,892	2,935,938	1,522,046
40	Operating Reserves (261-265) P.35	27,132,506	44,004,118	16,871,612
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	0	0	0
42	Reserve for Deferred Income Taxes (267, 268) P.36	72,809,702	86,910,751	14,101,049
43	Total Reserves	341,387,642	389,057,862	47,670,220
44	CONTRIBUTION IN AID OF CONSTRUCTION			
45	Contributions in Aid of Construction (271) P.36	335,366	0	(335,366)
46	Total Liabilities and Other Credits	\$921,047,689	\$916,489,249	(\$4,558,440)

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

STATEMENT OF INCOME FOR THE YEAR

Line No.	Account (a)	TOTAL		
		Current Year (b)	Prior Year (b)	Increase or (Decrease) from Preceding Year (c)
1	OPERATING INCOME			
2	Operating Revenues (400) P. 37,43	286,829,262	\$355,288,611	(\$68,459,349)
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	235,227,513	\$299,045,843	(\$63,818,330)
5	Maintenance Expense (402) P. 42,47	5,651,372	\$3,847,317	\$1,804,055
6	Depreciation Expense (403) P. 34	20,072,249	\$19,209,203	\$863,046
7	Amortization of Utility Plant (404 and 405)	330,133	\$2,649,587	(\$2,319,454)
8	Amortization of Investment Credit (406.0)	0	\$0	\$0
9	Amortization of Conversion Expenses (407.2)	0	\$0	\$0
10	Taxes Other Than Income Taxes (408) P. 49	5,838,869	\$4,151,462	\$1,687,407
11	Income Taxes (409) P. 49	(5,523,234)	\$11,765,268	(\$17,288,502)
12	Provision for Deferred Income Taxes (410) P. 36	9,311,534	(\$1,468,128)	\$10,779,662
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	0	(\$3,248,277)	\$3,248,277
14	Total Operating Expenses	\$270,908,436	\$335,952,275	(\$65,043,839)
15	Net Operating Revenues	\$15,920,826	\$19,336,336	(\$3,415,510)
16	Income from Utility Plant Leased to Others	0	\$0	\$0
17	Other Utility Operating Income (414) P. 50	0	\$0	\$0
18	Total Utility Operating Income	\$15,920,826	\$19,336,336	(\$3,415,510)
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)	736,208	\$570,926	\$165,282
24	Miscellaneous Nonoperating Income (421)	355,802	\$118,601	\$237,201
25	Total Other Income	\$1,092,010	\$689,527	\$402,483
26	Total Income	\$17,012,836	\$20,025,863	(\$3,013,027)
27	MISCELLANEOUS INCOME DEDUCTIONS			
28	Miscellaneous Amortization (425)	0	\$0	\$0
29	Other Income Deductions (426)	(90,873)	(\$32,146)	(\$58,727)
30	Total Income Deductions	(\$90,873)	(\$32,146)	(\$58,727)
31	Income Before Interest Charges	\$16,921,963	\$19,993,717	(\$3,071,754)
32	INTEREST CHARGES			
33	Interest on Long-Term Debt (427) P. 31	5,635,333	\$6,386,506	(\$751,173)
34	Amortization of Debt Disc. & Expense (428) P. 26	139,272	\$152,756	(\$13,484)
35	Amortization of Prem. on Debt - - Credit (429) P. 26	0	\$0	\$0
36	Int. on Debt to Associated Companies (430) P. 31, 32	4,165,741	\$3,091,967	\$1,073,774
37	Other Interest Expense (431)	624,559	(\$1,663,388)	\$2,287,947
38	Interest Charged to Construction - - Credit (432)	(213,343)	(\$244,354)	\$31,011
39	Total Interest Charges	\$10,351,562	\$7,723,487	\$2,628,075
40	Net Income	\$6,570,401	\$12,270,230	(\$5,699,829)
41	EARNED SURPLUS			
42	Unappropriated Earned Surplus (at beginning of period) (216)	85,898,253	\$73,628,023	\$12,270,230
43	Balance Transferred from Income (433)	6,570,401	\$12,270,230	(\$5,699,829)
44	Miscellaneous Credits to Surplus (434)	0	\$0	\$0
45	Miscellaneous Debits to Surplus (435)	0	\$0	\$0
46	Appropriations of Surplus (436)	0	\$0	\$0
47	Net Additions to Earned Surplus	\$6,570,401	\$12,270,230	(\$5,699,829)
48	Dividends Declared - - Preferred Stock (437)	0	\$0	\$0
49	Dividends Declared - - Common Stock (438)	0	\$0	\$0
50	Unappropriated Earned Surplus (at end of period) (216)	\$92,468,654	\$85,898,253	\$6,570,401

STATEMENT OF INCOME FOR THE YEAR (CONTINUED)

NOT APPLICABLE

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

STATEMENT OF EARNED SURPLUS (Accounts 215-216)

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

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

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

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

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

5. List credits first; then debits.

Line No.	Item (a)	Contra Primary Account Affected (b)	(c)
UNAPPROPRIATED EARNED SURPLUS (Account 216)			
1	Balance - - Beginning of year		\$85,898,253
2	Charges: (identify by prescribed earned surplus accounts)		
3	Transfer from income (loss)		\$6,570,401
4			
5			
6			
7			
8			
9	Dividends Declared - Common Stock	438	0
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27	Balance - - end of year		\$92,468,654
APPROPRIATED EARNED SURPLUS (Account 215)			
28	State balance and purpose of each appropriated earned surplus amount at end		
29	of year and give accounting entries for any applications of appropriated		
30	earned surplus during year.		
31			
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			

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)	\$764,535,614		\$764,535,614			
4	106 Completed Construction not Classified	\$19,702,449		\$19,702,449			
5	Total P. 16, 18	\$784,238,063		\$784,238,063			
6	104 Leased to Others	\$0					
7	105 Held for Future Use	\$0		\$0			
8	107 Construction Work in Progress	\$2,310,503		\$2,310,503			
9	Total Utility Plant	\$786,548,566		\$786,548,566			
10	DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION						
11	In Service:						
12	254 Depreciation P. 34	\$245,806,375		\$245,806,375			
13	257 Amortization	\$9,400,680		\$9,400,680			
14	Total, in Service	\$255,207,055		\$255,207,055			
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	\$255,207,055		\$255,207,055			

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UTILITY PLANT - GAS

1. Report below the cost of utility plant in service according to prescribed accounts.
2. Do not include as adjustments, corrections of additions and retirements for the current or

the preceding year. Such items should be included in column (c) or (d) as appropriate.
3. Credit adjustments of plant accounts should be enclosed in parentheses to indicate the negative effect

of such amounts.
4. Reclassifications or transfers within utility plant accounts should be shown in column (f).

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	1. INTANGIBLE PLANT						
2	301 Organization						
3	303 Miscellaneous Intangible Plant	221,085,916	14,270,502	0	(22,809,151)	0	212,547,267
4	Total Intangible Plant	221,085,916	14,270,502	0	(22,809,151)	0	212,547,267
5	2. PRODUCTION PLANT						
6	Manufactured Gas Production Plant						3,158,953
7	304 Land and Land Rights	669,111	0	0	0	0	2,018,263
8	305 Structures and Improvements	8,619,444	596,569	0	0	0	0
9	306 Boiler Plant Equipment	687,082	0	0	0	0	4,755
10	307 Other Power Equipment	1,079,175	32,645	0	0	0	49,433
11	310 Water Gas Generating Equipment	0	0	0	0	0	0
12	311 Liquefied Petroleum Gas Equipment	2,955,420	194,295	0	0	0	3,149,715
13	312 Oil Gas Generating Equipment	0	0	0	0	0	0
14	313 Generating Equipment - - Other Processes & LNG Equipment	7,256,714	643,732	0	0	0	7,900,446
15	315 Catalytic Cracking Equipment	0	0	0	0	0	0
16	316 Other Reforming Equipment	0	0	0	0	0	0
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	0	0	0	0	0	0
19	320 Other Equipment	4,907,215	247,666	0	0	0	5,154,882
20	339 PRD-PROD-ARO	7,526	0	0	0	0	7,526
21	Total Manufactured Gas Production Plant	26,181,687	1,714,908	0	0	0	27,896,595
22	3. STORAGE PLANT						
23	360 Land and Land Rights	0			0		0
24	361 Structures and Improvements	192,216	8,538	0	0	0	200,754
25	362 Gas Holders	137,226	0	0	0	0	137,226
26	363 Other Equipment	26,344	0	0	0	0	26,344
27	Total Storage Plant	355,786	8,538	0	0	0	364,324

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UTILITY PLANT - GAS (Continued)							
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	4. TRANSMISSION AND DISTRIBUTION PLANT						
2	365.1 Land and Land Rights	179,067	0	0	0		179,067
3	365.2 Rights-of-Way	5,215	0	0	0		5,215
4	366 Structures and Improvements	3,902,237	0	0	0		3,902,237
5	367 Mains	247,322,354	13,975,787	(1,175,171)	0		260,122,970
6	368 Compressor Station Equipment	0	0	0	0		0
7	369 Measuring and Regulating Station Equipment	7,474,543	825,290	0	0		8,299,833
8	372 T&D-AROs	558,446	0	(8,935)	0		549,511
9	380 Services	185,710,134	12,130,884	(383,597)	0	3,158,953	197,457,421
10	381 Meters	33,900,688	1,545,060	(919,437)	0	2,018,263	34,526,311
11	382 Meter Installations	16,072,992	33,649	0	0	0	16,106,641
12	383 House Regulators	0	0	0	0	4,755	0
13	386 Other Property on Cust's Prem	0	0	0	0	49,433	0
14	387 Other Equipment	895,688	43,207	0	0	0	938,895
15	Total Transmission and Distribution Plant	496,021,363	28,553,877	(2,487,140)	0	0	522,088,100
16	5. GENERAL PLANT						
16	388 Land and Land Rights	15,935	0	0	0	0	15,935
17	389 Land and Land Rights	126,670	0	0	0	0	126,670
18	390 Structures and Improvements	8,246,084	1,199,168	(6,014)	(28,990)	0	9,410,248
19	391 Office Furniture and Equipment	7,026,062	97,053	(626,215)	28,990	0	6,525,891
20	392 Transportation Equipment	337,703	0	0	0	0	337,703
21	393 Stores Equipment	37,158	0	0	0	0	37,158
22	394 Tools, Shop and Garage Equipment	2,981,945	699,393	(6,266)	0	0	3,675,072
23	395 Laboratory Equipment	8,784	0	0	0	0	8,784
24	396 Power Operated Equipment	0	0	0	0	0	0
25	397 Communication Equipment	742,495	5,820	(33,536)	0	0	714,780
26	398 Miscellaneous Equipment	227,364	255,333	0	0	0	482,696
27	399 Other Tangible Property	6,840	0	0	0	0	6,840
28	Total General Plant	19,757,040	2,256,767	(672,030)	0	0	21,341,777
29	Total Gas Plant in Service	763,401,792	46,804,592	(3,159,170)	(22,809,151)	0	784,238,063
30	104 Utility Plant Leased to Others	0	0	0	0	0	0
31	105 Property Held for Future Use	0	0	0	0	0	0
32	107 Construction Work in Progress	11,548,526	65,515,331	0	(74,753,354)	0	2,310,503
33	Total Utility Plant - - Gas	774,950,318	112,319,923	(3,159,170)	(97,562,505)	0	786,548,566
Note: Completed Construction Not Classified, Acct. 106, shall be classified in this schedule according to prescribed accounts, on an estimated basis if necessary, and the entries included in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (c). Likewise, if the respondent has a significant amount of plant retirements which		have not been classified to primary accounts at the end of the year, a tentative distribution of such retirements, on an estimated basis with appropriate contra entry to the Depreciation Reserve Account, shall be included in column (d). Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach an insert page showing the		account distributions of these tentative classifications in column (c) and (d) including the reversals of the prior years tentative account distributions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.			

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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					
2					
3					
4					
5			NONE		
6					
7					
8					
9					
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11					
12					
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40					
41					
42					
43					
44					
45	TOTALS	\$0	\$0	\$0	\$0

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

INVESTMENTS (Accounts 123, 124, 136) Give particulars of investments in stocks, bonds, notes, etc., held by the respondent at end of year. Provide a subheading for each account and list thereunder the information called for.		
Line No.	Description of Security Held by Respondent (a)	Amount (b)
1		
2	Mass Business Development Corp [374 Common Shares @ \$10/share]	3,740
3		
4		
5		
6		
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41		
42		
43		
44	TOTAL	\$3,740

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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		\$0
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL	\$0
SPECIAL DEPOSITS (Accounts 132, 133, 134)		
1. Report below the amount of special deposits by classes at end of year.		
2. If any deposit consists of assets other than cash, give a brief description of such assets.		
3. If any deposit is held by an associated company, give name of company.		
Line No.	Description and Purpose of Deposit (a)	Balance End of Year (b)
20	Interest Special Deposits (Account 132)	\$0
21	Dividend Special Deposits (Account 133)	\$0
22		
23	Other Special Deposits (Account 134):	\$0
24	(specify purpose of each other special deposit):	
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	\$0

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

NOTES RECEIVABLE (Account 141)

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

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

ACCOUNTS RECEIVABLE (Accounts 142, 143)

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

Line No.	Description (a)	Amount End of Year (b)
19	Customers (Account 142):	\$13,605,698
20	Other Accounts Receivable (Account 143):	
21	AR Deferred Hedging	20,920
22	Other Customer Billing GP	113,507
23	OPEB / FASB 106	331,383
24	Other AR OffSystem Sales	321,002
25	AR Alliance	209,225
26		
27		
28		
29		
30		
31		
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33		
34		
35		
36		
37		
38		
39	TOTAL	\$14,601,735

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	\$4,593,668		0
2	(Account 146):			
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
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31				
32				
33				
34				
35				
36	TOTALS	\$4,593,668	None	None

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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)		\$0
2	Supplemental Fuel Stock		22,387,770
3	Residuals (Account 153)		0
4	Plant Materials and Operating Supplies (Account 154)		376,636
5	Merchandise (Account 155)		0
6	Other Materials and Supplies (Account 154)		0
7	Nuclear Fuel Assemblies and Components - In Reactor (Account 157)		0
8	Nuclear Fuel Assemblies and Components - Stock Account (Account 158)		0
9	Nuclear Byproduct Materials (Account 159)		0
10	Stores Expenses (Account 163)		0
11	Total Per Balance Sheet		\$22,764,406

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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.

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)	Principal Amount of Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1									
2	Series CH	25,000,000	655,923	06/30/92	06/30/22	296,040	0	21,924	274,116
3	MTA-1	10,000,000	348,671	10/12/95	10/14/25	194,600	0	11,628	182,972
4	MTA-2	10,000,000	1,761,058	12/15/95	12/15/25	996,412	0	58,620	937,792
5	MTA-3	10,000,000	1,176,422	02/05/96	02/05/26	669,882	0	39,216	630,666
6	MTB-1	20,000,000	345,500	04/07/98	04/07/28	152,298	0	7,884	144,414
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20	TOTALS	\$75,000,000	\$4,287,574			\$2,309,232	\$0	\$139,272	\$2,169,960

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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						
6						
7						
8						
9						
10						

MISCELLANEOUS DEFERRED DEBITS (Account 186)
 1. Report below the particulars called for concerning miscellaneous deferred debits.
 2. For any deferred debit being amortized show period of amortization.
 3. Minor items may be grouped by classes, showing number of such items.

Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
11	Deferred Environmental	4,802,954	2,165,091	265	1,784,418	5,183,627
12	Environmental Recoveries	1,388,920	230,534	131,175	957,557	661,897
13	Deferred Derivatives	39,438,223	124,601,850	143,232,253,254,495	147,206,556	16,833,517
14	Deferred Income Tax	10,224,490	33,606,339	211,282,283,409,410	15,214,955	28,615,874
15	Accrued Unfunded Post Retirement FAS 158	22,307,223	20,140,811	228,926	7,585,685	34,862,349
16	Miscellaneous Deferred Debits	1,700,430	0		0	1,700,430
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	(1) 7 Year amortization period.					
31						
32						
33	TOTALS	\$79,862,240	\$180,744,625		\$172,749,171	\$87,857,694

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	Preferred Stock Variable Term, Series A - Issuance Costs	\$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 ofColonial Gas Company.....Year ended December 31, 2009

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)	Amount Authorized (d)	Outstanding per Balance Sheet*		Premium at End of Year (g)
					Shares (e)	Amount (f)	
1							
2							
3							
4	Capital Stock - Common Stock	100	\$100.00	\$100	100	\$100	\$419,429,145
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTALS	100		\$100	100	\$100	\$419,429,145

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

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	\$ (167,590,544)
4		
5		
6		
7		
8		
9		
10	Increases to Other Paid in Capital	
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	(\$167,590,544)

Annual Report ofColonial Gas Company.....Year ended December 31, 200:

LONG-TERM DEBT (Accounts 221, 223-224)

Report by balance sheet accounts particulars concerning long-term debt in Accounts 221, Bonds;
223 Advances from Associated Companies; and 224, Other Long-Term Debt

Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Amount Authorized (d)	Amount Actually Outstanding at End of Year (e)	Interest Provisions		Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)
						Rate Per Cent (f)	Dates Due (g)		
1									
2	SERIES CH	06/30/92	06/30/22	25,000,000	25,000,000	8.800%	J - D	2,200,000	2,200,000
3	MTA-1	10/12/95	10/14/25	10,000,000	10,000,000	Note 1 , 3	A - O	706,667	738,000
4	MTA-2	12/15/95	12/15/25	10,000,000	10,000,000	Note 2 , 3	F - A	662,666	690,000
5	MTA-3	02/05/96	02/05/26	10,000,000	10,000,000	6.940%	F - A	694,000	694,000
6	MTB-1	04/07/98	04/07/28	20,000,000	20,000,000	Note 3 , 4	F - A	1,372,000	1,424,000
7									
8									
9									
10									
11	Note 1: For the period 10/12/95 through 10/14/05, the Rate Per Cent is 6.44%. For the period 10/15/05 through 10/14/25 the Rate Per Cent will be 7.38%.								
12	Note 2: For the period 12/15/95 through 12/14/05, the Rate Per Cent is 6.08%. For the period 12/15/05 through 12/15/25 the Rate Per Cent will be 6.90%.								
13	Note 3: These issues of bonds can be redeemed by the holder within a 30 day period at the end of ten years .								
14	Note 4: For the period 4/7/98 through 4/6/08, the Rate Per Cent is 6.34%. For the period 4/7/08 through 4/7/28 the Rate Per Cent will be 7.12%.								
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27	TOTALS			\$75,000,000	\$75,000,000			\$5,635,333	\$5,746,000

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

NOTES PAYABLE (Account 231)					
Report the particulars indicated concerning notes payable at end of year.					
Line No	Payee (a)	Date of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13	TOTAL				\$0
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	49,000,000	7.625%	3,813,118	
17					
18	Note Payable to Utility Pool - Working Capital	(37,119,805)		25,252	
19					
20	Note Payable to Pool Gas Financing (1)	29,306,007	1.12%	327,371	
21					
22	Payable to Associated Companies	42,496,327			
23					
24					
25					
26					
27					
28					
29					
30	(1) Interest charged to cost of gas				
31					
32					
33					
34					
35					
36					
37	TOTALS	\$83,682,529		\$4,165,741	

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	Accrued Gain Sharing	121,200
3	Accrued Miscellaneous	0
4	Accrued Vacation	931,898
5	Accrued Incentive Compensation	101,435
6		
7		
8		
9		
10		
11		
12	TOTAL	\$1,154,533

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	1,266,620	236	355,803	0	910,817
14	Residential Conservation Surcharge	135,045	175,232	717,621	223,559	(359,017)
15	Miscellaneous Deferred Credits	19,440	175,234,421,495	1,379,319	1,369,522	9,643
16	Deferred Post Retirement FAS 112	0	926	0	450,398	450,398
17	Derivatives	21,976,458	143,804,495	84,632,868	68,713,115	6,056,705
18	Asset Retirement Obligation	1,771,692	108,411	56,868	106,302	1,821,126
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	25,169,255		87,142,479	70,862,896	8,889,672

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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	0	230,965,530	230,965,530
2	Credits to Depreciation Reserve during year:			
3	Account 403 Depreciation		20,072,249	20,072,249
4	Other Accounts (Rental Equipment)		-	-
5				
6	TOTAL CREDITS DURING YEAR		20,072,249	20,072,249
7	Net Charges for Plant Retired:			
8	Book Cost of Plant Retired		3,158,953	3,158,953
9	Cost of Removal		2,018,263	2,018,263
10	Salvage (Credit)		-	-
11	Transfer/Reclass		4,755	4,755
12	ARO		49,433	49,433
13	NET CHARGES DURING YEAR		5,231,404	5,231,404
14	Balance December 31	0	245,806,375	245,806,375

METHOD OF DETERMINATION OF DEPRECIATION CHARGES		
Give in detail the rule and rates, by which the respondent determined the amount charged to operating expenses and other accounts, and credited to Depreciation Reserve. Report also the depreciation taken for the year for federal income tax purposes.		
15	Depreciation	\$20,072,249
16	The composite book depreciation rate for 2008 depreciable property was -	2.59%
17	Depreciation taken for Federal Income Tax purposes	
18	Differences	\$27,075,980
19		
20		

DIVIDENDS DECLARED DURING THE YEAR (Accounts 437, 438)							
Give particulars of dividends declared on each class of stock during the year, and charged to Earned Surplus. This schedule shall include only dividends that have been declared by the Board of Directors during the fiscal year.							
Line No.	Name of Security on Which Dividend was Declared (a)	Rate Per Cent		Amount of Capital Stock on Which Dividend was Declared (d)	Amount of Dividend (e)	Date	
		Reg'l'r (b)	Extra (c)			Declared (f)	Payable (g)
21	Common Stock	\$0.0000		0	\$0		
22							
23	Preferred Stock	\$0.0000		0	\$0		
24		\$0.0000		0	\$0		
25		\$0.0000		0	\$0		
26							
27	Added Accrual				\$0		
28							
29							
30	TOTALS	\$0.000			\$0		
Dividend rates on Common Stock and Premium					0.00%		
Dividend rates on Common Stock, Premium and Surplus					0.00%		

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	Public Liability Insurance	0	0	0	925	0
4	Workers Compensation Insurance	0	629,780	563,456	926	66,325
5						
6						
7						
8	Account 263:					
9						
10	Post Retirement Benefits - FAS 106	0	1,621,332	1,621,332	926	0
11	Pension Reserve	19,441,295	22,829,694	6,019,941	926	36,251,047
12	OPEB Reserve	286,524	2,300,262	2,685,400	926	(98,614)
13						
14						
15	Account 265:					
16						
17	Post Retirement Benefits - FAS 106	0	0	0	926	0
18	Environmental Reserve	7,404,687	4,326,592	3,945,919	926	7,785,360
19	Other Reserves	0	0	0	926	0
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	27,132,506	31,707,660	14,836,048		44,004,118

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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

1. Report the information called for below concerning the respondent's accounting for deferred federal income taxes.
2. In the space provided furnish significant explanations, including the following:
- (a) Accelerated Amortization - - State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax amounts.
- (b) Liberalized Depreciation - - State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated useful lives and classes of plant to which each method is being applied. Furnish a table showing for each year, 1954 to date of this report, the annual amounts of tax deferral, the total debits thereto which have been accounted for as credits to Acct. 411, Federal Income Taxes Deferred in Prior Years - - Credit or comparable account of the previous system of accounts.

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	61,557,006	37,767,159	29,076,360	52,866,207
	Prov Deferred Merger Cost				
12	Trueup and Other		0		21,370,269
13	Totals	61,557,006	37,767,159	29,076,360	74,236,476
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	61,557,006	37,767,159	29,076,360	52,866,207
	Prov Deferred Merger Cost				
18	Trueup and Other		0		21,370,269
19	Totals	61,557,006	37,767,159	29,076,360	74,236,476
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						
24	Construction Contributions	335,366	107,232	11,862,291	11,526,925	0
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	335366	107232	11,862,291	11,526,925	0

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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)
GAS OPERATING REVENUES (Account 400)										
1										
2	480 Residential Sales	\$201,762,691	\$241,075,317	(\$39,312,626)	13,599,021	13,626,010	(26,989)	176,367	171,013	5,354
3	481 Commercial and Industrial Sales:									
4	Small (or Commercial) see instr. 5	54,195,676	70,196,540	(16,000,864)	4,078,208	4,367,109	(288,901)	17,817	16,417	1,400
5	Large (or Industrial) see instr. 5	8,010,338	12,098,581	(4,088,243)	706,418	828,112	(121,694)	127	119	8
6	481 Other Sales to Public Authorities	14,175	21,067	(6,892)	1,311	1,296	15	3	0	3
7	481 Lost Margin	657,595	694,461	(36,866)	0	0	0	1	0	1
8	481 Quasi-Firm Sales	0	0	0	0	0	0	0	0	0
9	485 Miscellaneous Gas Sales	0	0	0	0	0	0	0	0	0
10	Total Sales to Ultimate Consumers	\$264,640,475	\$324,085,966	(\$59,445,491)	18,384,958	18,822,527	(437,569)	194,315	187,549	6,766
11	483 Sales for Resale	\$9,041,232	21,135,701	(\$12,094,469)	9,522,343	2,489,561	0	0	0	
12	Total Sales of Gas*	\$273,681,707	\$345,221,667	(\$71,539,960)	27,907,301	21,312,088	(437,569)	194,315	187,549	6,766
13	OTHER OPERATING REVENUES									
14	487 Adjustments	\$0	\$0							
15	488 Miscellaneous Service Revenues	85,705	85,285	420						
16	489 Revenues from Trans. of Gas of Others	12,128,880	11,935,468	193,412						
17	490 Sales of Products Extracted from Natural	0	0	0						
18	491 Rev. from Natural Gas Processed by Other	0	0	0						
19	493 Rent from Gas Property	0	0	0						
20	494 Interdepartmental Rents	0	0	0						
21	495 Other Gas Revenues	932,970	(1,953,809)	2,886,779						
22	Total Other Operating Revenues	13,147,555	10,066,944	\$3,080,611						
23	Total Gas Operation Revenues	\$286,829,262	\$355,288,611	(\$68,459,349)						
		Adjustment Clauses	Adjustment Clause	Fuel Clauses						
	* Includes revenues from application of	\$0	\$0							
	Total M.C.F. to which Applied	0	0							

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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 DTH (\$0.0000) (d)	Number of Customers (Per Bills Rendered)	
						July 31 (e)	December 31 (f)
1		<u>LOWELL DIVISION</u>					
2	480	R-1 Residential	60,250	1,157,965	\$19.2192	3,052	2,970
3	480	R-2 Residential	6,655	100,357	\$15.0802	158	165
4	480	R-31 Residential	6,172,750	90,570,371	\$14.6726	73,979	74,436
5	480	R-32 Residential	564,998	6,705,383	\$11.8680	2,605	2,728
6	481	G-41 Commercial	1,342,802	18,505,429	\$13.7812	6,902	6,923
7	481	G-42 Commercial	403,490	5,209,581	\$12.9113	190	190
8	481	G-43 Commercial	195,426	2,508,760	\$12.8374	64	63
9	481	G-51 Commercial	464,725	5,742,195	\$12.3561	1,349	1,351
10	481	G-52 Commercial	182,271	2,077,889	\$11.4000	75	77
11	481	G-53 Commercial	222,288	2,489,128	\$11.1978	18	20
12	481	Lost Margin	0	487,137		0	0
13	481	Interruptibles	0	0	\$0.0000	0	0
14	481	Sales Allowance Commercial		(129,025)		1	1
15		G-27 CNG Fuel					
16		G-90 Broker Sales					
17							
18							
19		Total Lowell	9,615,654	\$135,425,170	\$14.0838	88,393	88,924
20							
21							
22		<u>CAPE COD DIVISION</u>					
23	480	R-1 Residential	49,330	\$1,072,583	\$21.7431	2,550	2,503
24	480	R-2 Residential	980	\$18,121	\$18.4907	35	37
25	480	R-31 Residential	6,338,397	\$96,312,563	\$15.1951	85,927	86,393
26	480	R-32 Residential	307,748	\$3,782,598	\$12.2912	1,701	1,759
27	480	R-5 Residential	97,913	\$2,042,750	\$20.8630	5,400	5,376
28	481	G-17 Unmetered Gas Lamp	1,311	\$14,175	\$10.8123	3	3
29	481	G-41 Commercial	905,342	\$13,745,170	\$15.1823	7,263	7,409
30	481	G-42 Commercial	203,306	\$2,587,558	\$12.7274	162	183
31	481	G-43 Commercial	124,361	\$1,504,135	\$12.0949	35	40
32	481	G-51 Commercial	413,648	\$4,846,236	\$11.7158	1,566	1,591
33	481	G-52 Commercial	162,625	\$1,758,022	\$10.8103	84	93
34	481	G-53 Commercial	164,344	\$1,547,926	\$9.4188	5	4
	481	Lost Margin		\$170,458			
35		Sales Allowance Commercial	0	(\$186,990)	\$0.0000	0	0
36							
37		Total Cape	8,769,304	129,215,305	\$14.7350	104,731	105,391
38							
39							
40		* Customers included in Rate Class R-1					
41							
42							
43							
44	TOTAL SALES TO ULTIMATE						
45	CONSUMERS (Page 43 line 10)		18,384,958	\$264,640,475	\$14.3944	193,124	194,315

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

REVENUES FROM TRANSPORTATION							
Report by account the M.C.F. sold, the amount derived and the number of customers under each filed schedule or contract. Municipal sales, contract sales and unbilled sales may be reported separately in total.							
Line No.	Acct. No.	Schedule (a)	M.C.F. (1000 BTU) (b)	Revenue (c)	Average Revenue per MCF (0.0000) (d)	Number of Customers (per Bills Rendered)	
						July 31 (e)	Dec. 31 (f)
1		<u>Lowell Division</u>					
2							
3	489	Contract Firm Transportation					
4		G-41 Low-Load Firm Transp.	339,285	1,056,194	\$3.1130	435	472
5		G-42 Low-Load Firm Transp.	378,089	916,562	\$2.4242	136	137
6		G-43 Low-Load Firm Transp.	138,427	292,079	\$2.1100	11	12
7		G-46 Small Load Transp.	0	0	\$0.0000	0	0
8		G-47 Medium Load Transp.	0	0	\$0.0000	0	0
9		G-48 Large Load Transp.	0	0	\$0.0000	0	0
10		G-51 High-Load Firm Transp.	270,793	810,009	\$2.9912	284	266
11		G-52 High-Load Firm Transp.	284,640	598,517	\$2.1027	51	47
12		G-53 High-Load Firm Transp.	1,402,519	2,283,792	\$1.6284	43	41
13		G-54 High-Load Firm Transp.	0	0	\$0.0000	0	0
14		G-56 Firm Small Load Transp.	22,789	86,590	\$3.7996	9	9
15		G-57 Firm Medium Load Transp.	66,499	199,345	\$2.9977	10	9
16		G-58 Firm Large Load Transp.	167,571	368,436	\$2.1987	7	7
17		G-61 Firm Small Load Transp.	0	0	\$0.0000	0	0
18		G-81 Low-Load Contract Transp.	0	0	\$0.0000	0	0
19		G-82 High-Load Contract Transp.	752,541	23,761	\$0.0316	7	8
20		Interruptible	0	454,159	\$0.0000		
21		Broker Fee		1,013,313			
22		Total Lowell	3,823,152	8,102,756	\$2.1194	993	1,008
23							
24		<u>Cape Division</u>					
25							
26	489	Contract Firm Transportation					
27		G-41 Low-Load Firm Transp.	148,966	\$747,685	\$5.0192	418	335
28		G-42 Low-Load Firm Transp.	199,747	\$590,326	\$2.9554	81	59
29		G-43 Low-Load Firm Transp.	120,995	\$419,401	\$3.4663	13	9
30		G-46 Small Load Transp.	0	\$0	\$0.0000	0	0
31		G-47 Medium Load Transp.	0	\$0	\$0.0000	0	0
32		G-48 Large Load Transp.	0	\$0	\$0.0000	0	0
33		G-51 High-Load Firm Transp.	181,119	\$622,613	\$3.4376	199	172
34		G-52 High-Load Firm Transp.	268,821	\$647,694	\$2.4094	79	70
35		G-53 High-Load Firm Transp.	276,411	\$650,981	\$2.3551	11	12
36		G-56 Firm Small Load Transp.	7,438	\$32,272	\$4.3391	7	7
37		G-57 Firm Medium Load Transp.	28,101	\$78,242	\$2.7844	5	5
38		G-58 Firm Large Load Transp.	130,272	\$186,202	\$1.4293	3	3
39		G-82 High-Load Contract Transp.	46,321	49,968	\$1.0787	2	2
40		Transport Res Seasonal -Cape		739			
41		Interruptible	0	\$0	\$0.0000	0	0
42		Total Cape	1,408,189	\$4,026,124	\$2.8591	818	674
43							
44							
45							
46							
47							
48		Total Revenues from Transportation					
49		of Gas for Others (Page 43, Line 16)	5,231,341	\$12,128,880	2.3185	1,811	1,682

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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			
21	Production labor and expenses:	0	0	0
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	1,479,506	1,631,757	(152,251)
27	718 Other process production expenses	750	123	627
28	Gas fuels:	0	0	
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:	0	0	0
34	726 Oil for water gas	0	0	0
35	727 Oil for oil gas	0	0	0
36	728 Liquefied petroleum gas	704	3,295	(2,591)
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	0	0	0
44	736 Rents	0	0	0
45	Total operation	\$1,480,960	\$1,635,175	(\$154,215)
46	Maintenance:			
47	740 Maintenance supervision and engineering	0	\$0	0
48	741 Maintenance of structures and improvements	0	0	0
49	742 Maintenance of production equipment	126,657	118,228	8,429
50	Total maintenance	\$126,657	\$118,228	\$8,429
51	Total manufactured gas production	\$1,607,617	\$1,753,403	(\$145,787)

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	165,600,512	\$228,477,309	(\$62,876,797)
4	805 Other gas purchases	1,418,302	1,805,632	(387,330)
5	808-10 Liquified natural gas	9,292,129	8,767,682	524,447
6	808-20 Deferred cost of gas	16,953,306	23,039,001	(6,085,695)
7	812 Gas used for other utility operations - - Cr	0	0	0
8	813 Other gas supply expenses	4,162	9,018	(4,856)
9	814 Environmental Costs	120,880	142,710	(21,830)
10	815 Conservation & Load Management Expense	0	0	0
11				
12		\$193,389,291	\$262,241,352	(\$68,852,061)
13	Total production expenses	\$194,996,908	\$263,994,755	(\$68,997,848)
14	LOCAL STORAGE EXPENSES			
15	Operation:			
16	840 Operation supervision and engineering	0	\$0	0
17	841 Operation labor and expenses	0	0	0
18	842 Rents	0	0	0
19	Total operation	\$0	\$0	\$0
20	Maintenance:			
21	843 Maintenance supervision and engineering	0	\$0	0
22	844 Maintenance of structures and improvements	0	0	0
23	845 Maintenance of gas holders	0	0	0
24	846 Maintenance of other equipment	0	0	0
25	849 Joint Expenses-Credit	(3,311,863)	(3,311,863)	0
26	Total maintenance	(\$3,311,863)	(\$3,311,863)	\$0
27	Total storage expenses	(\$3,311,863)	(\$3,311,863)	\$0
28	TRANSMISSION AND DISTRIBUTION EXPENSES			
29	Operation:			
30	850 Operation supervision and engineering	12,509	\$0	12,509
31	851 System control and load dispatching	0	0	0
32	852 Communication system expenses	0	0	0
33	853 Compressor station labor and expenses	0	0	0
34	855 Fuel and power for compressor stations	0	0	0
35	857 Measuring and regulating station expenses	953,096	573,567	379,529
36	858 Transmission and compression of gas by others	0	0	0
37	874 Mains and services expenses	2,694,903	2,580,141	114,762
38	878 Meter and house regulator expenses	4,158,185	3,916,518	241,667
39	879 Customer installations expenses	(516,443)	(267,847)	(248,596)
40	880 Other expenses	899,377	877,845	21,532
41	881 Rents	0	0	0
42	882 Transportation expense	0	0	0
43	Total operation	\$8,201,627	\$7,680,224	\$521,403
44	Maintenance:			
45	885 Maintenance supervision and engineering	202,263	\$67,907	134,356
46	886 Maintenance of structures and improvements	22,070	15,540	6,530
47	887 Maintenance of mains	3,810,140	2,910,626	899,514
48	888 Maintenance of compressor station equipment	0	0	0
49	889 Maintenance of measuring and regulating station equipment	664,978	1,118,621	(453,643)
50	892 Maintenance of services	2,737,135	2,292,697	444,438
51	893 Maintenance of meters and house regulators	276,776	301,780	(25,004)
52	894 Maintenance of other equipment	1,054,364	273,628	780,736
53	Total maintenance	\$8,767,726	\$6,980,798	\$1,786,928
54	Total transmission and distribution expenses	\$16,969,353	\$14,661,022	\$2,308,331

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	\$57,374	\$36,577	\$20,797
3	902 Meter reading expenses	1,167,602	718,155	449,447
4	903 Customer records and collection expenses	5,143,042	4,728,562	414,480
5	904 Uncollectible accounts	4,240,255	1,428,777	2,811,478
6	905 Miscellaneous customer accounts expenses	164,845	40,898	123,947
7	Total customer accounts expenses	\$10,773,118	\$6,952,968	\$3,820,150
SALES EXPENSES				
8	Operation:			
9	911 Supervision	\$0	\$0	\$0
10	912 Demonstrating and selling expenses	1,966,015	2,446,176	(480,161)
11	913 Advertising expenses	422,827	331,412	91,415
12	916 Miscellaneous sales expenses	(173,453)	(244,759)	71,306
13	Total sales expenses	\$2,215,389	\$2,532,830	(\$317,441)
14				
ADMINISTRATIVE AND GENERAL EXPENSES				
15	Operation:			
16	920 Administrative and general salaries	\$5,814,066	\$5,440,224	\$373,842
17	921 Office supplies and expenses	3,575,781	3,279,691	296,090
18	922 Administrative expenses transferred - - Cr	0	0	0
19	923 Outside services employed	742,757	1,233,929	(491,172)
20	924 Property Insurance	44,790	118,381	(73,591)
21	925 Injuries and damages	289,727	318,857	(29,130)
22	926 Employees pensions and benefits	7,671,131	6,466,755	1,204,376
23	928 Regulatory commission expenses	640,710	324,409	316,301
24	929 Duplicate charges - - Cr	3	0	3
25	930 Miscellaneous general expenses	162,087	813,309	(651,222)
26	931 Rents	226,076	7,737	218,339
27	Total operation	\$19,167,128	\$18,003,294	\$1,163,834
28	Maintenance:			
29	932 Maintenance of general plant	\$68,852	\$60,154	\$8,698
30	Total administrative and general expenses	\$19,235,980	\$18,063,448	\$1,172,533
31	Total gas operation and maintenance expenses	\$240,878,885	\$302,893,160	(\$62,014,275)
32				
SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
33	Steam production	\$0	\$0	\$0
34	Manufactured gas production	1,480,960	126,657	1,607,617
35	Other gas supply expenses	193,389,291	0	193,389,291
36	Total production expenses	\$194,870,251	\$126,657	\$194,996,908
37	Local storage expenses	0	(3,311,863)	(3,311,863)
38	Transmission and distribution expenses	8,201,627	8,767,726	16,969,353
39	Customer accounts expenses	10,773,118	0	10,773,118
40	Sales expenses	2,215,389	0	2,215,389
41	Administrative and general expenses	19,167,128	68,852	19,235,980
42	Total gas operation and maint. expenses.	\$235,227,513	\$5,651,372	\$240,878,885
43				
44	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			82.01%
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			\$15,239,014
50	Total number of employees of gas department at end of year, including administrative,			
51	operating, maintenance, construction and other employees - National Grid Massachusetts.			180

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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	9,522,343	0.95	9,041,232
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	TOTALS				

PURCHASED GAS (Accounts 804-806)

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

SALES OF RESIDUALS (Accounts 730,731)

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

Line No.	Kind (a)	Revenue (b)	Inventory Cost (c)	Labor Handling Selling, Etc (d)	(e)	Total Cost (f)	Net Revenue (g)
16				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) MCF 1,000 BTU	(d) Rate Per MCF	(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				5,994,622
8	Other Charges				118,359
9	TOTAL ALGONQUIN		0		6,112,982
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				11,310,108
20	Other Charges				1,169,304
21	TOTAL TENNESSEE		0		12,479,411
22	Texas Eastern				
23	Transportation and Capacity Costs				5,918,680
24	Other Charges				280,434
25	TOTAL TEXAS EASTERN		0		6,199,114
26	Canadian				
27					
28	Commodity Cost		1,421,869	4.72	6,712,641
29	Transportation and Capacity Costs				217,982
30	Other Charges				0
31	TOTAL CANADIAN		1,421,869		6,930,623
32					
33	Direct Purchases				
34					
35	Commodity Cost		17,290,587	7.81	135,066,420
36	Transportation and Capacity Costs				963,053
37	Other Charges				0
38	TOTAL DIRECT PURCHASES		17,290,587		136,029,473
39					
40					
41					
42					
43					
44					

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	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) MCF 1,000 BTU	(d) Rate Per MCF	(e) Amount
1					
2	Distrigas	Metered at Everett			
3	Commodity Cost		0	0	711,289
4	Capacity Costs				2,735,251
5	TOTAL DISTRIGAS				3,446,540
6					0
7					
8					
9					
10					
11	Total Commodity Cost		18,712,456	7.70	144,058,447
12	Total Transportation & Capacity Costs				27,139,696
13	Total Other Charges				
14					
15	Unbilled Gas Cost				(405,195)
16	Total Purchased Gas Cost		18,712,456		170,792,948
17	Net Change in Holder Gas *		12,591,767		5,517,995
18	Deferred Cost of Gas 808-20,21,23,29				16,953,306
19	Purchased Gas Expense		31,304,223		193,264,249

* Add (Decreases) / Deduct Increases in Holder Gas - Note: Column (e) of this line includes those inventory transactions necessary to reconcile "Purchased Gas Expense" to Gas Costs expensed as presented on Lines 3 through 6 on page 46.

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

TAXES CHARGED DURING YEAR									
1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year. 2 Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts. 3 The aggregate of each kind of tax should be			listed under the appropriate heading of "Federal," "State," and "Local" in such manner that the total tax for each State and for all subdivisions can readily be ascertained. 4. The accounts to which the taxes charged were distributed should be shown in columns (c) to (h). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet account or subaccount.				5. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis for apportioning such tax. 6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.		
Line No.	Kind of Tax (a)	Total Taxes Charged During Year (omit cents) (b)	Distribution of Taxes Charged (omit cents) (Show utility department where applicable and account charged)						
			Gas Acct. 107 &/or Accts. 300-398(c)	Gas (Acct.408,409) (d)	Surplus Acct. (e)	Future Use (Acct 105) (f)	Taxes included in O&M (g)	Gas Acct. 418 (h)	Gas Acct. 419 (i)
1	Federal:								
2	Income	(6,454,193)		(6,454,193)				0	0
3	F.I.C.A. & Medicare	973,064	0	973,064			0		
4							0		
5									
6									
7	State:								
8	Franchise	930,959		930,959				0	0
9	Deferred Franchise	0							
10	Use	331,917		331,917					
11									
12	Local:								
13	Cities & Towns	4,533,888		4,533,888					
14	Excise	0		0					
15									
16									
TOTALS		\$315,635	\$0	\$315,635	\$0	\$0	\$0	\$0	\$0

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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

Annual Report ofColonial Gas Company.....Year ended December 31, 2008

**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	18,712,456	3,697,329	2,715,535	2,594,817	1,283,708	765,037
10	Other						
11	TOTAL	18,712,456	3,697,329	2,715,535	2,594,817	1,283,708	765,037
12	TOTAL MADE AND						
13	PURCHASED	18,712,456	3,697,329	2,715,535	2,594,817	1,283,708	765,037
14	Net Change in Holder						
15	Gas (1)	12,591,767	1,407,668	309,631	203,083	469,798	432,568
16	TOTAL SENDOUT	31,304,223	5,104,997	3,025,166	2,797,900	1,753,506	1,197,605
17	GAS TRANSPORTED	5,038,200	618,978	506,470	521,628	409,380	341,634
18	TOTAL THROUGHPUT	36,342,423	5,723,975	3,531,636	3,319,528	2,162,886	1,539,239
19							
20	Gas Sold [2]	28,383,439	3,864,237	2,924,533	2,740,077	1,763,165	1,197,614
21	Gas Used by Company	141,239	16,750	16,132	13,156	12,493	10,436
22	Gas transported [2]	5,708,460	662,731	523,597	460,639	353,288	133,601
23	Gas Accounted for	34,233,138	4,543,718	3,464,262	3,213,872	2,128,947	1,341,651
24	Gas Unaccounted for	2,109,285	1,180,257	67,374	105,655	33,939	197,588
25	% Unaccounted						
26	for (0.00%) (2)	5.80%					
27							
28							
29	<u>Sendout in 24 hours</u>						
30	<u>in MCF</u>						
31	Maximum - MCF		208,803	193,499	165,678	102,083	55,116
32	Maximum - Date		01/15/2009	02/05/2009	03/02/2009	04/15/2009	05/05/2009
33	Minimum - MCF		109,796	66,460	57,191	24,793	26,346
34	Minimum - Date		01/23/2009	02/27/2009	03/07/2009	04/25/2009	05/24/2009
35							
36							
37							
38	B.T.U. Content of Gas Delivered to Customers 1,029 per Cubic Foot.						
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						

Annual Report ofColonial Gas Company.....Year ended December 31, 2008

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	575,795	534,816	447,128	407,860	1,093,868	1,459,325	3,137,238
10							
11	575,795	534,816	447,128	407,860	1,093,868	1,459,325	3,137,238
12							
13	575,795	534,816	447,128	407,860	1,093,868	1,459,325	3,137,238
14							
15	295,629	387,842	653,746	363,497	1,051,352	5,782,121	1,234,832
16	871,424	922,658	1,100,874	771,357	2,145,220	7,241,446	4,372,070
17	297,253	294,597	283,695	306,790	433,397	450,801	573,577
18	1,168,677	1,217,255	1,384,569	1,078,147	2,578,617	7,692,247	4,945,647
19							
20	860,047	899,539	728,850	673,974	1,993,956	7,144,999	4,092,447
21	8,413	5,478	17,021	9,414	7,479	13,996	10,471
22	279,785	391,078	374,503	383,722	512,386	473,975	659,154
23	1,148,246	1,296,095	1,120,374	1,067,110	2,513,822	7,632,970	4,762,072
24	20,431	(78,840)	264,195	11,037	64,795	59,277	183,575
25							
26							
27							
28							
29							
30							
31	39,217	40,726	43,756	39,807	92,370	98,643	203,732
32	06/09/2009	07/29/2009	08/17/2009	09/30/2009	10/18/2009	11/06/2009	12/29/2009
33	25,293	24,256	23,622	23,637	28,816	40,073	51,550
34	06/20/2009	07/04/2009	08/22/2009	09/05/2009	10/03/2009	11/09/2009	12/03/2009
35							
36							
37							
38							
39							
40							
41							
42							

Annual Report ofColonial Gas Company.....Year ended December 31, 20

GAS GENERATING PLANT			
Line No.	General Description - - Location, Size, Type, etc.	No. of Sets	24 Hour Cap. (MCF) (A)
1	Propane Air:		
2	Lowell Division: Lowell, MA		
3	Jet System	0	0
4	High Pressure Mix	3	6,800
5			
6			
7			
8			
9			
10			
11			
12	Liquefied Natural Gas:		
13	Lowell Division: Tewksbury, MA	4	65,400
14	Westford, MA	1	6,000
15			
16	Cape Cod Division: South Yarmouth, MA	4	23,800
17	Wareham, MA	4	4,300
18			
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35			
36	NOTE (A): Assumes 1,000 BTU per cubic foot.		
37			
38			
39			
40		Total	106,300

Annual Report ofColonial Gas Company..... Year ended December 31, 2009

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 AT 212F 100C	
1	Lowell, MA						
2	School and Rock Sts.		PSIG				
3							
4	Hodge	Gas	15		S-02369		
5	Hodge	Oil or Gas	15		502370		
6	Bigelow	Gas	15		1372		
7							
8							
9							
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11							
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22							
23							
24							
25							
SCRUBBERS, CONDENSERS AND EXHAUSTERS 24 HOUR CAPACITY (MCF)							
Line No.	Kind of Gas					Total Capacity	
26							
27							
28	Scrubbers						
29							
30							
31							
32							
33	Condensers		NONE				
34							
35							
36							
37							
38							
39	Exhausters						
40							
41							
42							
43							
44							
45							

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

PURIFIERS				
Line No.	Location	Kind of Gas	Kind of Purifying Material	Estimated 24 Hour Capacity
1				
2				
3				
4				
5				
6				
7				
8	NONE			
9				
10				
11				
12				
13				
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22				

HOLDERS (Including Relief Holders). Indicate Relief Holders by the letters R.H.							
Line No.	Location	Type of Tank	Dimensions Diam.	Height	No. of Lifts	Number	Working Capacity
23							
24							
25							
26							
27							
28							
29							
30	NONE						
31							
32							
33							
34							
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44

45

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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	<u>CAST IRON</u>					
2	3"	446	0		0	446
3	4"	334,304	0		946	333,358
4	6"	480,983	0		11,150	469,833
5	8"	45,250	0		64	45,186
6	10"	17,398	0		0	17,398
7	12"	64,690	0		0	64,690
8	14"	0	0		0	0
9	16"	9,863	0		0	9,863
10	18"	5,136	0		0	5,136
11	20"	3,742	0		0	3,742
12	24"	2,287	0		0	2,287
13	Subtotal	964,099	0	0	12,160	951,939
14	<u>STEEL OR WROUGHT IRON</u>					
15	3/4"	0	0		0	0
16	1"	48,888	0		371	48,517
17	1-1/4"	9,702	0		0	9,702
18	1-1/2"	86,139	0		0	86,139
19	2"	4,733,959	1		8,624	4,725,336
20	3"	307,982	0		437	307,545
21	4"	1,653,713	203		4,674	1,649,242
22	5"	13,169	0		0	13,169
23	6"	608,459	157		1,955	606,661
24	8"	571,708	350		42	572,016
25	10"	146,617	10		0	146,627
26	12"	265,855	4,498		232	270,121
27	14"	887	0		0	887
28	16"	1,535	0		0	1,535
29	20"	104	0		0	104
30	24"	722	0		0	722
31	Subtotal	8,449,439	5,219	0	16,335	8,438,323
32	<u>PLASTIC</u>					
33	1/2"	38,855	0		0	38,855
34	5/8"	269	0		0	269
35	3/4"	10,278	0		0	10,278
36	1"	35,583	178		95	35,666
37	1-1/4"	31,410	0		0	31,410
38	1-1/2"	14,418	386		0	14,804
39	2"	7,312,344	81,926		19,387	7,374,883
40	3"	13,160	6		21	13,145
41	4"	1,804,190	17,672		3,959	1,817,903
42	6"	587,483	23,334		96	610,721
43	8"	177,766	22,495		4,857	195,404
44	10"	1,760	110		39	1,831
45	12"	365	0		0	365
46	20"	582	0		0	582
47	Subtotal	10,028,464	146,107	0	28,454	10,146,116
48	Totals	19,442,002	151,326	0	56,949	19,536,378
Normal Operating Pressure - - Mains and Lines - - Maximum.....60# PSI....Minimum.....7" W.C.....						
Normal Operating Pressure - - Services - - Maximum.....60# PSI....Minimum7" W.C.....						
Miles Added 29 Miles Retired 11						

3158953
2018263
0
4755
49433

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

TRANSMISSION AND DISTRIBUTION MAINS

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

Line No.	Diameter	Total Length in Feet at Beginning of Year	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
1	No category	626	808		0	1,434
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38						
39	GRAND TOTAL	19,442,628	152,134	0	56,949	19,537,812
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 ofColonial Gas Company.....Year ended December 31, 2009

GAS DISTRIBUTION SERVICES, HOUSE GOVERNORS AND METERS

Report below the information called for concerning Distribution Services, House Governors and Meters

Line		Gas	House **	
No.	Item	Services	Governors	Meters
1	Number at beginning of year	213,054		261,953
2	Additions during year:			
3	Purchased			19,585
4	Installed	7,752		0
5	Associated with Plant acquired			
6	Total Additions	7,752		19,585
7	Reductions during year:			
8	Retirements	86		9,335
9	Associated with Plant sold	0		0
10	Total Reductions	86		9,335
11	Number at End of Year	220,720		272,203
12	In Stock			76,298
13	On Customers' Premises - - Inactive			2,841
14	On Customers' Premises - - Active			193,064
15	Number at End of Year			272,203
16	Number of Meters Tested by State Inspectors			
17	during Year			31,779

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

RATE SCHEDULE INFORMATION

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

Date Effective	M.D.T.E. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
		NONE		

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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

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

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

ing; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customers' bills; (d) inserts in reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.

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

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

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

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

Line No.	Item (a)	Amount (b)
1		
2	Expenditures for Certain Civic, Political and Related Activities	
3	Government Relations Lobbying	19,527
4		
5		
6		
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9		
10		
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29		
30		
31		
32		
	TOTAL	\$19,527

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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		422,827
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
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41			
42		TOTAL	422,827

Annual Report ofColonial Gas Company.....Year ended December 31, 2009

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		\$445,491
5		
6		
7		
8		
9		
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11		
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39		
40	TOTAL	\$445,491

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

.....President

.....Vice President and Controller

.....Director

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

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

Suffolk, ss

March 31, 2009

Then personally appeared.....

.....
.....

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

.....Notary Public

My Commission Expires: