

The Commonwealth of Massachusetts

ANNUAL RETURN

OF THE

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

TO THE

THE DEPARTMENT OF PUBLIC UTILITIES

OF MASSACHUSETTS

For the Year Ended December 31,

2014

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

}
}

Charles DeRosa

Official title: **Vice President and Controller**

Office address: One MetroTech Center 12th FL.
Brooklyn, New York 11201

THE DEPARTMENT OF PUBLIC UTILITIES

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

CONDENSED FINANCIAL RETURN

for the year ended December 31, 2014

Full Name of Company - COLONIAL GAS COMPANY

D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND

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

Statement of Income for the Year

Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
OPERATING INCOME		
Operating Revenues	\$ 304,811,608	\$ 42,595,069
Operating Expenses:		
Operation Expenses	230,785,076	43,544,336
Maintenance Expense	4,923,723	2,185,331
Depreciation Expense	24,446,303	1,942,931
Amortization of Utility Plant	228,480	(178,219)
Amortization of Property Losses	-	-
Amortization of Regulatory Expenses	12,476,140	714,486
Taxes Other Than Income Taxes	8,779,277	694,118
Income Taxes	8,268,498	(16,741,061)
Provision for Deferred Income Taxes	(1,220,441)	8,381,887
Income Taxes Deferred in Prior Years -- CR.	(97,553)	5,787,741
Total Operating Expenses	288,589,503	46,331,549
Net Operating Revenues	16,222,105	(3,736,481)
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	16,222,105	(3,736,481)
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work	-	-
Income from Nonutility Operations	40,292	-
Nonoperating Rental Income	-	-
Interest and Dividend Income	5,923,606	1,869,299
Miscellaneous Nonoperating Income	168,941	162,864
Total Other Income	6,132,839	1,866,572
Total Income	22,354,944	(1,869,909)
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	-	-
Other Income Deductions	443,640	63,258
Total Income Deductions	443,640	63,258
Income Before Interest Charges	21,911,304	(1,933,166)
INTEREST CHARGES		
Interest on Long-Term Debt	7,595,333	321,702
Amortization of Debt Disc. & Expense	147,013	(5,183)
Amortization of Premium on Debt -- Credit	-	-
Interest on Debt to Associated Companies	10,179	(140,746)
Other Interest Expense	1,605,139	(1,014,772)
Interest Charged to Construction -- Credit	(389,115)	(318,917)
Total Interest Charges	8,968,549	(1,157,916)
Net Income	\$ 12,942,755	\$ (775,249)

BALANCE SHEET			
Title of Account	Balance End of Year	Title of Account	Balance End of Year
UTILITY PLANT		PROPRIETARY CAPITAL	
Utility Plant	\$ 840,710,598	CAPITAL STOCK	
OTHER PROPERTY AND INVESTMENTS		Common Stock Issued	\$ 100
Nonutility Property	-	Preferred Stock Issued	-
Capitalized Leases, net	-	Capital Stock Subscribed	-
Investment in Associated Companies	-	Premium on Capital Stock	419,429,145
Other Investments	3,740	Total	419,429,245
Special Funds	-	SURPLUS	
Total Other Property and Investments	3,740	Other Paid-In Capital	(158,990,562)
CURRENT AND ACCRUED ASSETS		Earned Surplus	119,994,605
Cash	-	Other Comprehensive Income	-
Special Deposits	-	Total	(38,995,957)
Working Funds	-	Total Proprietary Capital	380,433,288
Temporary Cash Investments	-	LONG TERM DEBT	
Notes and Accounts Receivable	30,071,335	Bonds	125,000,000
Receivables from Assoc. Companies	28,956,496	Advances from Associated Companies	-
Materials and Supplies	16,756,018	Capital Lease Obligations	-
Prepayments	1,722,479	Total Long-Term Debt	125,000,000
Interest and Dividends Receivable	-	CURRENT AND ACCRUED	
Rents Receivable	-	LIABILITIES	
Accrued Utility Revenues	22,022,433	Notes Payable	-
Misc. Current And Accrued Assets	-	Accounts Payable	3,572,826
Recoverable Fuel	(59,389,371)	Payables to Associated Companies	57,751,983
Total Current and Accrued Assets	40,139,390	Customer Deposits	325,592
DEFERRED DEBITS		Taxes Accrued	7,798,180
Unamortized Debt Discount and Expense	1,689,449	Interest Accrued	2,902,663
Extraordinary Property Losses	-	Dividends Declared	-
Preliminary Survey and Investigation Charges	-	Matured Long-Term Debt	-
Clearing Accounts	108,139	Matured Interest	-
Temporary Facilities	-	Tax Collections Payable	256,803
Miscellaneous Deferred Debits	308,362,176	Misc. Current and Accrued Liabilities	9,939,548
Total Deferred Debits	310,159,764	Total Current & Accrued Liabilities	82,547,595
CAPITAL STOCK DISCOUNT AND EXPENSE		DEFERRED CREDITS	
Discount on Capital Stock	-	Unamortized Premium on Debt	-
Capital Stock Expense	-	Customer Advances for Construction	-
Total Capital Stock Discount and Expense	-	Other Deferred Credits	13,701,169
REACQUIRED SECURITIES		Total Deferred Credits	13,701,169
Reacquired Capital Stock	-	RESERVES	
Reacquired Bonds	-	Reserves for Depreciation	305,762,623
Total Reacquired Securities	-	Reserves for Amortization	13,519,099
Total Assets and Other Debits	\$ 1,191,013,492	Reserve for Uncollectible Accounts	4,746,203
		Operating Reserves	53,060,135
		Reserve for Depreciation and Amortization of Nonutility Property	-
		Reserves for Deferred Federal Income Taxes	212,243,380
		Total Reserves	589,331,440
		CONTRIBUTIONS IN AID OF CONSTRUCTION	
		Contributions in Aid of Construction	0
		Total Liabilities and Other Credits	\$ 1,191,013,492

NOTES:

Condensed Financial Return (Continued) - Colonial Gas Company

December 31, 2014

STATEMENT OF EARNED SURPLUS		
Item	Current Year (b)	Increase or (Decrease) from Preceding Year (c)
Unappropriated Earned Surplus (at beginning of period)	\$ 107,051,850	\$ 13,718,004
Balance Transferred from Income	12,942,755	(775,249)
Miscellaneous Credits to Surplus	-	-
Miscellaneous Debits to Surplus	-	-
Appropriations of Surplus	-	-
Net Additions to Earned Surplus	12,942,755	(775,249)
Dividends Declared - - Preferred Stock	-	-
Dividends Declared - - Common Stock	-	-
Unappropriated Earned Surplus (at end of period)	\$ 119,994,605	\$ 12,942,755
ELECTRIC OPERATING REVENUES		
Account	Operating Revenues	
	Amount For Year	Increase or (Decrease) from Preceding Year
SALES OF ELECTRICITY		
Residential Sales		
Commercial and Industrial Sales		
Small (or Commercial)		
Large (or Industrial)		
Public Street and Highway Lighting		
Other Sales to Public Authorities		
Sales to Railroad and Railways		
Interdepartmental Sales		
Miscellaneous Electric Sales		
Total Sales to Ultimate Consumers		
Sales for Resale		
Total Sales of Electricity		
OTHER OPERATING REVENUES		
Forfeited Discounts		
Miscellaneous Service Revenues		
Sales of Water and Water Power		
Rent from Electric Property		
Interdepartmental Rents		
Other Electric Revenues		
Total Other Operating Revenues		
Total Electric Operating Revenues		

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

3a

Functional Classification	Operation	Maintenance	Total
Power Production Expenses			
Electric Generation			
Steam Power			
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			

Condensed Financial Return (Continued) - Colonial Gas Company

December 31, 2014

GAS OPERATING REVENUES		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF GAS		
Residential Sales	\$ 212,475,389	\$ 27,764,890
Commercial and Industrial Sales	-	-
Small (or Commercial)	41,887,686	(1,405,564)
Large (or Industrial)	20,115,693	15,134,710
Other Sales to Public Authorities	18,753	2,545
Interdepartmental Sales	-	-
Quasi-Firm Revenue	-	-
Miscellaneous Gas Sales (Unbilled Revenue)	-	-
Total Sales to Ultimate Consumers	274,497,521	41,496,582
Sales for Resale	15,196,221	(2,085,382)
Total Sales of Gas	289,693,742	39,411,199
OTHER OPERATING REVENUES		
Adjustments	-	-
Miscellaneous Service Revenues	80,600	(27,660)
Revenues from Transportation of Gas of Others	22,014,887	2,312,477
Sales of Products Extracted from Natural Gas	-	-
Revenues from Natural Gas Processed by Others	-	-
Rent from Gas Property	163,850	70,602
Interdepartmental Rents	-	-
Other Gas Revenues	(7,141,472)	828,450
Total Other Operating Revenues	15,117,865	3,183,869
Total Gas Operating Revenues	\$ 304,811,608	\$ 42,595,069

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				4a
Functional Classification	Operation	Maintenance	Total	
Steam Production				
Manufactured Gas Production	\$ 959,385	\$ 19,815	\$	979,200
Other Gas Supply Expenses	160,764,466	-		160,764,466
Total Production Expenses	161,723,851	19,815		161,743,666
Local Storage Expenses	144,392	(6,460,497)		(6,316,105)
Transmission and Distribution Expenses	8,009,429	11,360,474		19,369,903
Customer Accounts Expenses	29,800,285	-		29,800,285
Sales Expenses	665,003	-		665,003
Administrative and General Expenses	30,442,115	3,930		30,446,045
Total Gas Operation and Maintenance Expenses	\$ 230,785,076	\$ 4,923,723	\$	235,708,797

March 31, 2015, 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.

Charles DeRosa
Vice President and Controller

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

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Annual Report ofColonial Gas Company.....Year ended December 31, 2014

GENERAL INFORMATION			
PRINCIPAL AND SALARIED OFFICERS*			
Titles	Names	Addresses	Annual Salaries
President	(1) Reed, Marcy L.	Waltham, MA	\$20,608
Vice President & Chief Financial Officer	(2) Nigloschy, Stephen	Waltham, MA	\$8,797
Senior Vice President (Resigned 5/30/2014)	(3) Akley, William J.	Hicksville, NY	\$10,807
Senior Vice President	(4) Madej, James	Brooklyn, NY	\$6,448
Senior Vice President	(5) Owyang, Colin	Waltham, MA	\$5,811
Senior Vice President	(6) Warren, Cheryl	Albany, NY	\$9,493
Senior Vice President	(7) Jordan, Marie	Waltham, MA	\$16,117
Senior Vice President & Chief Procurement Officer (Resigned 5/31/2014)	(8) Schlaff, Raymond C.	Waltham, MA	\$5,630
<u>DIRECTORS*</u>			
<u>Names</u>	<u>Addresses</u>		<u>Fees Paid During Year</u>
Reed, Marcy L.	Waltham, Massachusetts		No Fees Paid
Nigloschy, Stephen	Waltham, Massachusetts		No Fees Paid
Jordan, Marie	Waltham, Massachusetts		No Fees Paid
<p>(1) Reed: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$288,014. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2014 thru 12-31-2014.</p> <p>(2) Nigloschy:Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$199,270. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2014 thru 12-31-2014.</p> <p>(3) Akley: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$169,382. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2014 thru 12-31-2014.</p> <p>(4) Madej: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$298,678. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2014 thru 12-31-2014.</p> <p>(5) Owyang: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$326,083. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2014 thru 12-31-2014.</p> <p>(6) Warren: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$209,714. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2014 thru 12-31-2014.</p> <p>(7) Jordan:Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$256,120 These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2014 thru 12-31-2014.</p> <p>(8) Schlaff: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$278,124. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2014 thru 12-31-2014.</p>			
<p>* By General Laws, Chapter 164, Section 83, the Return must contain a "list of the names of all their salaried officers and the amount of the salary paid to each," and by Section 77, the department is required to include in its annual report "the names and addresses of the principal officers and of the directors."</p>			

GENERAL INFORMATION - Continued

- | | | | |
|---|---|--|--------|
| 1. Corporate name of company making this report, | Colonial Gas Company
D/B/A NATIONAL GRID ENERGY DELIVERY NEW ENGLAND | | |
| 2. Date of organization, | May 2, 1849 | | |
| 3. Date of incorporation, | May 2, 1849 | | |
| 4. Give location (including street and number) of principal business office:-

One MetroTech Center, Brooklyn, New York 11201 | | | |
| 5. Total number of stockholders, | Common: 1 (recordholders) | | |
| 6. Number of stockholders in Massachusetts, | Common: 1 (recordholders) | | |
| 7. Amount of stock held in Massachusetts, | No. of Common Shares, 100 | | \$100 |
| 8. Capital stock issued prior to June 5, 1894, | No. of shares, N/A | | \$ N/A |
| 9. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or Department of Public Utilities since June 5, 1894,

Total, 100 common shares, par value, \$1.00, outstanding December 31 of the calendar year, 2014 | | | \$100 |
10. If any stock has been issued during the last fiscal period, give the date and terms upon which such issue was offered to the stockholders, and if the whole or any part of the issue was sold at auction, the date or dates of such sale or sales, the number of shares sold and the amounts realized therefrom.
11. Management Fees and Expenses during the Year.
- List all individuals, corporations or concerns with whom the company has any contract or agreement covering management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc., and show the total amount paid to each for the year.
- In 2014, the Company was charged \$43,589,047 by National Grid Corporate Services for services, which included: executive and administrative, corporate affairs, customer services, environmental services, financial services (including accounting, auditing, risk management, tax, treasury/finance), human resources, information technology, legal, materials management and purchasing, and strategic planning.

GENERAL INFORMATION - Continued

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

In Gas Property:

No Important Changes

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

GENERAL INFORMATION - Continued			
Names of the cities or towns in which the company supplies GAS with the number of customers' meters in each place.			
City or Town	Number of Customers Meters, 12/31/2014	City or Town	Number of Customers Meters, 12/31/2014
<u>FRANCHISE AREA</u>			
Barnstable	22,955		
Billerica	11,932		
Bourne	7,433		
Brewster	3,389		
Chatham	6,119		
Chelmsford	12,398		
Dennis	11,808		
Dracut	9,709		
Dunstable	375		
Eastham	2,741		
Falmouth	15,092		
Groton	99		
Harwich	7,924		
Littleton	44		
Lowell	34,888		
Lynnfield	36		
Mashpee	9,228		
North Reading	3,410		
Orleans	2,167		
Pepperell	2,267		
Plymouth	1,144		
Sandwich	5,689		
Tewksbury	9,877		
Tyngsboro	3,529		
Wareham	8,694		
Westford	7,683		
Wilmington	3,718		
Yarmouth	15,062		
	219,410		
<u>NON FRANCHISE AREA</u>			
Andover	53		
Carver	4		
Methuen	31		
Otis	140		
Woburn	54		
	282		
TOTAL	219,692		

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

COMPARATIVE BALANCE SHEET Assets and Other Credits				
Line No.	Title of Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or (Decrease) (d)
1	UTILITY PLANT			
2	Utility Plant (101-107) p. 13	787,659,672	840,710,598	\$ 53,050,926
3	OTHER PROPERTY AND INVESTMENTS			
4	Nonutility Property (121) P. 19	-	-	-
4a	Capitalized Leases, net	-	-	-
5	Investment in Associated Companies (123) P. 20	-	-	-
6	Other Investments (124) P.20	3,740	3,740	-
7	Special Funds (125, 126, 127, 128) P. 21	-	-	-
8	Total Other Property and Investments	3,740	3,740	-
9	CURRENT AND ACCRUED ASSETS			
10	Cash (131)	-	-	-
11	Special Deposits (132, 133, 134) P. 21	-	-	-
12	Working Funds (135)	-	-	-
13	Temporary Cash Investments (136) P. 20	-	-	-
14	Notes and Accounts Receivable (141, 142, 143) P. 22	27,944,619	30,071,335	2,126,716
15	Receivables from Assoc. Companies (145, 146) P. 23	3,712,655	28,956,496	25,243,841
16	Materials and Supplies (151-159, 163) P. 24	15,237,627	16,756,018	1,518,391
17	Prepayments (165)	-	1,722,479	1,722,479
18	Interest and Dividends Receivable (171)	-	-	-
19	Rents Receivable (172)	-	-	-
20	Accrued Utility Revenues (173)	18,109,360	22,022,433	3,913,073
21	Misc. Current and Accrued Assets (174)	-	-	-
21A	Recoverable Fuel (175) ¹	(44,582,955)	(59,389,371)	(14,806,416)
22	Total Current and Accrued Assets	20,421,306	40,139,390	19,718,084
23	DEFERRED DEBITS			
24	Unamortized Debt Discount and Expense (181) P.26	1,836,462	1,689,449	(147,013)
25	Extraordinary Property Losses (182) P.27	-	-	-
26	Preliminary Survey and Investigation Charges (183)	-	-	-
27	Clearing Accounts (184)	5,665	108,139	102,474
28	Temporary Facilities (185)	305,977	-	(305,977)
29	Miscellaneous Deferred Debits (186) P. 27	325,729,546	308,362,176	(17,367,370)
30	Total Deferred Debits	327,877,650	310,159,764	(17,717,886)
31	CAPITAL STOCK DISCOUNT AND EXPENSE			
32	Discount on Capital Stock (191) P. 28	-	-	-
33	Capital Stock Expense (192) P. 28	-	-	-
34	Total Capital Stock Discount and Expense	-	-	-
35	REACQUIRED SECURITIES			
36	Reacquired Capital Stock (196)	-	-	-
37	Reacquired Bonds (197)	-	-	-
38	Total Reacquired Securities	-	-	-
39	Total Assets and Other Debits	\$ 1,135,962,368	\$ 1,191,013,492	\$ 55,051,124

NOTES:

1 - At December 31, 2014, the recoverable fuel includes \$(57,231,029) of cost of gas adjustment clause and (\$3,809,637) of local distribution adjustment factor.

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

COMPARATIVE BALANCE SHEET Liabilities and Other Credits				
Line No.	Title of Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or (Decrease) (d)
1	PROPRIETARY CAPITAL			
2	CAPITAL STOCK			
3	Common Stock Issued (201) P.29	\$ 100	\$ 100	\$ -
4	Preferred Stock Issued (204) P.29	-	-	-
5	Capital Stock Subscribed (202, 205)	-	-	-
6	Premium on Capital Stock (207) P.29	419,429,145	\$ 419,429,145	-
7	Total	419,429,245	419,429,245	-
8	SURPLUS			
9	Other Paid-In Capital (208-211) P.30	(166,431,788)	\$ (158,990,562)	7,441,226
10	Earned Surplus (215,216) P.12	107,051,850	\$ 119,994,605	12,942,755
11	Other Comprehensive Income	-	-	-
12	Total	(59,379,938)	(38,995,957)	20,383,981
13	Total Proprietary Capital	360,049,307	380,433,288	20,383,981
14	LONG-TERM DEBT			
15	Bonds (221) P.31	125,000,000	\$ 125,000,000	-
16	Capital Lease Obligations (221)	-	-	-
	Advances from Associated Companies (223) P. 31	-	-	-
17	Other Long-Term Debt (224) P.31	-	-	-
18	Total Long-Term Debt	125,000,000	125,000,000	-
19	CURRENT AND ACCRUED LIABILITIES			
	Capitalized Lease Obligation			
20	Notes Payable (231) P.32	-	-	-
21	Accounts Payable (232)	16,054,668	3,572,826	(12,481,842)
22	Payables to Associated Companies (233,234) P.32	8,783,000	57,751,983	48,968,983
23	Customer Deposits (235)	352,929	325,592	(27,337)
24	Taxes Accrued (236)	13,245,612	7,798,180	(5,447,432)
25	Interest Accrued (237)	3,034,411	2,902,663	(131,748)
26	Dividends Declared (238)	-	-	-
27	Matured Long-Term Debt (239)	-	-	-
	Matured Interest (240)	-	-	-
28	Tax Collections Payable (241)	221,505	256,803	35,298
29	Misc. Current & Accrued Liab. (242) P.33	3,038,599	9,939,548	6,900,949
30	Total Current & Accrued Liability	44,730,725	82,547,595	37,816,870
31	DEFERRED CREDITS			
32	Unamortized Premium on Debt (251) P.26	-	-	-
33	Customer Advances for Construction (252)	173,477	-	-
34	Other Deferred Credits (253) P.33	15,794,994	13,701,169	(2,093,825)
35	Total Deferred Credits	15,968,471	13,701,169	(2,267,302)
36	RESERVES			
37	Reserves for Depreciation (254-256) P.13	293,622,264	305,762,623	12,140,359
38	Reserves for Amortization (257-259) P.13	13,264,829	13,519,099	254,270
39	Reserve for Uncollectible Accounts (260)	2,849,383	4,746,203	1,896,820
40	Operating Reserves (261-265) P.35	54,938,706	53,060,135	(1,878,571)
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	-	-	-
42	Reserve for Deferred Income Taxes (267, 268) P.36	225,538,682	212,243,380	(13,295,302)
43	Total Reserves	590,213,864	589,331,440	(882,424)
44	CONTRIBUTION IN AID OF CONSTRUCTION			
45	Contributions in Aid of Construction (271) P.36	-	-	-
46	Total Liabilities and Other Credits	\$ 1,135,962,368	\$ 1,191,013,492	\$ 55,051,124

STATEMENT OF INCOME FOR THE YEAR

Line No.	Account (a)	Current Year (b)	Prior Year (c)	Increase or (Decrease) from Preceding Year (d)
1	OPERATING INCOME			
2	Operating Revenues (400) P. 37,43	\$ 304,811,608	\$ 262,216,539	\$ 42,595,069
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	230,785,076	187,240,740	43,544,336
5	Maintenance Expense (402) P. 42,47	4,923,723	2,738,392	2,185,331
6	Depreciation Expense (403) P. 34	24,446,303	22,503,372	1,942,931
7	Amortization of Utility Plant (404 and 405)	228,480	406,699	(178,219)
8	Amortization of Investment Credit (406.0)	-	-	-
9	Amortization of Regulatory Expenses (407.3)	12,476,140	11,761,654	714,486
10	Taxes Other Than Income Taxes (408) P. 49	8,779,277	8,085,159	694,118
11	Income Taxes (409) P. 49	8,268,498	25,009,559	(16,741,061)
12	Provision for Deferred Income Taxes (410) P. 36	(1,220,441)	(9,602,328)	8,381,887
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	(97,553)	(5,885,294)	5,787,741
14	Total Operating Expenses	288,589,503	242,257,953	46,331,549
15	Net Operating Revenues	16,222,105	19,958,586	(3,736,481)
16	Income from Utility Plant Leased to Others			
17	Other Utility Operating Income (414) P. 50			-
18	Total Utility Operating Income	16,222,105	19,958,586	(3,736,481)
19	OTHER INCOME			
20	Income from Mdse. Jobbing & Contract Work (415) P. 51		-	-
21	Income from Nonutility Operations (417)	40,292	205,883	-
22	Nonoperating Rental Income (418)	-	-	-
23	Interest and Dividend Income (419)	5,923,606	4,054,307	1,869,299
24	Miscellaneous Nonoperating Income (421)	168,941	6,077	162,864
25	Total Other Income	6,132,839	4,266,267	1,866,572
26	Total Income	22,354,944	24,224,852	(1,869,909)
27	MISCELLANEOUS INCOME DEDUCTIONS			
28	Miscellaneous Amortization (425)	-	-	-
29	Other Income Deductions (426)	443,640	380,382	63,258
30	Total Income Deductions	443,640	380,382	63,258
31	Income Before Interest Charges	21,911,304	23,844,470	(1,933,166)
32	INTEREST CHARGES			
33	Interest on Long-Term Debt (427) P. 31	7,595,333	7,273,631	321,702
34	Amortization of Debt Disc. & Expense (428) P. 26	147,013	152,196	(5,183)
35	Amortization of Prem. on Debt - - Credit (429) P. 26	-	-	-
36	Int. on Debt to Associated Companies (430) P. 31, 32	10,179	150,925	(140,746)
37	Other Interest Expense (431)	1,605,139	2,619,911	(1,014,772)
38	Interest Charged to Construction - - Credit (432)	(389,115)	(70,198)	(318,917)
39	Total Interest Charges	8,968,549	10,126,466	(1,157,916)
40	Net Income	12,942,755	13,718,004	(775,249)
41	EARNED SURPLUS			
42	Unappropriated Earned Surplus (at beginning of period) (216)	107,051,850	93,333,847	13,718,004
43	Balance Transferred from Income (433)	12,942,755	13,718,004	(775,249)
44	Miscellaneous Credits to Surplus (434)			-
45	Miscellaneous Debits to Surplus (435)			-
46	Appropriations of Surplus (436)	-	-	-
47	Net Additions to Earned Surplus	12,942,755	13,718,004	(775,249)
48	Dividends Declared - - Preferred Stock (437)	-	-	-
49	Dividends Declared - - Common Stock (438)	-	-	-
50	Unappropriated Earned Surplus (at end of period) (216)	\$ 119,994,605	\$ 107,051,850	\$ 12,942,755

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

STATEMENT OF INCOME FOR THE YEAR (CONTINUED)

Note:

None

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	UNAPPROPRIATED EARNED SURPLUS (Account 216)		
2	Balance - - Beginning of year		\$ 107,051,850
3	Charges: (identify by prescribed earned surplus accounts)		
4	Transfer from income (loss)		12,942,755
5			
6			
7			
8			
9	Dividends Declared - Common Stock	438	
10	Less: Dividends Declared - Preferred Stock	438	
11			
12			
13			
14			
15			
16			
17			
18			
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21			
22			
23			
24			
25			
26			
27	Balance - - end of year		\$ 119,994,605
28	APPROPRIATED EARNED SURPLUS (Account 215)		
29	State balance and purpose of each appropriated earned surplus amount at end		
30	of year and give accounting entries for any applications of appropriated		
31	earned surplus during year.		
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			

Annual Report ofColonial Gas Co.....Year ended December 31, 2014

SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION

Line No.		Total (b)	Electric (c)	Gas (d)	Common (g)
1	UTILITY PLANT				
2	In Service:				
3	101 Plant in Service (Classified)	\$768,214,024		\$768,214,024	
4	106 Completed Construction not Classified	\$57,460,453		\$57,460,453	
5	Total P. 16, 18	\$825,674,477		\$825,674,477	
6	104 Leased to Others				
7	105 Held for Future Use	0		0	
8	107 Construction Work in Progress	15,036,121		15,036,121	
9	Total Utility Plant	\$840,710,598		\$840,710,598	
10	DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION				
11	In Service:				
12	254 Depreciation P. 34	305,762,623		305,762,623	
13	257 Amortization	13,519,099		13,519,099	
14	Total, in Service	\$319,281,722		\$319,281,722	
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	\$319,281,722		\$319,281,722	

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

UTILITY PLANT - GAS

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

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

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

Balance

Line No.	Account (a)	Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	1. INTANGIBLE PLANT						
2	301 Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	303 Miscellaneous Intangible Plant	13,559,797	-	-	1	-	13,559,798
3a	303 Goodwill	54,073,696	-	-	-	-	54,073,696
4	Total Intangible Plant	67,633,493	-	-	1	-	67,633,494
5	2. PRODUCTION PLANT						
6	Manufactured Gas Production Plant						
7	304 Land and Land Rights	669,111	-	-	-	-	669,111
8	305 Structures and Improvements	10,629,216	374,825	(5,247)	-	-	10,998,794
9	306 Boiler Plant Equipment	689,530	-	-	-	-	689,530
10	307 Other Power Equipment	1,111,876	-	-	-	-	1,111,876
11	310 Water Gas Generating Equipment	-	-	-	-	-	-
12	311 Liquefied Petroleum Gas Equipment	3,216,656	-	-	-	-	3,216,656
13	312 Oil Gas Generating Equipment	-	-	-	-	-	-
14	313 Generating Equipment - - Other Processes & LNG Equipment	16,083,388	700,863	(82,925)	-	-	16,701,326
15	315 Catalytic Cracking Equipment	-	-	-	-	-	-
16	316 Other Reforming Equipment	-	-	-	-	-	-
17	317 Purification Equipment	-	-	-	-	-	-
18	318 Residual Refining Equipment	-	-	-	-	-	-
19	319 Gas Mixing Equipment	-	-	-	-	-	-
19	320 Other Equipment	5,172,546	195,444	-	-	-	5,367,990
20	339 PRD-PROD-ARO	7,526	-	-	-	-	7,526
21	Total Manufactured Gas Production Plant	37,579,848	1,271,132	(88,172)	-	-	38,762,808
22	3. STORAGE PLANT						
23	360 Land and Land Rights	-	-	-	-	-	-
24	361 Structures and Improvements	12,913,169	58,908	-	-	-	12,972,077
25	362 Gas Holders	137,226	588,172	-	-	-	725,398
26	363 Other Equipment	26,344	-	-	-	-	26,344
27	Total Storage Plant	\$ 13,076,739	\$ 647,080	\$ -	\$ -	\$ -	\$ 13,723,819

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

UTILITY PLANT - GAS (Continued)							
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance End of Year (g)
1	4. TRANSMISSION AND DISTRIBUTION PLANT						
2	365.1 Land and Land Rights	\$ 179,067	\$ -	\$ -	\$ 5,215	\$ -	\$ 184,282
3	365.2 Rights-of-Way	5,215	-	-	(5,215)	-	-
4	366 Structures and Improvements	4,086,214	7,899	-	-	-	4,094,113
5	367 Mains	325,429,101	41,019,028	(2,221,712)	-	-	364,226,417
6	368 Compressor Station Equipment	-	-	-	-	-	-
7	369 Measuring and Regulating Station Equipment	11,285,526	1,514,020	(10,421)	-	-	12,789,125
8	372 T&D-AROs	549,511	-	-	-	-	549,511
9	380 Services	237,277,056	12,500,099	(5,844,310)	(1)	-	243,932,844
10	381 Meters	38,026,280	2,015,337	(1,842,947)	-	-	38,198,670
11	382 Meter Installations	18,362,361	858,859	(182,446)	1	-	19,038,775
12	383 House Regulators	-	-	-	-	-	-
13	386 Other Property on Cust's Prem	-	-	-	-	-	-
14	387 Other Equipment	934,215	-	-	(1)	-	934,214
15	Total Transmission and Distribution Plant	636,134,546	57,915,242	(10,101,836)	(1)	-	683,947,951
16	5. GENERAL PLANT						
16	388 Land and Land Rights	15,935	-	-	-	-	15,935
17	389 Land and Land Rights	126,670	-	-	-	-	126,670
18	390 Structures and Improvements	10,043,596	1,211,163	(100)	-	-	11,254,659
19	391 Office Furniture and Equipment	3,357,076	44,536	-	1	-	3,401,613
20	392 Transportation Equipment	337,703	-	-	-	-	337,703
21	393 Stores Equipment	35,576	-	-	-	-	35,576
22	394 Tools, Shop and Garage Equipment	4,846,942	307,221	-	-	-	5,154,163
23	395 Laboratory Equipment	8,784	-	-	-	-	8,784
24	396 Power Operated Equipment	-	-	-	-	-	-
25	397 Communication Equipment	723,144	18,306	-	-	-	741,450
26	398 Miscellaneous Equipment	489,107	36,929	(3,027)	-	-	523,009
27	399 Other Tangible Property	6,840	-	-	2	-	6,842
28	Total General Plant	19,991,375	1,618,155	(3,127)	3	-	21,606,406
29	Total Gas Plant in Service	774,416,001	61,451,609	(10,193,135)	3	-	825,674,479
30	104 Utility Plant Leased to Others	-	-	-	-	-	-
31	105 Property Held for Future Use	-	-	-	-	-	-
32	107 Construction Work in Progress	13,243,670	63,244,059	-	(61,451,608)	-	15,036,121
33	Total Utility Plant - - Gas	\$ 787,659,672	\$ 124,695,668	\$ (10,193,135)	\$ (61,451,605)	\$ -	\$ 840,710,599

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 ofColonial Gas Company.....Year ended December 31, 2014

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	NONE				
2					
3					
4					
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40					
41					
42					
43		TOTALS	\$0	\$0	\$0

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

INVESTMENTS (Accounts 123, 124, 136)

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

Line No.	Description of Security Held by Respondent (a)	Amount (b)
1		
2	Account 124 - Other Investments	\$ 3,740
3		
4		
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42		
43		
44	TOTAL	\$ 3,740

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

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

SPECIAL DEPOSITS (Accounts 132, 133, 134)

1. Report below the amount of special deposits by classes at end of year.
2. If any deposit consists of assets other than cash, give a brief description of such assets.
3. If any deposit is held by an associated company, give name of company.

Line No.	Description and Purpose of Deposit (a)	Balance End of Year (b)
20		
21	NONE	
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

NOTES RECEIVABLE (Account 141)					
1. Give the particulars called for below concerning notes receivable at end of year.		3. Minor items may be grouped by classes, showing number of such items.			
2. Give particulars of any note pledged or discounted.		4. Designate any note the maker of which is a director, officer or other employee.			
Line No.	Name of Maker and Purpose for Which Received (a)	Date of Issue (b)	Date of Maturity (c)	Interest Rate (d)	Amount End of Year (e)
1	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 Accounts Receivable (Account 142)	\$ 27,237,826
20		
21	Other Accounts Receivable (Account 143)	
22	Off-System Sales	151,007
23	Other Customer Billing	2,696,846
24	Miscellaneous Other Receivables	(14,343)
25		
26		
27		
28		
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37		
38		
39	TOTAL	\$ 30,071,335

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)

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

Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
1	Accounts Receivable from Associated Companies:*			
2	NGUSA Service Company	\$ 6,817,257		
3	Boston Gas Company	16,363,464		
4	Transgas Inc	5,247,764		
5	Other associated companies	528,001		
6				
7				
8				
9				
10				
11				
12				
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32				
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35				
36	TOTALS	\$ 28,956,486		

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

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

MATERIALS AND SUPPLIES (Accounts 151-159, 163)			
Summary Per Balance Sheet			
Line No.	Account (a)	Amount End of Year	
		Electric (b)	Gas (c)
1	Fuel (Account 151) (See Schedule, Page 25)		\$ -
2	Supplemental Fuel Stock		16,645,633
3	Residuals (Account 153)		-
4	Plant Materials and Operating Supplies (Account 154)		110,385
5	Merchandise (Account 155)		-
6	Other Materials and Supplies (Account 154)		-
7	Nuclear Fuel Assemblies and Components - In Reactor (Account 157)		-
8	Nuclear Fuel Assemblies and Components - Stock Account (Account 158)		-
9	Nuclear Byproduct Materials (Account 159)		-
10	Stores Expenses (Account 163)		-
11	Total Per Balance Sheet		\$ 16,756,018

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)						
(Except Nuclear Materials)						
1. Report below the information called for concerning production fuel and oil stocks. 2. Show quantities in tons of 2,000 lbs., gal., or Mcf., whichever unit of quantity is applicable. 3. Each kind of coal or oil should be shown separately. 4. Show gas and electric fuels separately by specific use.						
Line No.	Item (a)	Total Cost (b)	Kinds of Fuel and Oil			
			PROPANE		LIGHT OIL	
			Quantity (c)	Cost (d)	Quantity (e)	Cost (f)
1	On Hand Beginning of Year	NONE				
2	Received During Year					
3	Other charges					
4	TOTAL					
5	Used During Year (Note A)					
6	Liquid Propane					
7	SNG					
8	Fuel					
9						
10	Sold or Transferred					
11	TOTAL DISPOSED OF					
12	BALANCE END OF YEAR					
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.

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

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

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

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

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

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Securities to Which Discount and Expense or Premium Minus Expense, Relates (Omit Cents) (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1									
2	Series CH	\$ 25,000,000	\$ 655,923	06/30/92	06/30/22	\$ 185,892	\$ -	\$ 21,859	\$ 164,033
3	MTA-1	10,000,000	348,671	10/12/95	10/14/25	136,412	-	11,566	124,846
4	MTA-2	10,000,000	1,761,058	12/15/95	12/15/25	700,826	-	58,576	642,250
5	MTA-3	10,000,000	1,176,422	02/05/96	02/05/26	473,069	-	39,074	433,995
6	MTB-1	20,000,000	345,500	04/07/98	04/07/28	112,132	-	7,854	104,278
7									
8	Unsecured note								
9	Series A	25,000,000	59,897	03/15/12	03/15/22	57,032	-	2,022	55,010
10	Series B	25,000,000	179,690	03/15/12	03/15/42	171,099	-	6,062	165,037
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27		\$ 125,000,000	\$ 4,527,161			\$ 1,836,462	\$ -	\$ 147,013	\$ 1,689,449

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

EXTRAORDINARY PROPERTY LOSSES (Account 182)						
1. Report below particulars concerning the accounting for extraordinary property losses.						
2. In column (a) describe the property abandoned for extraordinary loss suffered, date of abandonment or loss, date of Department authorization of use of Account 182, and period over which amortization is being made.						
Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Written Off During Year			Balance End of Year (f)
			Previously Written off (c)	Account Charged (d)	Amount (e)	
1	None					
2						
3						
4						
5						
6						
7						
8						
9						
10		TOTALS				
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars called for concerning miscellaneous deferred debits.						
2. For any deferred debit being amortized show period of amortization.						
3. Minor items may be grouped by classes, showing number of such items.						
Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
11						
12	Deferred Environmental	\$ 4,550,075	\$ 2,406,169	143, 232, 242, 253, 265	\$ 2,293,967	\$ 4,662,277
13						
14	Deferred Derivatives	1,712,441	20,780,270	253, 282, 283, 409, 254, 495	13,643,793	8,848,919
15						
16	Deferred Income Tax	73,728,087	109,510,940	410	130,505,433	52,733,594
17	Pension and Other post-employment benefits	31,512,909	52,883,477	228, 926.5, 926.7	59,543,892	24,852,494
18	Merger Savings	210,466,667	4,100,004	407	12,300,004	202,266,667
19	Miscellaneous Deferred Debits	20,711	7,781,149	142	6,259,891	1,541,969
20	Regulatory Asset Deferred Federal Income Tax	3,441,721	11,350,247	253, 282, 283	5,926,638	8,865,329
21	Capital Tracker	(0)	6,089,374	-	6,089,374.00	0
22	Revenue Decoupling Mechanism	(2,462,407)	119,040,713	495	114,708,534	1,869,772
23	Asset Retirement Obligation	2,260,289	205,422	419	67,474.10	2,398,236
24	Rate Case Expense	499,054	-	407	176,136	322,918
25						
26						
27						
28						
29						
30						
31						
32						
33	TOTALS	\$ 325,729,546	\$ 334,147,765		\$ 351,515,136	\$ 308,362,176

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DISCOUNT ON CAPITAL STOCK (Account 191)

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

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

2. If any change occurred during the year in the

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

CAPITAL STOCK EXPENSE (Account 192)

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

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

2. If any change occurred during the year in the

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

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

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

1. Report below the particulars called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show totals separately for common and preferred stock.

2. Entries in column (b) should represent the number of shares authorized by the Department.

3. Give particulars concerning shares of any class and series of stock authorized to be issued by the Department which have not yet been issued.

4. The designation of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.

5. State if any capital stock which has been nominally issued is nominally outstanding at end of year.

6. Give particulars of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledge and purpose of pledge.

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

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

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OTHER PAID-IN CAPITAL (Accounts 208-211)

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

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1		
2		
3		
4	Gain-Capital Stock (210) - no change during 2014	(5,781,655)
5	Other Paid In Capital (211) - decreased by \$7,441,226 during 2014 due to the Parent Loss Tax Allocation	(153,208,907)
6		
7		
8		
9		
10		
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35		
36		
37	TOTAL	(\$158,990,562)

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LONG-TERM DEBT (Accounts 221, 223-224)									
Report by balance sheet accounts particulars concerning long-term debt in Accounts 221, Bonds; 223 Advances from Associated Companies; and 224, Other Long-Term Debt									
Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Amount Authorized (d)	Amount Actually Outstanding at End of Year (e)	Interest Provisions		Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)
						Rate Per Cent (f)	Dates Due (g)		
1									
2	SERIES CH	06/30/92	06/30/22	\$ 25,000,000	\$ 25,000,000	8.800%	J - D	\$ 2,200,000	\$ 2,200,000
3	MTA-1	10/12/95	10/14/25	10,000,000	10,000,000	7.380%	A - O	685,666	738,000
4	MTA-2	12/15/95	12/15/25	10,000,000	10,000,000	6.900%	F - A	662,667	690,000
5	MTA-3	02/05/96	02/05/26	10,000,000	10,000,000	6.940%	F - A	694,000	694,000
6	MTB-1	04/07/98	04/07/28	20,000,000	20,000,000	7.120%	F - A	1,372,000	1,424,000
7									
8	Unsecured Note								
9	Series A	03/15/12	03/15/22	25,000,000	25,000,000	3.296%	M - S	824,000	824,000
10	Series B	03/15/12	03/15/42	25,000,000	25,000,000	4.628%	M - S	1,157,000	1,157,000
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
			TOTALS	\$ 125,000,000	\$ 125,000,000			\$ 7,595,333	\$ 7,727,000
	For issues of long-term debt made during current year state purpose for which issued, date of issue, Department authorization date and D.P.U. #.								

NOTES PAYABLE (Account 231)					
Report the particulars indicated concerning notes payable at end of year.					
Line No	Payee (a)	Date of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance End of Year (e)
1	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13				TOTAL	

PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)				
Report particulars of notes and accounts payable to associated companies at end of year.				
Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
14	Payable to intercompany Regulated Money Pool*	\$ 20,326,211		\$ 10,179
15	Accounts Payable to Associated Companies:**			
16	NGUSA Service Company	\$ 21,431,508		
17	Boston Gas Company	12,620,162		
18	Other associated companies	3,374,103		
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38	TOTALS	\$ 57,751,983		\$ 10,179

* The average rate on intercompany borrowings from the Regulated Money Pool was 0.25% during 2014.

** These accounts payable to associated companies do not bear interest.

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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

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

Line No.	Item (a)	Amount (b)
1		
2		
3	Accrued Gain Sharing	\$ 361,106
4	Accrued Miscellaneous	1,314,187
5	Accrued Vacation	954,763
6	Accrued Payroll	106,461
7	Short Term Derivative Liability	7,203,030
8		
9		
10		
11		
12	TOTAL	9,939,548

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	\$ 97,553	408-409	\$ 97,553	\$ -	\$ -
14	Deferred Post Retirement Financial Accou	817	926	23,156	57,308	34,970
15	Derivatives	1,593,998	186	4,663,783	4,725,372	1,655,588
16	Asset Retirement Obligation	2,299,129	-	-	137,948	2,437,077
17	Deferred Off System Sales Profit	8,451,632	495	22,944,147	24,041,273	9,548,758
18	Gain on Property Sale	54,513	495	29,737	-	24,776
19	Miscellaneous Deferred Debits	3,297,352		3,297,352		-
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	TOTALS	\$ 15,794,994		\$ 31,055,728	\$ 28,961,902	\$ 13,701,169

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RESERVE FOR DEPRECIATION OF UTILITY PLANT IN SERVICE (Account 254)				
Show below the amount credited during the year to Depreciation Reserve, and the amount charged to Depreciation Reserve on account of property retired. Also the balance in the account at the end of the year.				
Line No.	(a)	Electric (b)	Gas (c)	Total (d)
1	Balance at beginning of year		293,622,264	293,622,264
2	Credits to Depreciation Reserve during year:			
3	Account 403 Depreciation		24,446,303	24,446,303
4	Other Accounts (Rental Equipment)			0
5				
6	TOTAL CREDITS DURING YEAR		24,446,303	24,446,303
7	Net Charges for Plant Retired:			
8	Book Cost of Plant Retired		10,193,135	10,193,135
9	Cost of Removal		2,112,809	2,103,821
10	Salvage (Credit)			0
11	Transfer/Reclass			0
12	ARO Entries Journalled into the Account			0
13	NET CHARGES DURING YEAR		12,305,944	12,296,956
14	Balance December 31		305,762,623	305,762,623

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	24,446,303
16	The Composite Depreciation Rate as a Percentage of the Average Depreciab	3.06%
17	Depreciation taken for Federal Income Tax purposes	31,488,223
18		
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	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
21	NONE						
22							
23							
24							
25							
26							
27							
28							
29							
30		TOTALS	0.00			0.00	
Dividend rates on Common Stock and Premium					0.00		
Dividend rates on Common Stock, Premium and Surplus					0.00		

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

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

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

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

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

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

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

Line No.	Name of Reserve (a)	Bal. Beg. of Year (b)	Credits (c)	Debits (d)	Contra Acct. Debited or Credited (e)	Amount (f)
1	Account 262:					
2						
3	Workers Compensation Reserve	\$ 70,073	\$ 12,079,926	\$ 12,035,396	925, 131, 253	\$ 114,603
4	Injuries&Damages Reserve (includes Gen, Auto and OCIP)	465,000	304,671,363	304,871,363	131	265,000
5	Incurred but not reported (IBNR)	529,204	44,347,843	40,407,358	925	4,469,689
6						
7						
8	Account 263:					
9						
10	Pensions	36,406,510	1,733,899	5,832,274	926, 131	32,308,135
11	Other Post Employment Benefits Reserve	11,070,116	927,869	3,228,048	926, 131	8,769,937
12						
13						
14						
15						
16	Account 265:					
17	Environmental Reserve	6,397,803	3,007,218	2,272,249	926, 131	7,132,771
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	\$ 54,938,706	\$ 366,768,117	\$ 368,646,688		\$ 53,060,135

RESERVES FOR DEFERRED FEDERAL INCOME TAXES (Accounts 267, 268)					
1. Report the information called for below concerning the respondent's accounting for deferred federal income taxes.		(b) Liberalized Depreciation - - State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated useful lives and classes of plant to which each method is being applied. Furnish a table showing for each year, 1954 to date of this report, the annual amounts of tax deferral, the total debits thereto which have been accounted for as credits to Acct. 411, Federal Income Taxes Deferred in Prior Years - - Credit or comparable account of the previous system of accounts.			
2. In the space provided furnish significant explanations, including the following:					
(a) Accelerated Amortization - - State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax amounts.					
Line No.	Account Subdivisions (a)	Balance Beginning of Year (b)	Changes During Year		Balance End of Year (e)
			Amts. Debited Account 410 (1) (c)	Amts. Credited Account 411 (2) (d)	
1	Accelerated Amortization				
2	(Account 267)				
3	Electric				
4	Gas	\$ -	\$ -	\$ -	\$ -
5	Other (Specify)				
6	Totals	-	-	-	-
7					
8	Liberalized Depreciation				
9	(Account 268)				
10	Electric				
11	Gas	189,385,863	14,270,128		203,655,991
12	Trueup and Other				
13	Totals	189,385,863	14,270,128	-	203,655,991
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	189,385,863	14,270,128		203,655,991
18	Trueup and Other				
19	Totals	\$ 189,385,863	\$ 14,270,128	\$ -	\$ 203,655,991
20					
21	(1) Account 410, Provision for Deferred Federal Income Taxes				
22	(2) Account 411, Federal Income Taxes Deferred in Prior Years - - Credit				

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

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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			Average No. of Cust. Per Month		
		Amount for Year (b)	Prior Year	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Prior Year	Increase or (Decrease) from Preceding Year (e)	Number for Year (f)	Prior Year	Increase or (Decrease) from Preceding Year (g)
1	SALES OF GAS									
2	480 Residential Sales	212,475,389	\$184,710,498	27,764,890	15,519,549	14,308,186	1,211,364	184,070	181,234	2,836
3	481 Commercial and Industrial Sales:	-		-						0
4	Small (or Commercial) see instr. 5	41,887,686	\$43,293,250	(1,405,564)	4,343,949	3,942,976	400,973	16,548	16,220	328
5	Large (or Industrial) see instr. 5	20,115,693	\$4,980,983	15,134,710	929,945	544,047	385,898	53	37	16
6	481 Other Sales to Public Authorities	18,753	\$16,208	2,545	1,332	1,332	0	0	0	0
7	481 Lost Margin	-	\$0	-	0	0	0	0	0	0
8	481 Quasi-Firm Sales	-	\$0	-	0	0	0	0	0	0
9	485 Miscellaneous Gas Sales	-	\$0	\$0	0	0	0	0	0	0
10	Total Sales to Ultimate Consumers	274,497,521	233,000,939	41,496,582	20,794,775	18,796,541	1,998,234	200,671	197,491	3,180
11	483 Sales for Resale *	15,196,221	\$17,281,604	(2,085,382)	3,658,247	3,375,328	282,919	0	0	
12	Total Sales of Gas	289,693,742	250,282,543	39,411,199	24,453,022	22,171,869	2,281,153	200,671	197,491	3,180
13	OTHER OPERATING REVENUES									
14	487 Adjustments			\$0						
15	488 Miscellaneous Service Revenues	80,600	\$108,260	(27,660)						
16	489 Revenues from Trans. of Gas of Others	22,014,887	\$19,702,410	2,312,477						
17	490 Sales of Products Extracted from Natural Gas	-	\$0	0						
18	491 Rev. from Natural Gas Processed by Others	-	\$0	0						
19	493 Rent from Gas Property	163,850	\$93,248	70,602						
20	494 Interdepartmental Rents	-	\$0	0						
21	495 Other Gas Revenues	(7,141,472)	(\$7,969,922)	828,450						
22	Total Other Operating Revenues	15,117,865	11,933,996	\$3,183,869						
23	Total Gas Operation Revenues	304,811,608	262,216,539	42,595,069						
* Sales for Resale are off-system sales contracted by National Grid utilities with counterparties. These sales occur on interstate pipelines at points that National Grid utilities do not have access to the meter data maintained by the counterparty. The best available data that National Grid has access to are pipeline statements providing volumetric deliveries.		Adjustment Clauses	Adjustment Clauses	Fuel Clauses						
		\$0	\$0	\$0						
		0	0	0						

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SALES OF GAS TO ULTIMATE CONSUMERS

Report by Account the M.C.F. sold, the amount derived and the number of customers under each filed schedule or contract. Contract sales and unbilled sales may be reported separately in total.

Line No.	Account No.	Schedule (a)	DTH (b)	Revenue (c)	Average Revenue per DTH (\$0.0000) (d)	Number of Customers (Per Bills Rendered)	
						July 31 (e)	December 31 (f)
1							
2	480	R-1 Residential	190,918	3,884,459	\$20.3462	8,854	8,602
3	480	R-2 Residential	10,093	149,814	\$14.8434	249	241
4	480	R-31 Residential	14,152,363	196,334,551	\$13.8729	165,015	167,435
5	480	R-32 Residential	1,166,147	12,105,892	\$10.3811	7,935	7,789
6	480	R-5 Residential-- CAPE	28	672	\$24.3424	1	3
7	481	G-17 Unmetered Gas Lamp-CAPE	1,332	18,753	\$14.0789	-	0
8	481	G-41 Commercial	2,567,017	32,977,554	\$12.8466	13,485	13,877
9	481	G-42 Commercial	768,926	8,685,542	\$11.2957	263	280
10	481	G-43 Commercial	389,065	4,099,787	\$10.5375	28	39
11	481	G-51 Commercial	799,223	8,910,132	\$11.1485	2,461	2,326
12	481	G-52 Commercial	208,784	2,162,956	\$10.3598	70	65
13	481	G-53 Commercial	540,880	5,167,408	\$9.5537	13	14
14	481	Lost Margin	0	-	\$0.0000	0	0
15	481	Interruptibles	0	-	\$0.0000		
16	481	Sales Allowance Commercial		-			
17		G-27 CNG Fuel					
18		G-90 Broker Sales					
19	TOTAL SALES TO ULTIMATE						
20	CONSUMERS (Page 43 line 10)		20,794,775	274,497,521	163.6068	198,374	200,671

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

REVENUES FROM TRANSPORTATION

Report by account the M.C.F. sold, the amount derived and the number of customers under each filed schedule or contract. Municipal sales, contract sales and unbilled sales may be reported separately in total.

Line No.	Acct. No.	Schedule (a)	DTH (b)	Revenue (c)	Average Revenue per MCF (0.0000) (d)	Number of Customers (per Bills Rendered)	
						July 31 (e)	Dec. 31 (f)
1							
2							
3	489	Contract Firm Transportation					
4		G-41 Low-Load Firm Transp.	711,421	3,812,953	\$5.3596	1,380	1,378
5		G-42 Low-Load Firm Transp.	1,234,139	5,261,418	\$4.2632	291	317
6		G-43 Low-Load Firm Transp.	561,448	2,058,317	\$3.6661	56	62
7		G-31 Res Heating Transp	92,752	644,341	\$6.9469	900	841
8		G-46 Small Load Transp.	0	-	\$0.0000	0	0
9		G-47 Medium Load Transp.	0	-	\$0.0000	0	0
10		G-48 Large Load Transp.	0	-	\$0.0000	0	0
11		G-51 High-Load Firm Transp.	340,677	1,544,297	\$4.5330	474	441
12		G-52 High-Load Firm Transp.	512,703	1,993,319	\$3.8879	108	104
13		G-53 High-Load Firm Transp.	1,804,809	5,447,529	\$3.0183	52	54
14		G-56 Firm Small Load Transp.	0	-	\$0.0000	-	0
15		G-57 Firm Medium Load Transp.	0	-	\$0.0000	-	0
16		G-58 Firm Large Load Transp.	0	-	\$0.0000	-	0
17		G-61 Firm Small Load Transp.	0	-	\$0.0000	0	0
18		G-81 Low-Load Contract Transp.	0	-	\$0.0000	0	0
19		G-82 High-Load Contract Transp.	1,164,142	1,246,765	\$1.0710	11	11
20		R-1 Residential Non-Heat	452	5,841	12.9370	15	17
21		Interruptible	0	-	\$0.0000		
22		Broker Fee		-			
23		R-5 Transport Res Seasonal	1.7	108	\$63.3882		
24	Total Revenues from Transportation						
25	of Gas for Others (Page 43, Line 16)		6,422,544	22,014,887	109.0713	3,287	3,225
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49	Total Revenues from Transportation						
50	of Gas for Others (Page 43, Line 16)		6,422,544	22,014,887	109	3,287	3,225

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

GAS OPERATION AND MAINTENANCE EXPENSES

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

Line No.	Account (a)	Amount for Year (b)	Prior Year amount	Increase/(Decrease) from Preceding Year (c)
1	PRODUCTION EXPENSE			
2	MANUFACTURED GAS PRODUCTION EXPENSES			
3	STEAM PRODUCTION			
4	Operation:			
5	700 Operation supervision and engineering	-	-	-
6	701 Operation labor	-	-	-
7	702 Boiler fuel	-	-	-
8	703 Miscellaneous steam expenses	-	-	-
9	704 Steam transferred - - Cr	-	-	-
10	Total operation	-	-	-
11	Maintenance:			
12	705 Maintenance supervision and engineering	-	-	-
13	706 Maintenance of structures and improvements	-	-	-
14	707 Maintenance of boiler plant equipment	-	-	-
15	708 Maintenance of other steam production plant	-	-	-
16	Total maintenance	-	-	-
17	Total steam production	-	-	-
18	MANUFACTURED GAS PRODUCTION			
19	Operation:			
20	Production labor and expenses:			
21	711 Steam expenses	-	-	-
22	712 Other power expenses	-	-	-
23	715 Water gas generating expenses	-	-	-
24	716 Oil gas generating expenses	-	-	-
25	717 Liquefied petroleum gas expenses	959,385	1,789,121	(829,736)
26	718 Other process production expenses	-	-	-
27	Gas fuels:			
28	721 Water gas generator fuel	-	-	-
29	722 Fuel for oil gas	-	-	-
30	723 Fuel for liquefied petroleum gas process	-	-	-
31	724 Other gas fuels	-	-	-
32	Gas raw materials:			
33	726 Oil for water gas	-	-	-
34	727 Oil for oil gas	-	-	-
35	728 Liquefied petroleum gas	-	-	-
36	729 Raw materials for other gas processes	-	-	-
37	730 Residuals expenses	-	-	-
38	731 Residuals produced - - Cr	-	-	-
39	732 Purification expenses	-	-	-
40	733 Gas mixing expenses	-	-	-
41	734 Duplicate charges - - Cr	-	-	-
42	735 Miscellaneous production expenses	-	-	-
43	736 Rents	-	-	-
44	Total operation	959,385	1,789,121	(829,736)
45	Maintenance:			
46	740 Maintenance supervision and engineering	-	-	-
47	741 Maintenance of structures and improvements	-	-	-
48	742 Maintenance of production equipment	19,815	112,174	(92,359)
49	Total maintenance	19,815	112,174	(92,359)
50	Total manufactured gas production	\$ 979,200	\$ 1,901,295	\$ (922,095)

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

GAS OPERATION AND MAINTENANCE EXPENSES - - Continued				
Line No.	Account (a)	Amount for Year (b)	Prior year amount	Increase/(Decrease) From Preceding Year (c)
1	OTHER GAS SUPPLY EXPENSES			
2	Operation:			
3	804 Natural gas city gate purchases	\$ 159,230,863	\$ 92,223,532	\$ 67,007,331
4	805 Other gas purchases	-	2,219,766	(2,219,766)
5	808.10 Liquified natural gas	16,947,785	6,270,432	10,677,353
6	808-20 Deferred cost of gas	(15,413,377)	24,068,914	(39,482,291)
7	812 Gas used for other utility operations - - Cr	-	-	-
8	813 Other gas supply expenses	-	-	-
9	814 Environmental Costs	(805)	871,355	(872,160)
10	815 Conservation & Load Management Expense	-	-	-
11				
12		160,764,466	125,653,999	35,110,467
13	Total production expenses	161,743,666	127,555,294	34,188,372
14	LOCAL STORAGE EXPENSES			
15	Operation:			
16	840 Operation supervision and engineering	-	-	-
17	841 Operation labor and expenses	144,392	240,938	(96,546)
18	842 Rents	-	-	-
19	Total operation	144,392	240,938	(96,546)
20	Maintenance:			
21	843-60 Maintenance supervision and engineering	-	-	-
22	844 Maintenance of structures and improvements	-	-	-
23	845 Maintenance of gas holders	-	-	-
24	846 Maintenance of other equipment	-	-	-
25	847 Maintenance Supervision and Engineering	-	-	-
26	849 Joint Expenses-Credit	(6,460,497)	(6,651,556)	191,059
27	Total maintenance	(6,460,497)	(6,651,556)	191,059
28	Total storage expenses	(6,316,105)	(6,410,618)	94,513
29	TRANSMISSION AND DISTRIBUTION EXPENSES			
30	Operation:			
31	850 Operation supervision and engineering	1,373,292	695,111	678,181
32	851 System control and load dispatching	-	-	-
33	852 Communication system expenses	-	-	-
34	853 Compressor station labor and expenses	-	-	-
35	855 Fuel and power for compressor stations	-	-	-
36	857 Measuring and regulating station expenses	264,306	812,068	(547,762)
37	858 Transmission and compression of gas by others	-	-	-
38	860 Transmission Rents	-	-	-
39	874 Mains and services expenses	2,874,403	4,360,861	(1,486,458)
40	878 Meter and house regulator expenses	1,774,645	2,831,470	(1,056,825)
41	879 Customer installations expenses	435,466	(73,113)	508,579
42	880 Other expenses	1,287,713	2,116,802	(829,089)
43	881 Rents	(396)	-	(396)
44	882 Transportation expense	-	-	-
45	Total operation	8,009,429	10,743,199	(2,733,770)
46	Maintenance:			
47	885 Maintenance supervision and engineering	411,987	299,020	112,967
48	886 Maintenance of structures and improvements	2,919	26,957	(24,038)
49	887 Maintenance of mains	2,564,221	3,149,524	(585,303)
50	888 Maintenance of compressor station equipment	-	-	-
51	889 Maintenance of measuring and regulating station equipment	388,951	327,495	61,456
52	892 Maintenance of services	5,757,885	4,692,373	1,065,512
53	893 Maintenance of meters and house regulators	1,773,508	530,639	1,242,869
54	894 Maintenance of other equipment	461,003	240,006	220,997
55	Total maintenance	11,360,474	9,266,014	2,094,460
56	Total transmission and distribution expenses	\$ 19,369,903	\$ 20,009,213	\$ (639,310)

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GAS OPERATION AND MAINTENANCE EXPENSES - - Continued				
Line No.	Account (a)	Amount for Year (b)	Prior Year Amount	Increase/(Decrease) from Preceding Year (c)
CUSTOMER ACCOUNTS EXPENSES				
1	Operation:			
2	901 Supervision	\$ 64,920	\$ 30,706	\$ 34,214
3	902 Meter reading expenses	690,798	2,659,261	(1,968,463)
4	903 Customer records and collection expenses	2,482,822	2,068,819	414,003
5	904 Uncollectible accounts	5,511,736	3,877,106	1,634,630
6	905 Miscellaneous customer accounts expenses	21,050,009	18,429,741	2,620,268
7	Total customer accounts expenses	29,800,285	27,065,633	2,734,652
SALES EXPENSES				
9	Operation:			
10	911 Supervision	-	530	(530)
11	912 Demonstrating and selling expenses	621,952	827,450	(205,498)
12	913 Advertising expenses	43,051	7,112	35,939
13	916 Miscellaneous sales expenses	-	(37,797)	37,797
14	Total sales expenses	665,003	797,295	(132,292)
ADMINISTRATIVE AND GENERAL EXPENSES				
16	Operation:			
17	920 Administrative and general salaries	4,555,668	4,435,882	119,786
18	921 Office supplies and expenses	4,224,764	2,415,412	1,809,352
19	922 Administrative expenses transferred - - Cr	-	-	-
20	923 Outside services employed	3,299,418	3,877,171	(577,753)
21	924 Property Insurance	53,608	299,507	(245,899)
22	925 Injuries and damages	4,765,024	(407,645)	5,172,669
23	926 Employees pensions and benefits	10,395,020	7,001,033	3,393,987
24	927 Franchise Requirements	-	-	-
25	928 Regulatory commission expenses	417,215	561,956	(144,741)
26	929 Duplicate charges - - Cr	-	-	-
27	930 Miscellaneous general expenses	59,660	866,976	(807,316)
28	931 Rents	2,671,738	1,900,262	771,476
29	Total operation	30,442,115	20,950,554	9,491,561
30	Maintenance:			
31	932 Maintenance of general plant	3,930	11,759	(7,829)
32	Total administrative and general expenses	30,446,045	20,962,313	9,483,732
33	Total gas operation and maintenance expenses	\$ 235,708,797	\$ 189,979,130	\$ 45,729,667
SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
34	Steam production			
35	Manufactured gas production	\$ 959,385	\$ 19,815	\$ 979,200
36	Other gas supply expenses	160,764,466	-	160,764,466
37	Total production expenses	161,723,851	19,815	161,743,666
38	Local storage expenses	144,392	(6,460,497)	(6,316,105)
39	Transmission and distribution expenses	8,009,429	11,360,474	19,369,903
40	Customer accounts expenses	29,800,285	-	29,800,285
41	Sales expenses	665,003	-	665,003
42	Administrative and general expenses	30,442,115	3,930	30,446,045
43	Total gas operation and maint. expenses.	\$ 230,785,076	\$ 4,923,723	\$ 235,708,797
44	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			89.52%
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			\$ 21,566,954
50	Total number of employees of gas department at end of year, including administrative,			
51	operating, maintenance, construction and other employees - National Grid Massachusetts.			83

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

SALES FOR RESALE (Account 483)

Line No.	Names of Companies to Which Gas Is Sold (a)	Where Delivered and Where and How Measured (b)	M.C.F. (1000 BTU) (c)	Rate Per M.C.F. (\$0.0000) (d)	Amount (e)
1	Off-System Sales	Delivered to customers, various points of delivery	3,658,247	4.18	15,196,221
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	TOTALS				

PURCHASED GAS (Accounts 804-806)

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

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							

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

Line No.	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) MCF 1,000 BTU	(d) Rate Per MCF	(e) Amount
1	Algonquin Gas Transmission	Metered at Everett,			
2		Weston, Waltham,			
3		Braintree, Norwood,			
4		Wellesley, Milton,			
5		Waltham Polaroid, Mansfield,			
6		Medford & Potter Street			
7	Transportation and Capacity Costs				4,949,904
8	Other Charges				-
9	TOTAL ALGONQUIN		-		4,949,904
10	Tennessee Gas Pipeline	Metered at Leominster,			
11		Clinton, Southbridge,			
12		Spencer, Lynn, Acton,			
13		Lynnfield, Arlington,			
14		Burlington, Lexington,			
15		Reading, Revere, West			
16		Peabody, Beverly/Salem,			
17		& Gloucester			
18					
19	Transportation and Capacity Costs				12,388,660
20	Other Charges				-
21	TOTAL TENNESSEE		-		12,388,660
22	Texas Eastern				
23	Transportation and Capacity Costs				5,937,138
24	Other Charges				-
25	TOTAL TEXAS EASTERN		-		5,937,138
26	Canadian				
27					
28	Commodity Cost		114,034	6.06	691,605
29	Transportation and Capacity Costs				-
30	Other Charges				-
31	TOTAL CANADIAN		114,034		691,605
32					
33	Direct Purchases				
34					
35	Commodity Cost		25,490,610	4.82	122,758,999
36	Transportation and Capacity Costs				2,126,276
37	Other Charges				-
38	TOTAL DIRECT PURCHASES		25,490,610		124,885,275
39					
40					
41					
42					
43					
44					

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

	(a) Name of Companies From Which Gas is Purchased	(b) Where Rec'd & Where & How Measured	(c) MCF 1,000 BTU	(d) Rate Per MCF	(e) Amount
1					
2	Distrigas	Metered at Everett			
3	Commodity Cost		-	-	-
4	Capacity Costs				-
5	TOTAL DISTRIGAS				-
6					
7					
8					
9					
10					
11	Total Commodity Cost		25,604,644	4.82	123,450,604
12	Total Transportation & Capacity Costs				25,401,978
13	Total Other Charges				-
14					
15	Unbilled Gas Cost				5,575,796
16	Total Purchased Gas Cost		25,604,644		154,428,378
17	Net Change in Holder Gas *		(3,301,889)		1,448,539
18	Deferred Cost of Gas 808-20,21,23,29				4,887,549
19	Purchased Gas Expense		22,302,754		160,764,466
	<p>* Add (Decreases) / Deduct Increases in Holder Gas - Note: Column (e) of this line includes those inventory transactions necessary to reconcile "Purchased Gas Expense" to Gas Costs expensed as presented on Lines 3 through 6 on page 46.</p>				

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

TAXES CHARGED DURING YEAR

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

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

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

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (omit cents) (b)	Distribution of Taxes Charged (omit cents) (Show utility department where applicable and account charged)						
			Gas Acct. 107 &/or Accts. 300-398(c)	Gas (Acct.408,409) (d)	Surplus Acct. (e)	Future Use (Acct 105) (f)	Taxes included in O&M (g)	Gas Acct. 418 (h)	Gas Acct. 419 (i)
1	Federal:								
2	Income	\$ 5,538,161		\$ 5,538,161					
3	Payroll	2,020,143		2,020,143					
4	Transportation/Fleet	-							
5	Excise	-							
6									
7	State:								
8	Income	2,730,337		2,730,337					
9	Use	2,358		2,358					
10	Payroll	71,356		71,356					
11	Fuel	-							
12									
13	Local:								
14	Excise	-							
15	Cities & Towns	6,685,420		6,685,420					
16									
TOTALS		\$ 17,047,775		\$ 17,047,775					

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

OTHER UTILITY OPERATING INCOME (Account 414)
 Report below the particulars called for in each column.

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

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

INCOME FROM MERCHANDISING, JOBBING AND CONTRACT WORK (Account 415)					
Report by utility department the revenues, costs, expenses, and net income from merchandising, jobbing, and contract work during year.					
Line No.	Item (a)	Electric Department (b)	Gas Department (c)	Other Utility Department (d)	Total (e)
1		NONE			
2					
3					
4					
5					
6					
7					
8					
9					
10					
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				
35	Net Profit (or Loss)				

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

RECORD OF SENDOUT FOR THE YEAR IN DTH

Line							
No.	Item	Total	January	February	March	April	May
1	Gas Made						
2							
3							
4	Propane	-	-	-	-	-	-
5							
6	TOTAL	-	-	-	-	-	-
7							
8	Gas Purchased						
9	Natural	22,302,754	4,896,939	3,577,372	3,294,771	1,683,008	788,565
10	Other						
11	TOTAL	22,302,754	4,896,939	3,577,372	3,294,771	1,683,008	788,565
12	TOTAL MADE AND						
13	PURCHASED	22,302,754	4,896,939	3,577,372	3,294,771	1,683,008	788,565
14	Net Change in Holder						
15	Gas (1)	(689,102)	(721,002)	(722)	12,086	(1,991)	(5,536)
16	TOTAL SENDOUT	21,613,652	4,175,937	3,576,650	3,306,857	1,681,017	783,029
17	GAS TRANSPORTED	5,657,449	635,456	538,228	663,498	444,584	385,185
18	TOTAL THROUGHPUT	27,271,101	3,799,252	3,214,681	2,464,997	1,808,556	1,213,843
19							
20	Gas Sold	19,635,792	3,863,612	3,257,317	3,136,945	1,570,110	829,609
21	Gas Used by Company	154,849	15,646	17,137	27,779	14,213	11,748
22	Gas transported	6,808,131	779,088	707,226	667,915	423,527	333,452
23	Gas Accounted for	26,598,773	4,658,346	3,981,679	3,832,639	2,007,850	1,174,809
24	Gas Unaccounted for (2)	672,329	(129,230)	(324,068)	(240,190)	39,901	264,907
25	% Unaccounted						
26	for (0.00%) (2)	2.47%					
27							
28							
29	<u>Sendout in 24 hours</u>						
30	in DTH						
31	Maximum - DTH		229,158	191,517	192,763	110,887	57,419
32	Maximum - Date		01/03/2014	02/11/2014	03/03/2014	04/17/2014	05/28/2014
33	Minimum - DTH		76,096	95,003	76,511	35,242	27,175
34	Minimum - Date		01/11/2014	02/22/2014	03/28/2014	04/14/2014	05/26/2014
35							
36							
37							
38							
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

RECORD OF SENDOUT FOR THE YEAR IN DTH

Line No.	June	July	August	September	October	November	December
1							
2							
3							
4	-	-	-	-	-	-	-
5							
6	-	-	-	-	-	-	-
7							
8							
9	584,812	666,012	683,209	517,651	798,562	2,072,705	2,739,150
10							
11	584,812	666,012	683,209	517,651	798,562	2,072,705	2,739,150
12							
13	584,812	666,012	683,209	517,651	798,562	2,072,705	2,739,150
14							
15	(10,317)	(3,793)	(7,261)	(746)	14,547	(7,827)	43,458
16	574,495	662,219	675,948	516,905	813,109	2,064,878	2,782,608
17	308,257	284,799	311,031	394,613	459,278	611,322	621,198
18	882,752	947,018	986,979	911,518	1,272,387	2,676,200	3,403,806
19							
20	536,183	501,195	553,649	491,516	746,274	1,918,143	2,731,240
21	10,293	9,839	9,149	8,840	8,970	9,582	11,653
22	281,681	324,771	408,550	456,710	453,121	776,918	695,173
23	828,157	835,804	971,348	957,066	1,208,365	2,704,643	3,438,066
24	54,595	111,214	15,631	(45,548)	64,022	(28,443)	(34,260)
25							
26							
27							
28							
29							
30							
31	37,316	38,533	39,594	44,616	61,363	148,226	171,193
32	06/05/2014	07/02/2014	08/14/2014	09/19/2014	10/31/2014	11/21/2014	12/30/2014
33	22,123	21,085	23,317	20,319	22,830	46,005	64,133
34	06/28/2014	07/26/2014	08/31/2014	09/06/2014	10/17/2014	11/24/2014	12/24/2014
35							
36							
37							
38							
39							
40							
41							
42							

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

GAS GENERATING PLANT			
Line No.	General Description - - Location, Size, Type, etc.	No. of Sets	24 Hour Cap. (MCF) (A)
1	Propane Air:		
2	Lowell Division: High Pressure Mix	0	-
3			
4			
5	Liquefied Natural Gas:		
6	Lowell Division: Tewksbury, MA	4	80,000
7	Westford, MA	1	6,000
8			
9	Cape Cod Division: South Yarmouth, MA	4	23,800
10	Wareham, MA	4	4,300
11			
12			
13			
14			
15			
16			
17			
18			
19			
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34			
35			
36	NOTE (A): Assumes 1,000 BTU per cubic foot.		
37			
38			
39			
40			
		Total	114,100

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

BOILERS							
Line No.	Location	Kind of Fuel and Method of Firing	Rated Pressure in Lbs.	Rated Steam Temp.	Number	Output Rating M. Lbs. Steam Per Hour	
1	Location						
2	Lowell, MA					AT 212F	
3	School and Rock Sts.		PSIG			100C	
4	Hodge	Gas	15		S-02369		
5	Hodge	Oil or Gas	15		502370		
6	Bigelow	Gas	15		1372		
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
Line No.	SCRUBBERS, CONDENSERS AND EXHAUSTERS. 24 HOUR CAPACITY (MCF)						
26		Kind of Gas					Total Capacity
27							
28	Scrubbers	NONE					
29							
30							
31							
32							
33	Condensers						
34							
35							
36							
37							
38							
39	Exhausters						
40							
41							
42							
43							
44							
45							
46							
47							

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

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

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

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

TRANSMISSION AND DISTRIBUTION MAINS

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

Line No.	Diameter	Total Length in			Abandoned but not Removed	Total Length in
		Feet at Beginning of Year	Added During Year	Taken Up During Year		
CAST IRON						
1	3"	446	-	-	-	446
2	4"	328,371	-	-	5,504	322,867
3	6"	442,056	-	-	-	442,056
4	8"	18,738	-	-	-	18,738
5	10"	17,398	-	-	-	17,398
6	12"	64,690	-	-	-	64,690
7	14"	-	-	-	-	-
8	16"	9,863	-	-	-	9,863
9	18"	5,136	-	-	-	5,136
10	20"	3,742	-	-	-	3,742
11	24"	2,287	-	-	-	2,287
12	Subtotal	892,727	-	-	5,504	887,223
STEEL OR WROUGHT IRON						
13	3/4"	-	-	-	-	-
14	1"	48,451	-	-	350	48,101
15	1-1/4"	9,702	-	-	-	9,702
16	1-1/2"	86,287	-	-	-	86,287
17	2"	4,317,338	651	-	112,582	4,205,407
18	3"	296,433	-	-	13,432	283,001
19	4"	1,550,896	-	-	37,072	1,513,824
20	5"	13,169	-	-	-	13,169
21	6"	595,740	-	-	3,958	591,782
22	8"	549,851	1,149	-	21,551	529,449
23	10"	146,437	-	-	688	145,749
24	12"	341,849	64	-	326	341,587
25	14"	887	-	-	-	887
26	16"	1,555	-	-	-	1,555
27	20"	104	-	-	-	104
28	24"	722	-	-	-	722
29	Subtotal	7,959,421	1,864	-	189,959	7,771,326
PLASTIC						
30	1/2"	38,855	-	-	-	38,855
31	5/8"	269	-	-	-	269
32	3/4"	10,278	-	-	-	10,278
33	1"	37,826	1,004	-	225	38,605
34	1-1/4"	31,410	-	-	90	31,320
35	1-1/2"	14,804	-	-	-	14,804
36	2"	7,998,916	193,459	-	3,644	8,188,731
37	3"	13,131	-	-	-	13,131
38	4"	1,971,971	37,780	-	2,665	2,007,086
39	6"	702,501	29,378	-	570	731,309
40	8"	259,120	4,279	-	42	263,357
41	10"	1,870	-	-	-	1,870
42	12"	709	-	-	-	709
43	20"	582	-	-	-	582
44	Subtotal	11,082,242	265,900	-	7,236	11,340,906
45	Totals	19,934,390	267,764	-	202,699	19,999,455
Normal Operating Pressure - - Mains and Lines - - Maximum.....60# PSI...Minimum.....7" W.C.....						
Normal Operating Pressure - - Services - - Maximum.....60# PSI...Minimum.....7" W.C.....						
Miles Added		51		38		Miles Retired
=====		=====		=====		

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

TRANSMISSION AND DISTRIBUTION MAINS

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

Line No.	Diameter	Total Length in Feet at Beginning of Year	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
1	No category	4,151		-	1,804	2,347
2						
3						
4						
5						
6						
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9						
10						
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34						
35						
36						
37						
38						
39	GRAND TOTAL	19,938,541	267,764	0	204,503	20,001,802
40	Normal Operating Pressure - Mains and Lines - Maximum 60 PSIG Minimum 4" W.C					
41	Normal Operating Pressure - Services - Maximum 60 PSIG Minimum 4" W.C.					
42						

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

GAS DISTRIBUTION SERVICES, HOUSE GOVERNORS AND METERS

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

Line No.	Item	Gas Services	House ** Governors	Meters
1	Number at beginning of year	291,508		272,051
2	Additions during year:			
3	Purchased			12,785
4	Installed	6,255		0
5	Associated with Plant acquired			
6	Total Additions	6,255		12,785
7	Reductions during year:			
8	Retirements	2,068		23,159
9	Associated with Plant sold	0		0
10	Total Reductions	2,068		23,159
11	Number at End of Year	295,695		261,677
12	In Stock			54,928
13	On Customers' Premises - - Inactive			2,781
14	On Customers' Premises - - Active			203,968
15	In Company Use			0
16	Number at End of Year			261,677
17	Number of Meters Tested by State Inspectors during Year			26,898

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

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

RATE SCHEDULE INFORMATION

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

Date Effective	M.D.T.E. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
May 1, 2013	6.3	Residential Non-Heating Rate R-1		4%
May 1, 2013	7.3	Residential Assistance Non-Heating Rate R-2		4%
May 1, 2013	8.3	Residential Heating Rate R-3		8%
May 1, 2013	9.3	Residential Assistance Heating Rate R-4		7%
May 1, 2013	10.3	Commercial/Industrial, Small - Low Load Factor Rate G-41		11%
May 1, 2013	11.3	Commercial/Industrial, Medium - Low Load Factor Rate G-42		17%
May 1, 2013	12.3	Commercial/Industrial, Large - Low Load Factor Rate G-43		22%
May 1, 2013	13.3	Commercial/Industrial, Small - High Load Factor Rate G-51		15%
May 1, 2013	14.3	Commercial/Industrial, Medium - High Load Factor Rate G-52		21%
May 1, 2013	15.3	Commercial/Industrial, Large - High Load Factor Rate G-53		28%
Total				14%
Overall Average				10%

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

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

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

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

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1		
2	Expenditures for Certain Civic, Political and Related Activities	\$ 17,181
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
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14		
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31		
32		

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

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		\$ 43,051
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
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29			
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31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42		TOTAL	\$ 43,051

Annual Report ofColonial Gas Company.....Year ended December 31, 2014

DEPOSITS AND COLLATERAL		
1. Statement of money and the value of any collateral held as guaranty for the payment of charges pursuant to Massachusetts General Laws. Chapter 164, Section 128.		
Line No.	Name of City of Town	Amount
1		
2	Pursuant to Mass. General Laws Chapter 164, Section 128	
3	Security Deposits - Commercial And Industrial Accounts	
4		\$ 325,592
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Interest is accrued and paid pursuant to Provisions of	
16	22 C.M.R. 26.09 (DPU Order #999 - 09/23/82)	
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	TOTAL	\$ 325,592
41		

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

Marcy ReedPresident

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

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

Middlesex, Massachusetts, ss

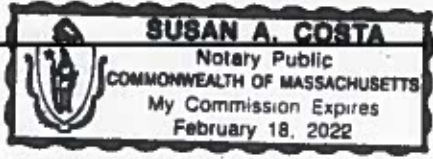
March 31, 2015

Then personally appeared *Marcy L. Reed*

.....
.....

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

Susan A. CostaNotary Public
My Commission Expires:



THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY



.....Vice President and Controller

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

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

Kings, New York, ss

March 31, 2015

Then personally appeared... *before me: CHARLES J. DeROSA*

.....LEON CHANG.....

NOTARY PUBLIC-STATE OF NEW YORK

.....No. 01CH6275929.....

Qualified in Kings County

My Commission Expires February 04, 2017

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



My Commission Expires:

.....Notary Public

Colonial Gas Company
Return on Average Common Equity
For the year ended December 31, 2014

Net Income Calculation:

1	Utility Operating Income DPU page 10, Line 18	\$ 16,222,105
2		
3	Less: Allocated Interest(See Below)	(8,968,509)
4		
5		
6	Net Utility Income Available for Common Shareholders	<u>\$ 7,253,596</u>

Calculation of Allocated Interest:

11		
12	Interest + Preferred Dividends - DPU page 10, Lines 39 and 48	<u>\$ 8,968,549</u>
13		
14	Utility Plant--DPU page 8, Line 2	\$ 840,710,598
15	Other Property & Investments - DPU page 8, Line 8	3,740
16	Total	<u>\$ 840,714,338</u>
17		
18	Utility % (% of Line 14 to Line 16)	<u>100.00%</u>
19		
20	Allocated Interest(Line 18 above times Line 12)	<u>\$ 8,968,509</u>

Total Utility Common Equity:

25		
26		
27	Proprietary Capital - DPU page 9,Line 13	\$ 380,539,985
28		
29	Less preferred: DPU Page 9, Line 4	-
30		
31	Less: Unamortized Acquisition Premium	(122,927,567)
32		
33	Less: Goodwill DPU Page 17, Line 3a	(54,073,696)
34		
35	Long Term Debt - DPU Page 9, Line 18	<u>125,000,000</u>
36	Capitalization	\$ 328,538,722
37		
38		
39	50%/50% Capital Structure DPU 10-55	50%
40	Hypothetical Total Equity, December 31, 2014	<u>\$ 164,269,361</u>
41		
42		
43		
44		
45		
46		
47		
48	Ending Hypothetical Utility Common Equity Multiplied by Utility %	\$ 164,268,630
49		
50	Beginning Hypothetical Utility Common Equity Multiplied by Utility %	<u>151,531,528</u>
51		
52	Total	<u>\$ 315,800,158</u>
53		
54	Average Hypothetical Common Equity	<u>\$ 157,900,079</u>
55		
56		
57	NET UTILITY INCOME DIVIDED BY AVERAGE HYPOTHETICAL EQUITY	<u>4.59%</u>