

**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 - BOSTON 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)
<b>OPERATING INCOME</b>		
Operating Revenues	\$1,093,274,317	(\$240,926,366)
Operating Expenses:		
Operation Expenses	\$854,122,976	(\$235,052,528)
Maintenance Expense	62,937,442	3,467,124
Depreciation Expense	92,751,529	9,104,018
Amortization of Utility Plant	3,135,263	(9,927,297)
Amortization of Property Losses	0	0
Amortization of Conversion Expenses	0	0
Taxes Other Than Income Taxes	27,732,487	7,085,696
Income Taxes	(80,422,805)	(111,294,045)
Provision for Deferred Income Taxes	94,974,761	101,450,548
Income Taxes Deferred in Prior Years -- CR.	0	12,416,860
Total Operating Expenses	\$1,055,231,653	(\$222,749,624)
Net Operating Revenues	\$38,042,664	(\$18,176,742)
Income from Utility Plant Leased to Others	0	0
Other Utility Operating Income	0	0
Total Utility Operating Income	\$38,042,664	(\$18,176,742)
<b>OTHER INCOME</b>		
Income from Mdse. Jobbing & Contract Work	\$0	\$0
Income from Nonutility Operations	0	0
Nonoperating Rental Income	0	0
Interest and Dividend Income	1,426,497	(1,219,854)
Miscellaneous Nonoperating Income	22,296	0
Total Other Income	\$1,448,793	(\$1,219,854)
March 31, 2010, I hereby certify that the foregoing statements are true and correct.	\$39,491,457	(\$19,396,596)
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>		
Miscellaneous Amortization	\$0	\$0
Other Income Deductions	(1,173,863)	3,388,337
Total Income Deductions	(\$1,173,863)	\$3,388,337
Income Before Interest Charges	\$40,665,320	(\$22,784,933)
<b>INTEREST CHARGES</b>		
Interest on Long-Term Debt	\$14,466,100	\$0
Amortization of Debt Disc. & Expense	256,018	0
Amortization of Premium on Debt -- Credit	0	0
Interest on Debt to Associated Companies	27,022,706	(7,287,435)
Other Interest Expense	(8,157,115)	450,400
Interest Charged to Construction -- Credit	(1,519,249)	(517,169)
Total Interest Charges	\$32,068,460	(\$7,354,204)
Net Income	\$8,596,860	(\$15,430,729)

## Condensed Financial Return (Continued) - Boston Gas Company

December 31, 2009

<b>BALANCE SHEET</b>			
Title of Account	Balance End of Year	Title of Account	Balance End of Year
<b>UTILITY PLANT</b>		<b>PROPRIETARY CAPITAL</b>	
Utility Plant	\$2,359,933,650	<b>CAPITAL STOCK</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>		Common Stock Issued	\$51,418,400
Nonutility Property	\$170,808	Preferred Stock Issued	0
Capitalized Leases, net	6,335,090	Capital Stock Subscribed	0
Investment in Associated Companies	0	Premium on Capital Stock	640,069
Other Investments	0	Total	\$52,058,469
Special Funds	2,546,204	<b>SURPLUS</b>	
Total Other Property and Investments	\$9,052,102	Other Paid-In Capital	\$775,396,813
<b>CURRENT AND ACCRUED ASSETS</b>		Earned Surplus	137,952,836
Cash	\$195,302	Other Comprehensive Income	0
Special Deposits	0	Total	\$913,349,649
Working Funds	0	Total Proprietary Capital	\$965,408,118
Temporary Cash Investments	0	<b>LONG TERM DEBT</b>	
Notes and Accounts Receivable	98,932,906	Bonds	\$173,000,000
Receivables from Assoc. Companies	6,295,462	Advances from Associated Companies	0
Materials and Supplies	86,677,400	Capital Lease Obligations	5,709,233
Prepayments	23,673,187	Total Long-Term Debt	\$178,709,233
Interest and Dividends Receivable	0	<b>CURRENT AND ACCRUED</b>	
Rents Receivable	0	<b>LIABILITIES</b>	
Accrued Utility Revenues	107,627,553	Notes Payable	\$10,000,000
Misc. Current And Accrued Assets	193	Accounts Payable	56,608,199
Recoverable Fuel	133,586,414	Payables to Associated Companies	545,113,359
Total Current and Accrued Assets	\$456,988,417	Customer Deposits	2,748,478
<b>DEFERRED DEBITS</b>		Taxes Accrued	(5,008,943)
Unamortized Debt Discount and Expense	\$2,438,104	Interest Accrued	14,091,825
Extraordinary Property Losses	0	Dividends Declared	0
Preliminary Survey and Investigation	0	Matured Long-Term Debt	0
Charges	0	Matured Interest	0
Clearing Accounts	0	Tax Collections Payable	2,413,411
Temporary Facilities	39,771	Misc. Current and Accrued Liabilities	5,914,435
Miscellaneous Deferred Debits	291,860,879	Total Current & Accrued Liabilities	\$631,880,764
Total Deferred Debits	\$294,338,754	<b>DEFERRED CREDITS</b>	
<b>CAPITAL STOCK DISCOUNT</b>		Unamortized Premium on Debt	0
<b>AND EXPENSE</b>		Customer Advances for Construction	7,875
Discount on Capital Stock	\$0	Other Deferred Credits	31,572,876
Capital Stock Expense	0	Total Deferred Credits	31,580,751
Total Capital Stock Discount and Expense	\$0	<b>RESERVES</b>	
<b>REACQUIRED SECURITIES</b>		Reserves for Depreciation	812,356,338
March 31, 2010, I hereby certify that the foregoing statements are fu	\$0	Reserves for Amortization	71,866,285
Reacquired Bonds	0	Reserve for Uncollectible Accounts	11,651,621
Total Reacquired Securities	\$0	Operating Reserves	107,812,044
Total Assets and Other Debits	\$3,120,312,923	Reserve for Depreciation and Amorti- zation of Nonutility Property	0
		Reserves for Deferred Federal Income	
		Taxes	309,047,269
		Total Reserves	\$1,312,733,557
		<b>CONTRIBUTIONS IN AID</b>	
		<b>OF CONSTRUCTION</b>	
		Contributions in Aid of Construction	500
		Total Liabilities and Other Credits	\$3,120,312,923
NOTES:			

## Condensed Financial Return (Continued) - Boston Gas Company

December 31, 2009

<b>STATEMENT OF EARNED SURPLUS</b>		
Unappropriated Earned Surplus (at beginning of period)	\$129,355,976	\$24,027,589
Balance Transferred from Income	\$8,596,860	(\$15,430,729)
Miscellaneous Credits to Surplus	0	0
Miscellaneous Debits to Surplus	0	0
Appropriations of Surplus	0	0
Net Additions to Earned Surplus	\$8,596,860	(\$15,430,729)
Dividends Declared - - Preferred Stock		\$0
Dividends Declared - - Common Stock	\$0	\$0
Unappropriated Earned Surplus (at end of period)	\$137,952,836	\$8,596,860
<b>ELECTRIC OPERATING REVENUES</b>		
<b>Account</b>	<b>Operating Revenues</b>	
	<b>Amount For Year</b>	<b>Increase or (Decrease) from Preceding Year</b>
<b>SALES OF ELECTRICITY</b>		
Residential Sales		
Commercial and Industrial Sales		
Small (or Commercial)		
Large (or Industrial)		
Public Street and Highway Lighting		
Other Sales to Public Authorities		
Sales to Railroad and Railways		
Interdepartmental Sales		
Miscellaneous Electric Sales		
Total Sales to Ultimate Consumers		
Sales for Resale		
Total Sales of Electricity		
<b>OTHER OPERATING REVENUES</b>		
Forfeited Discounts		
Miscellaneous Service Revenues		
Sales of Water and Water Power		
Rent from Electric Property		
Interdepartmental Rents		
Other Electric Revenues		
Total Other Operating Revenues		
Total Electric Operating Revenues		

**SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES**

3a

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

<b>GAS OPERATING REVENUES</b>		
<b>Account</b>	<b>Operating Revenues</b>	
	<b>Amount for Year</b>	<b>Increase or (Decrease) from Preceding Year</b>
<b>SALES OF GAS</b>		
Residential Sales	\$676,207,776	(\$115,280,183)
Commercial and Industrial Sales		
Small (or Commercial)	122,980,730	(29,790,491)
Large (or Industrial)	110,780,932	(29,289,110)
Other Sales to Public Authorities	1,190,277	(466,544)
Interdepartmental Sales	0	0
Quasi-Firm Revenue	0	0
Miscellaneous Gas Sales (Unbilled Revenue)	0	0
Total Sales to Ultimate Consumers	\$911,159,715	(\$174,826,328)
Sales for Resale	86,472,076	(77,118,665)
Total Sales of Gas	\$997,631,791	(\$251,944,993)
<b>OTHER OPERATING REVENUES</b>		
Adjustments	\$0	\$0
Miscellaneous Service Revenues	65,600	21,000
Revenues from Transportation of Gas of Others	85,745,234	1,794,222
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	0	0
Other Gas Revenues	9,831,692	9,203,405
Total Other Operating Revenues	\$95,642,526	\$11,018,627
Total Gas Operating Revenues	\$1,093,274,317	(\$240,926,366)

<b>SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES</b>				<b>4a</b>
<b>Functional Classification</b>	<b>Operation</b>	<b>Maintenance</b>	<b>Total</b>	
Steam Production	\$0	\$0	\$0	
Manufactured Gas Production	1,614,621	836,909	2,451,530	
Other Gas Supply Expenses	688,012,059	0	688,012,059	
Total Production Expenses	\$689,626,680	\$836,909	\$690,463,589	
Local Storage Expenses	1,156,126	(11,901,470)	(10,745,344)	
Transmission and Distribution Expenses	32,675,088	73,654,832	106,329,920	
Customer Accounts Expenses	42,027,325	0	42,027,325	
Sales Expenses	8,490,587	0	8,490,587	
Administrative and General Expenses	80,147,170	347,171	80,494,341	
Total Gas Operation and Maintenance Expenses	\$854,122,976	\$62,937,442	\$917,060,418	

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.

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Vice President & Controller

**The Commonwealth of Massachusetts**

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**AMENDED  
RETURN**

OF THE

**BOSTON GAS COMPANY**

**D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND**

TO THE

**THE DEPARTMENT OF PUBLIC UTILITIES**

OF MASSACHUSETTS

**For the Year Ended December 31,**

**2009**

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

}  
}

**Martin Wheatcroft**

Official title: **Vice President and Controller**

Office address: One MetroTech Center  
Brooklyn, New York 11201

Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

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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 to each," and by Section 77, the department is required to include in its annual report "the names and addresses of the principal officers and of the directors."</p>			



## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

**GENERAL INFORMATION - Continued**

- |  |   |              |  |
|--|---|--------------|--|
| 1. Corporate name of company making this report,   | Boston Gas Company<br>D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND |              |  |
| 2. Date of organization,   | December 11, 1903   |              |  |
| 3. Date of incorporation,  | December 11, 1903   |              |  |
| 4. Give location (including street and number) of principal business office:-  |   |              |  |
| One MetroTech Center, Brooklyn New York 11201  |   |              |  |
| 5. Total number of stockholders,   | Common: 1   |              |  |
| 6. Number of stockholders in Massachusetts,  | Common: 1   |              |  |
| 7. Amount of stock held in Massachusetts,  | No. of Common Shares, 514,184   | \$51,418,400 |  |
| 8. Capital stock issued prior to June 5, 1894,   | No. of shares, N/A  | \$ N/A       |  |
| 9. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or Department of Public Utilities since June 5, 1894, |   |              |  |
| Total, 514,184 common shares, par value, \$100.00, outstanding December 31 of the fiscal year, 2009  |   | \$51,418,400 |  |
10. If any stock has been issued during the last fiscal period, give the date and terms upon which such issue was offered to the stockholders, and if the whole or any part of the issue was sold at auction, the date or dates of such sale or sales, the number of shares sold and the amounts realized therefrom.
11. Management Fees and Expenses during the Year.
- List all individuals, corporations or concerns with whom the company has any contract or agreement covering management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc., and show the total amount paid to each for the year.
- In 2009, the Company was charged \$138,263,466 by National Grid Corporate Services for services, which included: executive and administrative, corporate affairs, customer services, environmental services, financial services (including accounting, auditing, risk management, tax, treasury/finance), human resources, information technology, legal, materials management and purchasing, and strategic planning.

GENERAL INFORMATION - Continued

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

In Gas Property:

No Important Changes

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>GENERAL INFORMATION - Continued</b>			
Names of the cities or towns in which the company supplies GAS with the number of customers' meters in each place.		Names of the cities or towns in which the company supplies GAS with the number of customers' meters in each place.	
<b>City or Town</b>	<b>Number of Customers Meters, Dec 31, 2009</b>	<b>City or Town</b>	<b>Number of Customers Meters, Dec 31, 2009</b>
Abington	3,062	Melrose	7,922
Acton	4,500	Middleton	1,354
Arlington	13,602	Milton	6,948
Ayer	1,841	Nahant	1,261
Bedford	3,907	Natick	41
Belmont	8,043	Needham	2
Beverly	9,556	Newton	25,876
Boston	158,013	North Brookfield	595
Boxborough	484	Norwood	9,164
Braintree	7,817	Oxford	82
Brookfield	149	Peabody	11,712
Brookline	17,301	Quincy	26,015
Burlington	5,326	Reading	3,904
Carlisle	683	Revere	13,071
Chelsea	9,632	Rockland	4,585
Clinton	2,944	Rockport	90
Cohasset	1,637	Salem	13,410
Concord	3,672	Saugus	6,593
Danvers	5,918	Shirley	557
Dudley	989	Somerville	5,439
East Brookfield	189	Southbridge	3,286
Everett	13,735	Spencer	1,490
Framingham	13	Stoneham	4,090
Gloucester	7,240	Sudbury	3,672
Groton	976	Swampscott	4,043
Hanson	12	Topsfield	33
Harvard	252	Wakefield	88
Hingham	4,506	Waltham	16,103
Hull	4,352	Warren	457
Lancaster	281	Watertown	12,064
Leicester	138	Wayland	2,898
Leominster	7,206	Webster	2,807
Lexington	5,790	Wellesley	7,137
Lincoln	998	West Brookfield	404
Littleton	1,351	Weston	2,888
Lunenburg	367	Weymouth	10,691
Lynn	25,043	Whitman	3,138
Lynnfield	2,386	Wilmington	12
Malden	16,897	Winchester	5,182
Marblehead	6,600	Winthrop	5,898
Medford	17,974	Woburn	8,829
		<b>TOTAL</b>	<b>609,213</b>

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>COMPARATIVE BALANCE SHEET Assets and Other Credits</b>				
<b>Line No.</b>	<b>Title of Account (a)</b>	<b>Balance Beginning of Year (b)</b>	<b>Balance End of Year (c)</b>	<b>Increase or (Decrease) (d)</b>
1	<b>UTILITY PLANT</b>			
2	Utility Plant (101-107) p. 13	2,205,257,200	2,359,933,650	154,676,450
3	<b>OTHER PROPERTY AND INVESTMENTS</b>			
4	Nonutility Property (121) P. 19	172,265	170,808	(1,457)
4a	Capitalized Leases, net	7,532,225	6,335,090	(1,197,135)
5	Investment in Associated Companies (123) P. 20	0	0	0
6	Other Investments (124) P.20	0	0	0
7	Special Funds (125, 126, 127, 128) P. 21	2,546,204	2,546,204	(0)
8	Total Other Property and Investments	10,250,694	9,052,102	(1,198,592)
9	<b>CURRENT AND ACCRUED ASSETS</b>			
10	Cash (131)	4,601,917	195,302	(4,406,615)
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	167,820,757	98,932,906	(68,887,851)
15	Receivables from Assoc. Companies (145, 146) P. 23	4,938,646	6,295,462	1,356,816
16	Materials and Supplies (151-159, 163) P. 24	155,740,861	86,677,400	(69,063,461)
17	Prepayments (165)	2,290,880	23,673,187	21,382,307
18	Interest and Dividends Receivable (171)	0	0	0
19	Rents Receivable (172)	0	0	0
20	Accrued Utility Revenues (173)	100,608,072	107,627,553	7,019,481
21	Misc. Current and Accrued Assets (174)	64,871	193	(64,678)
21A	Recoverable Fuel (175)	91,794,874	133,586,414	41,791,540
22	Total Current and Accrued Assets	527,860,878	456,988,417	(70,872,461)
23	<b>DEFERRED DEBITS</b>			
24	Unamortized Debt Discount and Expense (181) P.26	2,694,122	2,438,104	(256,018)
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)	160,050	39,771	(120,279)
29	Miscellaneous Deferred Debits (186) P. 27	295,754,877	291,860,879	(3,893,998)
30	Total Deferred Debits	298,609,049	294,338,754	(4,270,295)
31	<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>			
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	<b>REACQUIRED SECURITIES</b>			
36	Reacquired Capital Stock (196)	0	0	0
37	Reacquired Bonds (197)	0	0	0
38	Total Reacquired Securities	0	0	0
39	Total Assets and Other Debits	3,041,977,821	3,120,312,923	78,335,102
NOTES:				

## Annual Report of .....Boston 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	<b>PROPRIETARY CAPITAL</b>			
2	<b>CAPITAL STOCK</b>			
3	Common Stock Issued (201) P.29	51,418,400	51,418,400	0
4	Preferred Stock Issued (204) P.29	0	0	0
5	Capital Stock Subscribed (202, 205)	0	0	0
6	Premium on Capital Stock (207) P.29	640,069	640,069	0
7	Total	52,058,469	52,058,469	0
8	<b>SURPLUS</b>			
9	Other Paid-In Capital (208-211) P.30	336,248,123	775,396,813	439,148,690
10	Earned Surplus (215,216) P.12	129,355,976	137,952,836	8,596,860
11	Other Comprehensive Income	0	0	0
12	Total	465,604,099	913,349,649	447,745,550
13	Total Proprietary Capital	517,662,568	965,408,118	447,745,550
14	<b>LONG-TERM DEBT</b>			
15	Bonds (221) P.31	183,000,000	173,000,000	(10,000,000)
16	Capital Lease Obligations (221)	7,532,225	5,709,233	(1,822,992)
17	Other Long-Term Debt (224) P.31	0	0	0
18	Total Long-Term Debt	190,532,225	178,709,233	(11,822,992)
19	<b>CURRENT AND ACCRUED LIABILITIES</b>			
20	Notes Payable (231) P.32	0	10,000,000	10,000,000
21	Accounts Payable (232)	56,179,179	56,608,199	429,020
22	Payables to Associated Companies (233,234) P.32	1,078,396,914	545,113,359	(533,283,555)
23	Customer Deposits (235)	3,066,135	2,748,478	(317,657)
24	Taxes Accrued (236)	(12,053,311)	(5,008,943)	7,044,368
25	Interest Accrued (237)	11,243,783	14,091,825	2,848,042
26	Dividends Declared (238)	0	0	0
27	Matured Long-Term Debt (239)	0	0	0
28	Tax Collections Payable (241)	1,050,289	2,413,411	1,363,122
29	Misc. Current & Accrued Liab. (242) P.33	8,145,750	5,914,435	(2,231,315)
30	Total Current & Accrued Liability	1,146,028,739	631,880,764	(514,147,975)
31	<b>DEFERRED CREDITS</b>			
32	Unamortized Premium on Debt (251) P.26	0	0	0
33	Customer Advances for Construction (252)	7,875	7,875	0
34	Other Deferred Credits (253) P.33	54,757,405	31,572,876	(23,184,529)
35	Total Deferred Credits	54,765,280	31,580,751	(23,184,529)
36	<b>RESERVES</b>			
37	Reserves for Depreciation (254-256) P.13	746,424,802	812,356,338	65,931,536
38	Reserves for Amortization (257-259) P.13	70,640,803	71,866,285	1,225,482
39	Reserve for Uncollectible Accounts (260)	4,836,569	11,651,621	6,815,052
40	Operating Reserves (261-265) P.35	82,799,477	107,812,044	25,012,567
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	0	0	0
42	Reserve for Deferred Federal Income Taxes (267, 268) P.36	227,323,958	309,047,269	81,723,311
43	Total Reserves	1,132,025,609	1,312,733,557	180,707,948
44	<b>CONTRIBUTION IN AID OF CONSTRUCTION</b>			
45	Contributions in Aid of Construction (271) P.36	963,400	500	(962,900)
46	Total Liabilities and Other Credits	3,041,977,821	3,120,312,923	78,335,102

## Annual Report of .....Boston 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	<b>OPERATING INCOME</b>			
2	Operating Revenues (400) P. 37,43	1,093,274,317	1,334,200,683	(240,926,366)
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	854,122,976	1,089,175,504	(235,052,528)
5	Maintenance Expense (402) P. 42,47	62,937,442	59,470,318	3,467,124
6	Depreciation Expense (403) P. 34	92,751,529	83,647,511	9,104,018
7	Amortization of Utility Plant (404 and 405)	3,135,263	13,062,560	(9,927,297)
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	27,732,487	20,646,791	7,085,696
11	Income Taxes (409) P. 49	(80,422,805)	30,871,240	(111,294,045)
12	Provision for Deferred Income Taxes (410) P. 36	94,974,761	(6,475,787)	101,450,548
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	0	(12,416,860)	12,416,860
14	Total Operating Expenses	1,055,231,653	1,277,981,277	(222,749,624)
15	Net Operating Revenues	38,042,664	56,219,406	(18,176,742)
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	38,042,664	56,219,406	(18,176,742)
19	<b>OTHER INCOME</b>			
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)	1,426,497	2,646,351	(1,219,854)
24	Miscellaneous Nonoperating Income (421)	22,296	22,296	0
25	Total Other Income	1,448,793	2,668,647	(1,219,854)
26	Total Income	39,491,457	58,888,054	(19,396,596)
27	<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
28	Miscellaneous Amortization (425)	0	0	0
29	Other Income Deductions (426)	(1,173,863)	(4,562,200)	3,388,337
30	Total Income Deductions	(1,173,863)	(4,562,200)	3,388,337
31	Income Before Interest Charges	40,665,320	63,450,253	(22,784,933)
32	<b>INTEREST CHARGES</b>			
33	Interest on Long-Term Debt (427) P. 31	14,466,100	14,466,100	0
34	Amortization of Debt Disc. & Expense (428) P. 26	256,018	256,018	0
35	Amortization of Prem. on Debt - - Credit (429) P. 26	0	0	0
36	Int. on Debt to Associated Companies (430) P. 31, 32	27,022,706	34,310,141	(7,287,435)
37	Other Interest Expense (431)	(8,157,115)	(8,607,515)	450,400
38	Interest Charged to Construction - - Credit (432)	(1,519,249)	(1,002,080)	(517,169)
39	Total Interest Charges	32,068,460	39,422,664	(7,354,204)
40	Net Income	8,596,860	24,027,589	(15,430,729)
41	<b>EARNED SURPLUS</b>			
42	Unappropriated Earned Surplus (at beginning of period) (216)	129,355,976	105,328,387	24,027,589
43	Balance Transferred from Income (433)	8,596,860	24,027,589	(15,430,729)
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	8,596,860	24,027,589	(15,430,729)
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)	137,952,836	129,355,976	8,596,860

STATEMENT OF INCOME FOR THE YEAR (CONTINUED)

NOT APPLICABLE

STATEMENT OF EARNED SURPLUS (Accounts 215-216)			
<p>1. Report in this schedule an accounting for changes in appropriated and unappropriated earned surplus for the year.</p> <p>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.</p> <p>3. For each reservation of appropriation of earned surplus state the purpose, amount, and in the case</p>		<p>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.</p> <p>4. Dividends should be shown for each class and series of capital stock. Show amounts of dividends per share.</p> <p>5. List credits first; then debits.</p>	
Line No.	Item (a)	Contra Primary Account Affected (b)	(c)
1	<b>UNAPPROPRIATED EARNED SURPLUS (Account 216)</b>		
2	Balance - - Beginning of year		\$129,355,976
3	Charges: (identify by prescribed earned surplus accounts)		
4	Transfer from income (loss)		\$8,596,860
5			
6			
7			
8			
9	Dividends Declared - Common Stock	438	0
10	Less: Dividends Declared - Preferred Stock	438	0
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27	Balance - - end of year		\$137,952,836
28	<b>APPROPRIATED EARNED SURPLUS (Account 215)</b>		
29	State balance and purpose of each appropriated earned surplus amount at end		
30	of year and give accounting entries for any applications of appropriated		
31	earned surplus during year.		
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			



SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION							
Line No.		Total (b)	Electric (c)	Gas (d)	(e)	(f)	Common (g)
1	<b>UTILITY PLANT</b>						
2	In Service:						
3	101 Plant in Service (Classified)	\$2,210,382,319		\$2,210,382,319			
4	106 Completed Construction not Classified	135,804,862		135,804,862			
5	Total P. 16, 18	\$2,346,187,181		\$2,346,187,181			
6	104 Leased to Others						
7	105 Held for Future Use	515,704		515,704			
8	107 Construction Work in Progress	13,230,765		13,230,765			
9	Total Utility Plant	\$2,359,933,650		\$2,359,933,650			
10	<b>DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION</b>						
11	In Service:						
12	254 Depreciation P. 34	812,356,338		812,356,338			
13	257 Amortization	71,866,285		71,866,285			
14	Total, in Service	\$884,222,624		\$884,222,624			
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	\$884,222,624		\$884,222,624			

UTILITY PLANT - GAS

		the preceding year. Such items should be included in column (c) or (d) as appropriate.					of such amounts.
		2. Do not include as adjustments, corrections of additions and retirements for the current or			3. Credit adjustments of plant accounts should be enclosed in parentheses to indicate the negative effect		4. Reclassifications or transfers within utility plant accounts should be shown in column (f).
Balance							
Line No.	Account (a)	Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	<b>1. INTANGIBLE PLANT</b>						
2	<b>301 Organization</b>	0	0	0	0	0	0
3	303 Miscellaneous Intangible Plant	75,450,995	2,012,824		(2,506,803)	0	74,957,016
3a	303 Goodwill	338,579,102			4,148,690		342,727,792
4	Total Intangible Plant	414,030,097	2,012,824		1,641,887	0	417,684,808
5	<b>2. PRODUCTION PLANT</b>						
6	Manufactured Gas Production Plant						
7	304 Land and Land Rights	482,468	0	0	0	0	482,468
8	305 Structures and Improvements	3,148,766	509,751	(100,808)	0	0	3,557,708
9	306 Boiler Plant Equipment	790,869	0	0	0	0	790,869
10	307 Other Power Equipment	530,192	0	0	0	0	530,192
11	310 Water Gas Generating Equipment	0	0	0	0	0	0
12	311 Liquefied Petroleum Gas Equipment	4,933,380	0	(218,917)	0	0	4,714,462
13	312 Oil Gas Generating Equipment	0	0	0	0	0	0
14	313 Generating Equipment - - Other Processes & LNG Equipment	0	0	0	0	0	0
15	315 Catalytic Cracking Equipment	0	0	0	0	0	0
16	316 Other Reforming Equipment	5,053,588	1,103,928	0	0	0	6,157,516
17	317 Purification Equipment	0	0	0	0	0	0
18	318 Residual Refining Equipment	0	0	0	0	0	0
19	319 Gas Mixing Equipment	1,178,183	10,187	0	0	0	1,188,371
19	320 Other Equipment	1,919,164	1,826,535	(4,924)	0	0	3,740,775
20	339 PRD Prod-ARO	1,331	0	0	0	0	1,331
21	Total Manufactured Gas Production Plant	18,037,941	3,450,401	(324,649)	0	0	21,163,692
22	<b>3. STORAGE PLANT</b>						
23	360 Land and Land Rights	2,397,883	0	0	0	0	2,397,883
24	361 Structures and Improvements	6,182,804	4,182,171	0	0	0	10,364,975
25	362 Gas Holders	8,213,128	0	0	0	0	8,213,128
26	363 Other Equipment	789,920	0	0	0	0	789,920
27	363.6 Sto-Other Equip ARO	120	0	0	0	0	120
27	Total Storage Plant	17,583,855	4,182,171	0	0	0	21,766,026

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

Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

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)
<b>4. TRANSMISSION AND DISTRIBUTION PLANT</b>							
<b>DISTRIBUTION PLANT</b>							
2	365.1 Land and Land Rights	562,960	3,846	0	0	0	566,806
3	365.2 Rights-of-Way	193,824	0	0	0	0	193,824
4	366 Structures and Improvements	7,101,867	150,525	(10,153)	0	0	7,242,240
5	367 Mains	826,566,006	111,907,462	(3,144,077)	(2,361,869)	0	932,967,522
6	368 Compressor Station Equipment	0	0	0	0	0	0
7	369 Measuring and Regulating Station Equipment	16,534,386	8,919,975	(52,956)	0	0	25,401,405
8	372 T&D-AROs	1,832,456	0	(68,535)	0	0	1,763,921
9	380 Services	629,813,772	95,800,304	(660,429)	(787,286)	0	724,166,360
10	381 Meters	111,018,348	6,408,073	(1,044,495)	0	0	116,381,925
11	382 Meter Installations	16,800,264	153,292	0	0	0	16,953,557
12	383 House Regulators	0	0	0	0	0	0
13	386 Other Property on Cust's Prem	1,001,580	0	0	0	0	1,001,580
14	387 Other Equipment	9,596,835	59,192	(1,142)	0	0	9,654,885
15	388 T&D-AROs	51,511	0	0	0	0	51,511
	Total Transmission and Distribution Plant	1,621,073,809	223,402,669	(4,981,787)	(3,149,154)	0	1,836,345,536
<b>5. GENERAL PLANT</b>							
16	389 Land-Land Rights	123,928	0	0	0	0	123,928
17	390 Structures and Improvements	17,431,081	3,048,538	(5,988)	(137,528)	0	20,336,103
18	391 Office Furniture and Equipment	15,017,798	849,228	(4,659,110)	137,528	0	11,345,444
19	392 Transportation Equipment	20,971	0	0	0	0	20,971
20	393 Stores Equipment	717,116	0	(5,139)	0	0	711,977
21	394 Tools, Shop and Garage Equipment	3,391,940	3,903,803	(27,291)	0	0	7,268,451
22	395 Laboratory Equipment	23,504	(15,049)	0	0	0	8,455
23	396 Power Operated Equipment	168,557	0	(710)	0	0	167,847
24	397 Communication Equipment	2,191,794	29,804	(13,853)	0	0	2,207,745
25	398 Miscellaneous Equipment	6,888,522	136,959	(5,075)	0	0	7,020,406
26	399 Gen-ARO's	17,665	0	(1,873)	0	0	15,792
27	Total General Plant	45,992,877	7,953,282	(4,719,039)	0	0	49,227,120
28	Total Gas Plant in Service	2,116,718,577	241,001,346	(10,025,477)	(1,507,268)	(1)	2,346,187,181
29	104 Utility Plant Leased to Others	0	0	0	0	0	0
	<b>Sub Total</b>						
30	105 Property Held for Future Use	515,704	0	0	0	0	515,704
31	107 Construction Work in Progress	88,022,919	595,321,668		(670,113,822)		13,230,765
32	Total Utility Plant -- Gas	2,205,257,200	836,323,014	(10,025,477)	(671,621,090)	(1)	2,359,933,650

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

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

**NONUTILITY PROPERTY (Account 121)**

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

Line No.	Description of Location (a)	Book Value at End of Year (b)	Revenue for the year (c)	Expense for the year (d)	Net Revenue for Year (e)
1	Land - 97,120 Sq. Feet off				
2	Broad St., Danvers	50,701	0	8,037	(8,037)
3					
4	Land - 18,080 Sq. Feet				
5	Endicott St., Danvers	1,647	0	1,008	(1,008)
6					
7	Land - 36,282 Sq. Feet off				
8	Railroad St., Revere	12,750	0	1,567	(1,567)
9					
10	Land - 2,614 Sq. Feet				
11	Main St., Leominster	206	0	49	(49)
12					
13	Land - 145,673 Sq. Feet				
14	Robin & Rover Sts., Everett	98,866	375,918	46,650	329,268
15					
16	Land - 9,550 Sq. Feet				
17	Pleasant St., Clinton	645	0	499	(499)
18					
19	Land - 780 Sq. Feet				
20	Grove St., Arlington	2,000	0	270	(270)
21					
22	Land - 30,202 Sq. Feet				
23	River St., Beverly	2,671	0	4,428	(4,428)
24					
25	Land - 14,990 Sq. Feet				
26	River St., Beverly	1,322	0	2,154	(2,154)
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTALS	\$170,808	\$375,918	\$64,662	\$311,256

Annual Report of .....Boston 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	Account 123 - Investments in Associated Companies	-
2	Account 124 - Other Investments	-
3		
4	Account 136 - Temporary Cash Investments	-
5		
6		
7		
8		
9		
10		
11		
12		
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39		
40		
41		
42		
43		
44	TOTAL	\$0

Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>SPECIAL FUNDS (Accounts 125, 126, 127, 128)</b>		
(Sinking Funds, Depreciation Fund, Amortization Fund-Federal, Other Special Fund)		
Report below the balance at end of year of each special fund maintained during year. Identify each fund as to account in which included. Indicate nature of any fund included in Account 128 Other Special Funds		
Line No.	Name of Fund and Trustee If Any (a)	Balance End of Year (b)
1	Cushion Gas - Underground Storage (Account 128)	\$2,546,204
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL	\$2,546,204
<b>SPECIAL DEPOSITS (Accounts 132, 133, 134)</b>		
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 of .....Boston 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):	74,493,185
20	Other Accounts Receivable (Account 143):	
21	Credit Union Receivable	87,831
22	Miscellaneous Accounts Receivable	7,424,214
23	AR Deferred Hedging	270,259
24	Other Customer Billing GP	3,215,273
25	Employee Appliance Purchase	20,635
26	Other AR OffSystem Sales	6,559,875
27	AR Margin Call	6,260,000
28	AR Alliance	601,634
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	98,932,906

Annual Report of .....Boston 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	\$6,295,462		0
2	(Account 146):			
3				
4				
5				
6				
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32				
33				
34				
35				
36	TOTALS	\$6,295,462		0



<b>MATERIALS AND SUPPLIES (Accounts 151-159, 163)</b>			
<b>Summary Per Balance Sheet</b>			
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		83,165,029
3	Residuals (Account 153)		0
4	Plant Materials and Operating Supplies (Account 154)		3,512,371
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		\$86,677,400

<b>PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)</b>						
(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)									
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.			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.			6. Set out separately and identify undisposed amounts applicable to issues which were redeemed prior years.			
2. Show premium amounts by enclosure in parentheses.			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.			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.			
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.									
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	Medium-Term Notes								
2	2010 Series 9.68%	0	75,000	12-05-90	12-15-10	7,236	0	3,750	3,486
3	Medium-Term Notes								
4	2011 Series 8.95%	10,000,000	170,432	12-21-89	06-01-11	19,238	0	7,928	11,310
5	Medium-Term Notes								
6	2019 Series 8.97%	7,000,000	119,302	12-22-89	12-15-19	43,826	0	3,977	39,849
7	Medium-Term Notes								
8	2020 Series 9.75%	5,000,000	37,500	12-05-90	12-01-20	14,818	0	1,250	13,568
9	Medium-Term Notes								
10	2011 Series 9.0%	10,000,000	75,000	02-22-91	02-22-11	8,077	0	3,750	4,327
11	Medium-Term Notes								
12	2021 Series 9.05%	15,000,000	112,500	09-06-91	09-01-21	47,535	0	3,750	43,785
13	Medium - Term Notes								
14	2022 Series 8.33%	10,000,000	75,000	07-10-92	07-05-22	33,812	0	2,500	31,312
15	Medium - Term Notes								
16	2018 Series 8.33%	10,000,000	75,000	07-10-92	07-10-18	27,475	0	2,884	24,591
17	Medium - Term Notes								
18	2017 Series 8.33%	8,000,000	60,000	07-10-92	07-10-17	19,061	0	2,400	16,661
19	Medium-Term Notes								
20	2019 Series 6.93%	10,000,000	75,000	01-20-94	01-15-19	30,150	0	3,000	27,150
21	Medium-Term Notes								
22	2024 Series 6.98%	6,000,000	45,000	01-20-94	01-15-24	22,573	0	1,500	21,073
23	Medium-Term Notes								
24	2016 Series 6.93%	5,000,000	37,500	01-18-94	01-15-16	12,010	0	1,705	10,305
25	Medium-Term Notes								
26	2014 Series 6.93%	5,000,000	37,500	01-18-94	01-15-14	9,463	0	1,875	7,588
27									
28	SUBTOTAL see page 26 a.	101,000,000	994,734			295,274		40,269	255,005

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (Accounts 181, 251)									
1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.			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.			6. Set out separately and identify undisposed amounts applicable to issues which were redeemed prior years.			
2. Show premium amounts by enclosure in parentheses.			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.			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.			
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.									
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)				
29	Medium-Term Notes								
30	2016 Series 6.93%	10,000,000	143,983	01-18-94	04-01-16	50,166	0	5,999	44,167
31	Medium-Term Notes								
32	2014 Series 8.50%	2,000,000	11,000	10-25-94	10-24-14	3,250	0	550	2,700
33	Medium-Term Notes								
34	2025 Series 7.25%	20,000,000	1,699,499	10-03-95	10-01-25	960,055	0	56,651	903,405
35	Medium-Term Notes								
36	2025 Series 7.25%	5,000,000	424,646	10-03-95	10-01-25	239,885	0	14,155	225,730
37	Medium-Term Notes								
38	2015 Series 7.10%	5,000,000	423,397	10-11-95	10-15-15	146,971	0	21,170	125,801
39	Medium-Term Notes								
40	2012 Series 6.80%	10,000,000	834,750	11-30-95	11-30-12	195,397	0	49,102	146,295
41	Medium - Term Notes								
42	2013 Series 6.80%	5,000,000	417,147	12-01-95	12-02-13	116,236	0	23,175	93,061
43	Medium - Term Notes								
44	2023 Series 6.95%	10,000,000	849,750	12-01-95	12-02-23	453,315	0	30,347	422,967
45	Medium - Term Notes								
46	2024 Series 6.95%	5,000,000	423,397	12-05-95	12-01-24	233,573	0	14,600	218,973
47									
48									
49									
50	SUBTOTALS FROM PAGE 26	101,000,000	994,734			295,274	0	40,269	255,005
51									
52	TOTALS	\$173,000,000	\$6,222,303			\$2,694,122		\$256,018	\$2,438,104

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>EXTRAORDINARY PROPERTY LOSSES (Account 182)</b>						
1. Report below particulars concerning the accounting for extraordinary property losses.						
2. In column (a) describe the property abandoned for extraordinary loss suffered, date of abandonment or loss, date of Department authorization of use of Account 182, and period over which amortization is being made.						
Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	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		TOTALS	\$0	\$0		\$0
<b>MISCELLANEOUS DEFERRED DEBITS (Account 186)</b>						
1. Report below the particulars called for concerning miscellaneous deferred debits.						
2. For any deferred debit being amortized show period of amortization.						
3. Minor items may be grouped by classes, showing number of such items.						
Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
11	OPEB Trueup	7,488,483	1,974,699	9267	3,417,571	6,045,611
12	Deferred Environmental	27,314,883	14,093,196	265	12,003,336	29,404,743
13	Environmental Recoveries	11,983,037	4,589,818	232,131,175	5,005,035	11,567,819
14	Deferred Derivatives	90,619,735	248,031,842	143,232,242,253,254,495	294,732,123	43,919,455
15	Deferred Rate Case Expenses	882,722	0	928	182,634	700,088
16	Deferred Transition Obligation	21,270,143	0	9267	4,400,719	16,869,424
17	Deferred Carrying Cost	4,102,900	1,554,176	431	2,151,445	3,505,632
18	Pension True-up	10,024,126	13,185,418	9265	4,967,340	18,242,203
19	Deferred Income Tax	29,704,720	73,702,928	211,253,282,283,409,410	51,485,177	51,922,471
20	Deferred Miscellaneous	10,975,570	0		0	10,975,570
21	Accrued Unfunded Post Retirement -					
22	Liabilities/FAS158	81,388,558	51,778,325	228,9265,9267	34,459,020	98,707,863
23						
24						
25						
26						
27						
28						
29						
30						
31	TOTALS	\$295,754,877	\$408,910,402		\$412,804,400	\$291,860,879

Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>DISCOUNT ON CAPITAL STOCK (Account 191)</b> 1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off during the year and specify the amount charged. 2. If any change occurred during the year in the		
Line No.	Class and Series of Stock (a)	Balance End of Year (b)
1	NONE	
2		
3		
4		
5		
6		
7		
8		
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10		
11		
12		
13		
14		TOTAL

<b>CAPITAL STOCK EXPENSE (Account 192)</b> 1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of capital stock expense & specify the account charged. 2. If any change occurred during the year in the		
Line No.	Class and Series of Stock (a)	Balance End of Year (b)
15	NONE	\$0
16		
17		
18		
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30		
31		
32		
33		
34		
35		
36	TOTAL	\$0

**Annual Report of .....Boston 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)	Outstanding per Balance Sheet*			Premium at End of Year (g)
				Amount Authorized (d)	Shares (e)	Amount (f)	
1							
2							
3							
4	Capital Stock - Common Stock	514,184	\$100.00	\$51,418,400	514,184	\$51,418,400	\$640,069
5							
6							
7							
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9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTALS	514,184		\$51,418,400	514,184	\$51,418,400	\$640,069

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

Annual Report of .....Boston 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	\$ 775,396,813
4		
5		
6		
7		
8		
9		
10		
11		
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14		
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36		
37	TOTAL	\$775,396,813

Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>LONG-TERM DEBT (Accounts 221, 223-224)</b>									
Report by balance sheet accounts particulars concerning long-term debt in Accounts 221, Bonds; 223 Advances from Associated Companies; and 224, Other Long-Term Debt									
Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Amount Authorized (d)	Amount Actually Outstanding at End of Year (e)	Interest Provisions		Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)
						Rate Per Cent (f)	Dates Due (g)		
1	Account 221:								
2									
3									
4	Medium-Term Note - 2010 Series	12-05-90	12-15-10	10,000,000	0	9.68	4/1, 10/1	968,000	968,000
5	Medium-Term Note - 2011 Series	12-21-89	06-01-11	10,000,000	10,000,000	8.95	4/1, 10/1	895,000	895,000
6	Medium-Term Note - 2019 Series	12-22-89	12-15-19	7,000,000	7,000,000	8.97	4/1, 10/1	627,900	627,900
7	Medium-Term Note - 2020 Series	12-05-90	12-01-20	5,000,000	5,000,000	9.75	4/1, 10/1	487,500	487,500
8	Medium-Term Note - 2011 Series	02-22-91	02-22-11	10,000,000	10,000,000	9.00	4/1, 10/1	900,000	900,000
9	Medium-Term Note - 2021 Series	09-06-91	09-01-21	15,000,000	15,000,000	9.05	4/1, 10/1	1,357,500	1,357,500
10	Medium-Term Note - 2017 Series	07-10-92	07-10-17	8,000,000	8,000,000	8.33	4/1, 10/1	666,400	666,400
11	Medium-Term Note - 2018 Series	07-10-92	07-10-18	10,000,000	10,000,000	8.33	4/1, 10/1	833,000	833,000
12	Medium-Term Note - 2022 Series	07-10-92	07-10-22	10,000,000	10,000,000	8.33	4/1, 10/1	833,000	833,000
13	Medium-Term Note - 2014 Series	01-18-94	01-15-14	5,000,000	5,000,000	6.93	4/1, 10/1	346,500	346,500
14	Medium-Term Note - 2016 Series	01-18-94	04-01-16	10,000,000	10,000,000	6.93	4/1, 10/1	693,000	693,000
15	Medium-Term Note - 2016 Series	01-18-94	01-15-16	5,000,000	5,000,000	6.93	4/1, 10/1	346,500	346,500
16	Medium-Term Note - 2019 Series	01-20-94	01-15-19	10,000,000	10,000,000	6.93	4/1, 10/1	693,000	693,000
17	Medium-Term Note - 2024 Series	01-20-94	01-15-24	6,000,000	6,000,000	6.98	4/1, 10/1	418,800	418,800
18	Medium-Term Note - 2014 Series	10-25-94	01-24-14	2,000,000	2,000,000	8.50	4/1, 10/1	170,000	170,000
19	Medium-Term Note - 2025 Series	10-03-95	10-01-25	20,000,000	20,000,000	7.25	4/1, 10/1	1,450,000	1,450,000
20	Medium-Term Note - 2025 Series	10-03-95	10-01-25	5,000,000	5,000,000	7.25	4/1, 10/1	362,500	362,500
21	Medium-Term Note - 2015 Series	10-11-95	10-15-15	5,000,000	5,000,000	7.10	4/1, 10/1	355,000	355,000
22	Medium-Term Note - 2012 Series	11-30-95	11-30-12	10,000,000	10,000,000	6.80	4/1, 10/1	680,000	680,000
23	Medium-Term Note - 2013 Series	12-01-95	12-02-13	5,000,000	5,000,000	6.80	4/1, 10/1	340,000	340,000
24	Medium-Term Note - 2023 Series	12-01-95	12-01-23	10,000,000	10,000,000	6.95	4/1, 10/1	695,000	695,000
25	Medium-Term Note - 2024 Series	12-05-95	12-01-24	5,000,000	5,000,000	6.95	4/1, 10/1	347,500	347,500
26									
27									
28	Other Long Term Debt Capital Lease				0				
29	TOTALS			183,000,000	173,000,000			14,466,100	14,466,100

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



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<b>NOTES PAYABLE (Account 231)</b>					
Report the particulars indicated concerning notes payable at end of year.					
Line No	Payee (a)	Date of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance End of Year (e)
1	Medium-Term Notes				
2	2010 Series 9.68%	12-05-90	12-15-10	9.68%	10,000,000
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13			TOTAL		\$10,000,000
<b>PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)</b>					
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	355,000,000	7.625%	22,384,940	
17					
18	Note Payable to Utility Pool - Working Capital	(55,626,706)	1.259%	3,210,567	
19					
20	Note Payable to Pool Gas Financing (1)	125,163,367	1.131%	1,415,337	
21					
22	Payable to Associated Companies	120,576,698		11,862	
23					
24					
25					
26					
27					
28					
29					
30	(1) Interest charged to cost of gas				
31					
32					
33					
34					
35					
36					
37	TOTALS	\$545,113,359		\$27,022,706	

## Annual Report of .....Boston 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		
3	Accrued Gain Sharing	659,995
4	Accrued Miscellaneous	0
5	Accrued Vacation	4,773,676
6	Accrued Incentive Compensation	480,764
7		
8		
9		
10		
11		
12	TOTAL	\$5,914,435

**OTHER DEFERRED CREDITS (Account 253)**

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

Line No.	Description of Other Deferred Credit (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
13	Deferred Tax Surplus	4,015,251	408-409	0	0	4,015,251
14	Residential Conservation Surcharge	53,313	175	2,186,243	1,048,010	(1,084,920)
15	Miscellaneous Deferred Credits	193,600	142	5,104,508	5,035,767	124,859
16	Deferred Post Retirement FAS 112	7,619,699	107	0	1,479,313	9,099,012
17	Derivatives	31,502,724	186	81,085,879	57,398,668	7,815,513
18	Asset Retirement Obligation	11,372,818	231	452,026	682,369	11,603,161
19						
20						
21						
22						
23						
24						
25						
26						
27						
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29						
30						
31						
32						
33						
34						
35	TOTALS	54,757,405		88,828,656	65,644,127	31,572,876

**Annual Report of .....Boston Gas Company.....Year ended December 31, 2009**

<b>RESERVE FOR DEPRECIATION OF UTILITY PLANT IN SERVICE (Account 254)</b>				
Show below the amount credited during the year to Depreciation Reserve, and the amount charged to Depreciation Reserve on account of property retired. Also the balance in the account at the end of the year.				
Line No.	(a)	Electric (b)	Gas (c)	Total (d)
1	Balance at beginning of year		\$746,424,802	\$746,424,802
2	Credits to Depreciation Reserve during year:			
3	Account 403 Depreciation		92,751,529	92,751,529
4				
5	Other Accounts (Rental Equipment)			
6	TOTAL CREDITS DURING YEAR		\$92,751,529	\$92,751,529
7	Net Charges for Plant Retired:			
8	Book Cost of Plant Retired		10,025,476	10,025,476
9	Cost of Removal		14,915,063	14,915,063
10	Salvage (Credit)		0	0
11	Transfer/Reclass		1,197,085	1,197,085
12	ARO Entries Journalled into the Account		682,369	682,369
13	NET CHARGES DURING YEAR		\$26,819,993	\$26,819,993
14	Balance at December 31		\$812,356,338	\$812,356,338

**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 -	\$92,751,529	
16	The Composite Depreciation Rate as a Percentage of the Average Depreciable Property in Service was -		<b>4.16%</b>
17	Taken for Federal Income Taxes - Liberalized Depreciation and other Timing		
18	Differences	\$134,016,141	
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	\$0.0000			\$0		
	Dividend rates on Common Stock and Premium				0.00%		
	Dividend rates on Common Stock, Premium and Surplus				0.00%		

Annual Report of .....Boston 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	General Liability Reserve	0	24,961	0	925	24,961
4	Workers Compensation Reserve	0	4,159,612	3,800,063	926,131	359,549
5	Injuries&Damages Reserve	0	1,000,000	0	925	1,000,000
6						
7						
8	Account 263:					
9						
10	Pensions Reserve	(33,997,563)	61,105,533	31,134,658	186-926	(4,026,688)
11	OPEB Reserve	89,484,130	18,296,692	26,729,515	926	81,051,307
12	Life Insurance Reserve	0	3,672,257	3,672,257		0
13						
14						
15						
16	Account 265:					
17	Environmental Reserve	27,312,910	14,239,920	12,149,915	186-926	29,402,915
18	FAS 106 Health Reserve	0	0	0	186-926	0
19	FAS 106 Health Reserve	0	0	0	186-926	0
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	82,799,477	102,498,975	77,486,408		107,812,044

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>RESERVES FOR DEFERRED FEDERAL INCOME TAXES (Accounts 267, 268)</b>					
1. Report the information called for below concerning the respondent's accounting for deferred federal income taxes.		(b) Liberalized Depreciation - - State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated useful lives and classes of plant to which each method is being applied. Furnish a table showing for each year, 1954 to date of this report, the annual amounts of tax deferral, the total debits thereto which have been accounted for as credits to Acct. 411, Federal Income Taxes Deferred in Prior Years - - Credit or comparable account of the previous system of accounts.			
2. In the space provided furnish significant explanations, including the following:					
(a) Accelerated Amortization - - State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax amounts.					
Line No.	Account Subdivisions (a)	Balance Beginning of Year (b)	Changes During Year		Balance End of Year (e)
			Amts. Debited Account 410 (1) (c)	Amts. Credited Account 411 (2) (d)	
1	Accelerated Amortization				
2	(Account 267)				
3	Electric				
4	Gas	0	0	0	0
5	Other (Specify)				
6	Totals	0	0	0	0
7					
8	Liberalized Depreciation				
9	(Account 268)				
10	Electric				
11	Gas	191,135,974		84,356,581	275,492,555
	Prov Deferred Merger Cost				
12	Trueup and Other				(10,755,775)
13	Totals	191,135,974	0	84,356,581	264,736,780
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	191,135,974		84,356,581	275,492,555
	Prov Deferred Merger Cost				
18	Trueup and Other				(10,755,775)
19	Totals	191,135,974	0	84,356,581	264,736,780
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				

<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (Account 271)</b>						
Report below the amount of contributions in aid of construction applicable to each utility department.						
Line No.	Class of Utility Service (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Account Credited (c)	Amount (d)		
23	CONTRIB-AID OF CONSTRUCT	963,400	107	5,678,147	4,715,247	500
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	963,400	107	5,678,147	4,715,247	500

**GAS OPERATING REVENUES (Account 400)**

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

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

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

Line No	Account (a)	Operating Revenues			Dth Sold (1000 BTU)			Average No. of Cust. Per Month		
		Amount for Year (b)	Prior Year	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Prior Year	Increase or (Decrease) from Preceding Year (e)	Number for Year (f)	Prior Year	Increase or (Decrease) from Preceding Year (g)
1	<b>SALES OF GAS</b>									
2	480 Residential Sales	\$676,207,776	\$791,487,959	(\$115,280,183)	43,653,810	43,718,859	(65,049)	568,485	542,405	26,080
3	481 Commercial and Industrial Sales:									
4	Small (or Commercial) see instr. 5	122,980,730	152,771,221	(\$29,790,491)	8,393,954	8,761,950	(367,996)	42,126	38,484	3,642
5	Large (or Industrial) see instr. 5	110,780,932	140,070,042	(\$29,289,110)	8,430,165	8,952,913	(522,748)	5,308	5,180	128
6	482 Other Sales to Public Authorities	1,190,277	1,656,821	(\$466,544)	108,988	113,049	(4,061)	3	3	0
7	484 Interdepartmental Sales	0	0	0	0	0	0	0	0	0
8		0	0	0	0	0	0	0	0	0
9	485 Miscellaneous Gas Sales	0	0	0	0	0	0	0	0	0
10	Total Sales to Ultimate Consumers	\$911,159,715	\$1,085,986,043	(\$174,826,328)	60,586,916	61,546,771	(959,855)	615,922	586,072	29,850
11	483 Sales for Resale	\$86,472,076	163,590,741	(\$77,118,665)	25,396,181	17,477,789	7,918,392	0	0	0
12	Total Sales of Gas*	\$997,631,791	\$1,249,576,784	(\$251,944,993)	85,983,097	79,024,560	6,958,537	615,922	586,072	29,850
13	<b>OTHER OPERATING REVENUES</b>									
14	487 Adjustments	\$ -	\$ -	\$0						
15	488 Miscellaneous Service Revenues	\$65,600	\$44,600	\$21,000						
16	489 Revenues from Trans. of Gas of Others	85,745,234	83,951,012	\$1,794,222						
17	490 Sales of Products Extracted from Natural Gas	0	0	0						
18	491 Rev. from Natural Gas Processed by Others	0	0	0						
19	493 Rent from Gas Property	0	0	0						
20	494 Interdepartmental Rents	0	0	0						
21	495 Other Gas Revenues	9,831,692	628,287	\$9,203,405						
22	Total Other Operating Revenues	\$ 95,642,526	\$ 84,623,899	\$11,018,627						
23	Total Gas Operation Revenues	\$1,093,274,317	\$1,334,200,683	(\$240,926,366)						
					Purchased Price					
					Adjustment Clauses	Fuel Clauses				
					\$0					
					0					

\* Includes revenues from application of Total M.C.F. to which Applied

Line 4 & 5 come from page 44 and line 16 from page 44a

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

SALES OF GAS TO ULTIMATE CONSUMERS							
Report by Account the M.C.F.. sold, the amount derived and the number of customers under each filed schedule or contract. Contract sales and unbilled sales may be reported separately in total.							
Line No.	Account No.	Schedule (a)	DTH (1000 BTU) (b)	Revenue (c)	Average Revenue per M.C.F. (\$0.0000) (d)	Number of Customers (Per Bills Rendered)	
						July 31 (e)	December 31 (f)
1		<u>Total Company</u>					
2							
3	480	R-1 Residential Non-Heat	1,934,537	\$40,983,279	\$21.1851	114,006	112,955
4		R-2 Residential SSI Non-Heat	144,589	2,008,477	13.8909	7,141	6,168
5		R-31 Residential Heat	38,362,425	592,893,438	15.4551	388,561	399,554
6		R-32 Residential SSI Heat	3,212,259	40,322,582	12.5527	34,056	24,919
7							
8	481	G-17 Unmetered Gas Lamps	986	25,198	25.5684	0	0
9		G-41 Low Load - Small	2,582,892	43,830,438	16.9695	20,316	20,795
10		G-42 Low Load - Medium	3,163,291	45,148,942	14.2728	6,422	6,480
11		G-43 Low Load - Large	5,719,181	76,951,827	13.4550	3,582	3,588
12		G-44 Low Load - Extra Large	1,056,472	13,498,961	12.7774	147	173
13		G-51 High Load - Small	1,091,036	15,260,229	13.9869	7,148	7,127
14		G-52 High Load - Medium	1,555,750	18,715,923	12.0302	2,816	2,833
15		G-53 High Load - Large	1,341,607	16,427,993	12.2450	1,189	1,152
16		G-54 High Load - Extra Large	284,064	3,743,061	13.1768	55	71
17		G-61 Summer Load - Small	0	0	0.0000	0	0
18		G-62 Summer Load - Medium	0	0	0.0000	0	0
19		G-63 Summer Load - Large	0	0	0.0000	0	0
20		G-64 Summer Load-Extra Large	0	0	0.0000	0	0
21		Non-Core, Special Contracts		45,913	0.0000		0
22		Interruptible	28,841	113,178	3.9242	0	3
23							
24							
25		G-27 CNG Fuel	0	0	0.0000		
26		G-92 Special Contract	0	0	0.0000		0
27			0				0
28							
29							
30							
31	482	G-7 Street Lighting	108,988	1,190,277	10.9212	0	2
32							
33							
34							
35		* Customers included in Rate Class R-1					
36							
37							
38							
39	TOTAL SALES TO ULTIMATE						
40	CONSUMERS (Page 43 line 10)		60,586,916	\$911,159,715	\$15.0389	585,439	585,820

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

REVENUES FROM TRANSPORTATION							
Report by account the DKTH. sold, the amount derived and the number of customers under each filed schedule or contract. Municipal sales, contract sales and unbilled sales may be reported separately in total.							
Line No.	Acct. No.	Schedule (a)	DKTH (1000 BTU) (b)	Revenue (c)	Average Revenue per M.C.F. (0.0000) (d)	Number of Customers (per Bills Rendered)	
						July 31 (e)	Dec. 31 (f)
1		Total Company					
2							
3	489	Contract Firm Transportation					
4		G-41 Low-Load Firm Transp.	281,368.5	\$1,423,379	5.0588	923	978
5		G-42 Low-Load Firm Transp.	1,226,739.6	4,639,803	3.7822	1,449	1,554
6		G-43 Low-Load Firm Transp.	7,011,778.1	21,432,817	3.0567	2,649	2,682
7		G-44 Low-Load Firm Transp.	2,787,211.0	7,801,309	2.7990	614	749
8		G-51 High-Load Firm Transp.	171,639.0	745,517	4.3435	625	607
9		G-52 High-Load Firm Transp.	621,561.3	2,011,483	3.2362	690	694
10		G-53 High-Load Firm Transp.	2,235,567.7	6,157,264	2.7542	909	932
11		G-54 High-Load Firm Transp.	1,187,123.9	2,649,802	2.2321	180	195
12		G-61 Summer-Load Firm Transp.	0.0	0	0.0000	0	0
13		G-62 Summer-Load Firm Transp.	0.0	0	0.0000	0	0
14		G-63 Summer-Load Large Transp.	0.0	0	0.0000	0	0
15		G-64 Summer-Load Extra-Large Transp.	0.0	0	0.0000	0	0
16		G-81 Low-Load Firm.	3,235,000.3	1,955,927	0.6046	20	21
17		G-82 High-Load Firm	14,681,090.1	14,630,027	0.9965	192	189
18		G-83 Low-Load Firm Optional Svc.	2,279,522.7	5,473,663	2.4012	114	114
19		G-84 High-Load Firm Optional Svc.	4,362,131.4	8,319,508	1.9072	174	160
20		Non-Firm Transportation					
21		R-1 Residential Non-Heat	4,783.8	21,734	4.5432	65	65
22		R-10 Interruptible Transport	0.0	0			
23		R-31 Residential Heat	178,692.9	705,679	3.9491	669	680
24		Broker		4,083,994			
25		Special Contracts (82)	8,830,078.0	3,457,227		6	0
26		Special Contracts (84)		236,105		3	0
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38		<b>Total Revenues from Transportation</b>					
40		<b>of Gas for Others (Page 43, Line 16)</b>	49,094,288.3	\$85,745,234	1.7465	9282	9620



## Annual Report of .....Boston 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	<b>PRODUCTION EXPENSE</b>			
2	<b>MANUFACTURED GAS PRODUCTION EXPENSES</b>			
3	<b>STEAM PRODUCTION</b>			
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	<b>MANUFACTURED GAS PRODUCTION</b>			
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	0	0	0
27	718 Other process production expenses	1,618,859	2,006,107	(387,248)
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	2,378	11,388	(9,010)
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	135	0	135
44	736 Rents	(6,751)	7,463	(14,214)
45	Total operation	\$1,614,621	\$2,024,958	(\$410,337)
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	836,909	764,100	72,831
50	Total maintenance	\$836,909	\$764,100	\$72,831
51	Total manufactured gas production	\$2,451,530	\$2,789,058	(\$337,506)

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>GAS OPERATION AND MAINTENANCE EXPENSES - - Continued</b>				
Line No.	Account (a)	Amount for Year (b)	Prior year amount	Increase/(Decrease) From Preceding Year (c)
1	<b>OTHER GAS SUPPLY EXPENSES</b>			
2	Operation:			
3	804 Natural gas city gate purchases	620,920,334	\$843,300,290	(\$222,379,956)
4	805 Other gas purchases	5,545,785	6,840,937	(1,295,152)
5	808-10 Liquefied natural gas	34,965,285	32,571,027	2,394,258
6	808-20 Deferred cost of gas	23,455,112	51,200,398	(27,745,286)
7	812 Gas used for other utility operations - - Cr	0	0	0
8	813 Other gas supply expenses	18,731	39,042	(20,311)
9	814 Environmental Costs	3,106,812	3,543,496	(436,684)
10	815 Conservation & Load Management Expense	0	0	0
11				
12		\$688,012,059	\$937,495,191	(\$249,483,132)
13	Total production expenses	\$690,463,589	\$940,284,249	(\$249,820,638)
14	<b>LOCAL STORAGE EXPENSES</b>			
15	Operation:			
16	840 Operation supervision and engineering	0	\$0	0
17	841 Operation labor and expenses	1,156,126	1,450,251	(294,125)
18	842 Rents	0	0	0
19	Total operation	\$1,156,126	\$1,450,251	(\$294,125)
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	(11,901,470)	(11,901,470)	0
26	Total maintenance	(\$11,901,470)	(\$11,901,470)	\$0
27	Total storage expenses	(\$10,745,344)	(\$10,451,219)	(\$294,125)
28	<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>			
29	Operation:			
30	850 Operation supervision and engineering	1,227	\$1,242	(15)
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	3,765,311	2,418,689	1,346,622
36	858 Transmission and compression of gas by others	0	0	0
36	860 Transmission Rents	15	0	15
37	874 Mains and services expenses	13,793,687	10,378,426	3,415,261
38	878 Meter and house regulator expenses	14,519,338	15,235,757	(716,419)
39	879 Customer installations expenses	(204,199)	38,548	(242,747)
40	880 Other expenses	799,709	587,992	211,717
41	881 Rents	0	0	0
42	882 Transportation expense	0	0	0
43	Total operation	\$32,675,088	\$28,660,654	\$4,014,434
44	Maintenance:			
45	885 Maintenance supervision and engineering	806,590	\$165,964	640,626
46	886 Maintenance of structures and improvements	284,827	254,159	30,668
47	887 Maintenance of mains	52,315,870	48,606,475	3,709,395
48	888 Maintenance of compressor station equipment	0	0	0
49	889 Maintenance of measuring and regulating station equipment	3,439,388	4,424,492	(985,104)
50	892 Maintenance of services	15,527,940	15,489,143	38,797
51	893 Maintenance of meters and house regulators	1,243,593	1,297,517	(53,924)
52	894 Maintenance of other equipment	36,624	31,654	4,970
54	Total maintenance	\$73,654,832	\$70,269,404	\$3,385,428
55	Total transmission and distribution expenses	\$106,329,920	\$98,930,058	\$7,399,862

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

<b>GAS OPERATION AND MAINTENANCE EXPENSES - - Continued</b>				
Line No.	Account (a)	Amount for Year (b)	Prior yr amount	Increase/(Decrease) from Preceding Year (c)
<b>CUSTOMER ACCOUNTS EXPENSES</b>				
1	Operation:			
2	901 Supervision	399,468	\$274,692	\$124,776
3	902 Meter reading expenses	3,460,563	\$2,292,202	1,168,361
4	903 Customer records and collection expenses	20,126,595	\$19,402,786	723,809
5	904 Uncollectible accounts	17,121,887	\$4,132,027	12,989,860
6	905 Miscellaneous customer accounts expenses	918,812	\$146,453	772,359
7	Total customer accounts expenses	\$42,027,325	\$26,248,160	\$15,779,165
<b>SALES EXPENSES</b>				
9	Operation:			
10	911 Supervision	0	\$0	0
11	912 Demonstrating and selling expenses	7,872,141	\$13,225,423	(5,353,282)
12	913 Advertising expenses	1,937,654	\$1,427,525	510,129
13	916 Miscellaneous sales expenses	(1,319,208)	(\$2,468,854)	1,149,646
14	Total sales expenses	\$8,490,587	\$12,184,094	(\$3,693,507)
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>				
16	Operation:			
17	920 Administrative and general salaries	26,561,341	\$24,787,957	1,773,384
18	921 Office supplies and expenses	18,920,614	\$17,637,773	1,282,841
19	922 Administrative expenses transferred - - Cr	0	\$0	0
20	923 Outside services employed	4,355,347	\$7,281,298	(2,925,951)
21	924 Property Insurance	174,227	\$407,388	(233,161)
22	925 Injuries and damages	2,481,203	\$1,309,378	1,171,825
23	926 Employees pensions and benefits	23,226,692	\$26,332,045	(3,105,353)
24	927 Franchise Requirements	5,702	\$26,332,045	(26,326,343)
25	928 Regulatory commission expenses	2,657,348	\$1,333,910	1,323,438
26	929 Duplicate charges - - Cr	15	\$0	15
27	930 Miscellaneous general expenses	471,585	\$1,983,797	(1,512,212)
28	931 Rents	1,293,096	\$38,650	1,254,446
29	Total operation	\$80,147,170	\$81,112,196	(\$27,297,070)
30	Maintenance:			
31	932 Maintenance of general plant	347,171	\$338,284	8,887
32	Total administrative and general expenses	\$80,494,341	\$81,450,480	(\$27,288,184)
33	Total gas operation and maintenance expenses	\$917,060,418	\$1,148,645,822	(\$257,917,427)
<b>SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
34	Steam production	\$0	\$0	\$0
35	Manufactured gas production	1,614,621	836,909	2,451,530
36	Other gas supply expenses	688,012,059	0	688,012,059
37	Total production expenses	\$689,626,680	\$836,909	\$690,463,589
38	Local storage expenses	1,156,126	(11,901,470)	(10,745,344)
39	Transmission and distribution expenses	32,675,088	73,654,832	106,329,920
40	Customer accounts expenses	42,027,325	0	42,027,325
41	Sales expenses	8,490,587	0	8,490,587
42	Administrative and general expenses	80,147,170	347,171	80,494,341
43	Total gas operation and maint. expenses.	\$854,122,976	\$62,937,442	\$917,060,418
44	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			78.13%
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			\$88,838,694
50	Total number of employees of gas department at end of year, including administrative,			
51	operating, maintenance, construction and other employees - National Grid Massachusetts.			932

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	25,396,181	3.40	86,472,076
2					
3					
4	Resale Non-Firm	Interruptible	28,841	3.92	113,178
5					
6					
7					
8					
9					
10					
11					
12	TOTALS		25,425,022	3.41	86,585,254

**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						

## Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

Line No.	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) M.C.F. 1,000 BTU	(d) Rate Per M.C.F.	(e) Amount
1	<b>Algonquin Gas Transmission</b>	Metered at Everett,			
2		Weston, Waltham,			
3		Braintree, Norwood,			
4		Wellesley, Milton,			
5		Waltham Polaroid, Mansfield,			
6		Medford & Potter Street			
7	Transportation and Capacity Costs				23,427,194
8	Other Charges				459,516
9	<b>TOTAL ALGONQUIN</b>		0		23,886,710
10	<b>Tennessee Gas Pipeline</b>	Metered at Leominster,			
11		Clinton, Southbridge,			
12		Spencer, Lynn, Acton,			
13		Lynnfield, Arlington,			
14		Burlington, Lexington,			
15		Reading, Revere, West			
16		Peabody, Beverly/Salem,			
17		& Gloucester			
18					
19	Transportation and Capacity Costs				45,204,962
20	Other Charges				4,397,863
21	<b>TOTAL TENNESSEE</b>		0		49,602,825
22	<b>Texas Eastern</b>				
23	Transportation and Capacity Costs				23,109,688
24	Other Charges				1,052,465
25	<b>TOTAL TEXAS EASTERN</b>		0		24,162,153
26	<b>Canadian</b>				
27					
28	Commodity Cost		5,403,318	4.86	26,260,882
29	Transportation and Capacity Costs				872,309
30	Other Charges				0
31	<b>TOTAL CANADIAN</b>		5,403,318		27,133,191
32					
33	<b>Direct Purchases</b>				
34					
35	Commodity Cost		85,836,543	5.80	498,040,538
36	Transportation and Capacity Costs				3,782,564
37	Other Charges				0
38	<b>TOTAL DIRECT PURCHASES</b>		85,836,543		501,823,102
39					
40					
41	<b>Distrigas</b>	Metered at Everett			
42	Commodity Cost		0		2,593,912
43	Capacity Costs				10,502,616
44	<b>TOTAL DISTRIGAS</b>				13,096,528

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	(a)	(b)	(c)	(d)	(e)
	Name of Companies From Which Gas is Purchased	Where Rec'd & Where & How Measured	M.C.F. 1,000 BTU	Rate Per M.C.F.	Amount
1					
2					
3	Commonwealth Gas - Commodity	Metered at customers'			
4		houses in Wellesley,			
5		Acton & Medford	0		0
6					
7	Total Commodity Cost		91,239,861	5.77	526,895,332
8	Total Transportation & Capacity Costs				106,899,333
9	Total Other Charges				5,909,844
10					
11	Unbilled Gas Cost				1,362,278
12	Total Purchased Gas Cost		91,239,861		641,066,787
13	Net Change in Holder Gas *		(183,770)		20,364,617
14	Deferred Cost of Gas 808-20,21,23,29				23,455,112
15	<b>Purchased Gas Expense</b>		91,056,091		684,886,516
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35	* Add (Decreases) / Deduct Increases in Holder Gas - Note: Column (e) of this line includes those				
36	inventory transactions necessary to reconcile "Purchased Gas Expense" to Gas Costs expensed				
37	as presented on Lines 3 through 6 on page 46.				
38					
39					
40					
41					
42					

TAXES CHARGED DURING YEAR									
1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.			listed under the appropriate heading of "Federal," "State," and "Local" in such manner that the total tax for each State and for all subdivisions can readily be ascertained.				5. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis for apportioning such tax.		
2 Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts.			4. The accounts to which the taxes charged were distributed should be shown in columns (c) to (h). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet account or subaccount.				6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.		
3 The aggregate of each kind of tax should be									
Line No.	Kind of Tax (a)	Total Taxes Charged During Year (omit cents) (b)	Distribution of Taxes Charged (omit cents) (Show utility department where applicable and account charged)						
			Gas Acct. 107 &/or Accts. 300-398(c)	Gas (Acct.408,409) (d)	Surplus Acct. (e)	Future Use (Acct 105) (f)	Taxes included in O&M (g)	Gas Acct. 418 (h)	Gas Acct. 419 (i)
1	Federal:								
2	Income	(79,683,231)		(79,683,231)					
3	F.I.C.A. & Medicare	4,925,428	0	4,925,428					
4	Transportation/Fleet	1,441		1,441					
5	Excise	0		0					
6									
7	State:								
8	Franchise	(739,574)		(739,574)					
9	Use	2,395,206		2,395,206					
10									
11									
12	Local:								
13	Cities & Towns	20,410,372		20,410,372					
14	Excise	40		40					
15									
16									
TOTALS		(\$52,690,318)	\$0	(\$52,690,318)	\$0	\$0	\$0	\$0	\$0

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



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<b>INCOME FROM MERCHANDISING, JOBBING AND CONTRACT WORK (Account 415)</b> Report by utility department the revenues, costs, expenses, and net income from merchandising, jobbing, and contract work during year.					
Line No.	Item (a)	Electric Department (b)	Gas Department (c)	Other Utility Department (d)	Total (e)
1		<b>NONE</b>			
2					
3					
4					
5					
6					
7					
8					
9					
10				\$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 of .....Boston Gas Company.....Year ended December 31, 2009

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	91,239,861	11,055,767	9,197,321	9,635,060	7,994,997	5,752,340
10	Other						
11	TOTAL	91,239,861	11,055,767	9,197,321	9,635,060	7,994,997	5,752,340
12	TOTAL MADE AND						
13	PURCHASED	91,239,861	11,055,767	9,197,321	9,635,060	7,994,997	5,752,340
14	Net Change in Holder						
15	Gas (1)	(183,770)	3,382,450	1,718,882	623,380	(1,424,708)	(1,767,988)
16	TOTAL SENDOUT	91,056,091	14,438,217	10,916,203	10,258,440	6,570,289	3,984,352
17	GAS TRANSPORTED	50,279,887	6,684,200	5,515,657	6,013,872	3,753,893	3,229,284
18	TOTAL THROUGHPUT	141,335,978	21,122,417	16,431,860	16,272,312	10,324,182	7,213,636
19							
20	Gas Sold (2)	87,554,339	13,993,623	11,054,794	9,434,322	6,601,919	3,929,720
21	Gas Used by Company	31,405	2,015	3,504	5,102	2,298	5,084
22	Gas transported (2)	49,448,255	6,446,534	5,779,488	5,720,522	4,013,689	2,884,794
23	Gas Accounted for	137,033,999	20,442,172	16,837,785	15,159,945	10,617,906	6,819,598
24	Gas Unaccounted for	4,301,979	680,245	(405,925)	1,112,366	(293,724)	394,038
25	% Unaccounted						
26	for (0.00%) (2)	3.04%					
27							
28							
29	<u>Sendout in 24 hours</u>						
30	<u>in MCF</u>						
31	Maximum - MCF		800,727	774,056	680,805	413,721	252,719
32	Maximum - Date		1/15/09	2/5/09	3/2/09	4/15/09	5/5/09
33	Minimum - MCF		468,253	285,682	241,062	127,652	114,221
34	Minimum - Date		1/23/09	2/27/09	3/7/09	4/25/09	5/24/09
35							
36							
37							
38	B.T.U. Content of Gas Delivered to Customers 1,042 per Cubic Foot.						
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						
42							

Annual Report of .....Boston Gas Company.....Year ended December 31, 2009

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	5,347,192	5,245,863	5,715,123	5,223,066	6,732,473	6,934,745	12,405,914
10							
11	5,347,192	5,245,863	5,715,123	5,223,066	6,732,473	6,934,745	12,405,914
12							
13	5,347,192	5,245,863	5,715,123	5,223,066	6,732,473	6,934,745	12,405,914
14							
15	(2,035,708)	(1,666,107)	(955,596)	(1,699,588)	(166,138)	3,256,972	550,379
16	3,311,484	3,579,756	4,759,527	3,523,478	6,566,335	10,191,717	12,956,293
17	2,359,804	2,241,281	3,064,809	2,259,042	4,213,281	4,606,919	6,337,845
18	5,671,288	5,821,037	7,824,336	5,782,520	10,779,616	14,798,636	19,294,138
19							
20	2,508,855	3,505,266	4,608,972	3,443,584	6,346,764	9,986,634	12,139,886
21	1,706	1,829	2,068	1,761	1,880	1,590	2,569
22	2,782,188	2,057,455	2,370,974	2,710,273	4,294,109	4,493,659	5,894,571
23	5,292,748	5,564,550	6,982,014	6,155,617	10,642,754	14,481,882	18,037,026
24	378,540	256,486	842,322	(373,098)	136,863	316,754	1,257,112
25							
26							
27							
28							
29							
30							
31	157,188	190,988	202,310	182,084	383,831	384,353	804,820
32	06/09/2009	07/29/2009	08/17/2009	09/30/2009	10/18/2009	11/06/2009	12/29/2009
33	116,552	106,323	99,597	109,823	141,563	184,811	222,228
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 of .....Boston Gas Company.....Year ended December 31, 2009

GAS GENERATING PLANT			
Line No.	General Description--Location, Size, Type, etc.	No. of Sets	24 Hour Cap. (MCF)
1	Liquefied Petroleum:		
2			
3	Everett - decommissioned 697,000 gals. of Propane with vaporizing and		
4	12/15/05 accessory equipment		
5			
6			
7	Southbridge 127,500 gals. of Propane with vaporizing and	1	1,900
8	accessory equipment		
9	Norwood 155,500 gals. of Propane with vaporizing and	1	3,000
10	accessory equipment		
11	Danvers 127,500 gals. of Propane with vaporizing and	1	2,600
12	accessory equipment		
13	Gloucester - decommissioned 102,000 gals. of Propane with vaporizing and	1	0
14	accessory equipment		
15	Spencer 15,300 gals. of Propane with vaporizing and	1	2,400
16	accessory equipment		
17			
18			
19			
20			
21			
22	Liquefied Natural Gas:		
23			
24	Commercial Point Vaporization of LNG	4	187,400
25	Liquefaction Plant for Natural Gas	1	6,000
26	331,000 Barrels of LNG		
27			
28	Lynn (Capitalized Lease) Vaporization of LNG	3	87,600
29	290,000 Barrels of LNG		
30			
31	Salem (Capitalized Lease) Vaporization of LNG	2	30,400
32	290,000 Barrels of LNG		
33			
34			
35			
36			
37			
38			
39			
40			
41		TOTAL	321,300

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

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

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

**Annual Report of .....Boston Gas Company.....Year ended December 31, 2009**

<b>TRANSMISSION AND DISTRIBUTION MAINS</b>						
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	<b><u>STREET MAINS - CAST IRON</u></b>					
2	3" &					
3	smaller	665,124	0		16,021	649,103
4	4"	4,095,352	0		65,274	4,030,078
5	5"	0	0		0	0
6	6"	4,722,285	0		56,799	4,665,486
7	8"	923,161	0		13,821	909,340
8	10"	281,535	0		182	281,353
9	12"	985,504	0		4,276	981,228
10	14"	6,252	0		0	6,252
11	16"	157,599	0		3,204	154,395
12	18"	16,890	0		0	16,890
13	20"	105,988	0		46	105,942
14	24"	183,305	0		389	182,916
15	30"	66,236	0		56	66,180
16	36"	64,023	0		9	64,014
17	42"	13,278	0		0	13,278
18	54"	1,004	0		0	1,004
19	Total	12,287,536	0	0	160,077	12,127,459
20						
21	<b><u>STREET MAINS - STEEL OR WROUGHT IRON</u></b>					
22						
23	2" &					
24	smaller	3,330,078	1,098		120,871	3,210,305
25	2 1/2"	9,714	0		747	8,967
26	3"	2,485,256	78		6,872	2,478,462
27	4"	3,196,885	1,299		47,492	3,150,692
28	5"	12,930	0		236	12,694
29	6"	2,316,678	1,514		25,593	2,292,599
30	8"	873,603	10,344		6,249	877,698
31	10"	82,600	41		32	82,609
32	12"	943,388	16,047		1,419	958,016
33	14"	1,041	0		0	1,041
34	16"	194,167	5,193		461	198,899
35	18"	531	0		0	531
36	20"	106,801	628		638	106,791
37	24"	70,234	7,959		431	77,762
38	30"	14,612	115		5	14,722
39	36"	3,404	75		7	3,472
40	42"	1,542	0		0	1,542
	Total	13,643,464	44,391	0	211,053	13,476,802
	<b>SUB-TOTALS</b>	<b>25,931,000</b>	<b>44,391</b>	<b>0</b>	<b>371,130</b>	<b>25,604,261</b>
Normal Operating Pressure - Mains and Lines - Maximum Minimum						
Normal Operating Pressure - Services - Maximum Minimum						

Annual Report of .....Boston 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	STREET MAINS - PLASTIC PIPE FUSED					
2	2" &					
3	smaller	2,431,267	58,818		6,959	2,483,126
4	3" &	0	0			0
5	smaller	260,392	63		775	259,680
6	4"	2,181,812	113,700		5,172	2,290,340
7	5"	118,225	0		0	118,225
8	6"	2,594,468	112,892		3,398	2,703,962
9	8"	1,294,017	57,540		979	1,350,578
10	10"	645	0		0	645
11	12"	34,015	1,084		8	35,091
12	16"	37	0		0	37
13	Total	8,914,879	344,096	0	17,291	9,241,684
14						
15						
16						
17	No category	10,707	0		0	10,707
18						
19						
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37						
38						
39	<b>GRAND TOTAL</b>	<b>34,856,586</b>	<b>388,488</b>	<b>0</b>	<b>388,421</b>	<b>34,856,653</b>
40	Normal Operating Pressure - Mains and Lines - Maximum 60 PSIG Minimum 4" W.C					
41	Normal Operating Pressure - Services - Maximum 60 PSIG Minimum 4" W.C.					
42						



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<b>GAS DISTRIBUTION SERVICES, HOUSE GOVERNORS AND METERS</b>				
Report below the information called for concerning Distribution Services, House Governors and Meters				
Line No.	Item	Gas Services	House Governors *	Meters
1	Number at beginning of year.....	541,524		882,082
2	Additions during year:			
3	Purchased.....	0		70,029
4	Installed.....	46,280		0
5	Associated with Plant acquired.....			
6	Total Additions.....	46,280		70,029
7	Reductions during year:			
8	Retirements.....	1,293		12,600
9	Associated with Plant sold.....			
10	Total Reductions.....	1,293		12,600
11	Number at End of Year.....	586,511		939,511
	In Stock.....			317,682
12	On Customers' Premises--Inactive.....			12,616
13	On Customers' Premises--Active.....			609,213
14	In Company Use.....			0
15	Number at End of Year.....			939,511
16				
17				
18	Number of Meters Tested by State Inspectors			
19	During Year.....			103,677
20				

\*House Governors are considered part of service installation.

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**RATE SCHEDULE INFORMATION**

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

Date Effective	M.D.T.E. Number	Rate Schedule	Estimated Effect on Annual Revenues 1/	
			Increases	Decreases
Nov 1, 2009	101.6	Residential Non-Heating Rate R-1	\$304,649	\$0
Nov 1, 2009	102.5	Residential Assistance Non-Heating Rate R-2	\$0	\$0
Nov 1, 2009	103.6	Residential Heating Rate R-3	\$2,538,749	\$0
Nov 1, 2009	104.5	Residential Assistance Heating Rate R-4	\$0	\$0
Nov 1, 2009	105.6	Commercial/Industrial, Small - Low Load Factor Rate G-41	\$229,764	\$0
Nov 1, 2009	106.6	Commercial/Industrial, Medium - Low Load Factor Rate G-42	\$209,030	\$0
Nov 1, 2009	107.6	Commercial/Industrial, Large - Low Load Factor Rate G-43	\$459,245	\$0
Nov 1, 2009	108.6	Commercial/Industrial, Extra Large - Low Load Factor Rate G-44	\$165,152	\$0
Nov 1, 2009	109.6	Commercial/Industrial, Small - High Load Factor Rate G-51	\$78,708	\$0
Nov 1, 2009	110.6	Commercial/Industrial, Medium - High Load Factor Rate G-52	\$86,823	\$0
Nov 1, 2009	111.6	Commercial/Industrial, Large - High Load Factor Rate G-53	\$119,952	\$0
Nov 1, 2009	112.6	Commercial/Industrial, Extra Large - High Load Factor Rate G-54	\$110,631	\$0
			\$4,302,703	\$0
				\$4,302,703

1/ November 2004 increase due to DTE 06-78

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1		
2	Expenditures for Certain Civic, Political and Related Activities	
3	Government Relations Lobbying	18,518
4		
5		
6		
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32	TOTAL	\$18,518

Annual Report of .....Boston 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		1,937,654
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
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41			
42		TOTAL	1,937,654

<b>DEPOSITS AND COLLATERAL</b>		
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		\$2,748,478
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Interest is accrued and paid pursuant to Provisions of	
16	22 C.M.R. 26.09 (DPU Order #999 - 09/23/82)	
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40	TOTAL	\$2,748,478

**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**

Richmond, New York, 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: