



March 29, 2019

Commonwealth of Massachusetts  
Massachusetts Department of Public Utilities  
Attn: Mark D. Marini and Kevin M. Brannelly  
One South Station, 2<sup>nd</sup> Floor  
Boston, Massachusetts 02110

There are filed herewith three (3) copies of the returns for the year ended December 31, 2018 for Colonial Gas Company.

We also enclosed a check for \$5.00 to cover filing fees.

Please acknowledge receipt of these returns on the duplicate of this letter. A stamped, self-addressed envelope is also enclosed for your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris McCusker".

Christopher McCusker  
Vice President  
NE Controller  
781-907-4480

Commonwealth of Massachusetts  
Department of Public Utilities

One South Street  
Boston, MA 02110

STATEMENT OF OPERATING REVENUES

YEAR 2018

Name of Company Colonial Gas Company  
D/B/A National Grid Energy Delivery New England  
Address One Metrotech Center 12<sup>th</sup> Floor  
Brooklyn, NY 11201

		Location on Annual Return
Massachusetts Operating Revenues (Intrastate)	\$ <u>\$316,858,054</u>	<u>p.10,ln.2; p.43,ln.23</u>
Other Revenues (outside Massachusetts)	\$ _____	_____
Total Revenues	\$ <u>\$316,858,054</u>	<u>p.10,ln.2; p.43,ln.23</u>

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

Signature   
Name Christopher McCusker  
Title VP, NE Controller

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

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

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**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, 2018

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)
<b>OPERATING INCOME</b>		
Operating Revenues	\$ 316,858,054	\$ 41,591,911
Operating Expenses:		
Operation Expenses	262,259,925	73,420,172
Maintenance Expense	29,699,609	25,528,660
Depreciation Expense	29,982,083	183,217
Amortization of Utility Plant	-	(92)
Amortization of Property Losses	-	-
Amortization of Regulatory Expenses	12,318,009	18,005
Taxes Other Than Income Taxes	11,313,306	1,274,832
Income Taxes	(10,619,795)	1,616,543
Provision for Deferred Income Taxes	2,460,027	(18,243,921)
Income Taxes Deferred in Prior Years -- CR.	-	-
Total Operating Expenses	337,413,164	83,797,416
Net Operating Revenues	(20,555,110)	(42,205,505)
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	(20,555,110)	(42,205,505)
<b>OTHER INCOME</b>		
Income from Mdse. Jobbing & Contract Work	-	-
Income from Nonutility Operations	-	-
Nonoperating Rental Income	-	-
Interest and Dividend Income	5,832,071	872,990
Miscellaneous Nonoperating Income	78,550	(8,677)
Total Other Income	5,910,621	864,313
Total Income	(14,644,489)	(41,341,192)
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>		
Miscellaneous Amortization	-	-
Other Income Deductions	(509,238)	(4,618,264)
Total Income Deductions	(509,238)	(4,618,264)
Income Before Interest Charges	(14,135,251)	(36,722,928)
<b>INTEREST CHARGES</b>		
Interest on Long-Term Debt	12,311,333	3,573,416
Amortization of Debt Disc. & Expense	206,156	59,143
Amortization of Premium on Debt -- Credit	-	-
Interest on Debt to Associated Companies	1,014,872	81,173
Other Interest Expense	3,830,194	1,956,934
Interest Charged to Construction -- Credit	(1,415,493)	(1,094,136)
Total Interest Charges	15,947,062	4,576,530
Net Income	\$ (30,082,313)	\$ (41,299,458)

<b>BALANCE SHEET</b>			
Title of Account	Balance End of Year	Title of Account	Balance End of Year
<b>UTILITY PLANT</b>		<b>PROPRIETARY CAPITAL</b>	
Utility Plant	\$ 1,154,977,261	<b>CAPITAL STOCK</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>		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	-	<b>SURPLUS</b>	
Total Other Property and Investments	3,740	Other Paid-In Capital	(158,990,562)
<b>CURRENT AND ACCRUED ASSETS</b>		Earned Surplus	83,814,356
Cash	-	Other Comprehensive Income	-
Special Deposits	-	Total	(75,176,206)
Working Funds	-	Total Proprietary Capital	344,253,039
Temporary Cash Investments	-	<b>LONG TERM DEBT</b>	
Notes and Accounts Receivable	44,223,031	Bonds	275,000,000
Receivables from Assoc. Companies	15,108,427	Advances from Associated Companies	-
Materials and Supplies	14,378,333	Capital Lease Obligations	-
Prepayments	17,572,502	Total Long-Term Debt	275,000,000
Interest and Dividends Receivable	-	<b>CURRENT AND ACCRUED LIABILITIES</b>	
Rents Receivable	-	Notes Payable	-
Accrued Utility Revenues	26,515,502	Accounts Payable	23,964,832
Misc. Current And Accrued Assets	59,879	Payables to Associated Companies	169,640,326
Recoverable Fuel	(34,274,205)	Customer Deposits	625,147
Total Current and Accrued Assets	83,583,469	Taxes Accrued	13,626
<b>DEFERRED DEBITS</b>		Interest Accrued	3,592,409
Unamortized Debt Discount and Expense	1,519,708	Dividends Declared	-
Extraordinary Property Losses	-	Matured Long-Term Debt	-
Preliminary Survey and Investigation Charges	-	Matured Interest	-
Clearing Accounts	616	Tax Collections Payable	291,583
Temporary Facilities	-	Misc. Current and Accrued Liabilities	7,351,377
Miscellaneous Deferred Debits	279,479,101	Total Current & Accrued Liabilities	205,479,300
Total Deferred Debits	280,999,425	<b>DEFERRED CREDITS</b>	
<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>		Unamortized Premium on Debt	-
Discount on Capital Stock	-	Customer Advances for Construction	-
Capital Stock Expense	-	Other Deferred Credits	106,577,997
Total Capital Stock Discount and Expense	-	Total Deferred Credits	106,577,997
<b>REACQUIRED SECURITIES</b>		<b>RESERVES</b>	
Reacquired Capital Stock	-	Reserves for Depreciation	336,481,324
Reacquired Bonds	-	Reserves for Amortization	13,559,798
Total Reacquired Securities	-	Reserve for Uncollectible Accounts	7,959,954
Total Assets and Other Debits	\$ 1,519,563,895	Operating Reserves	22,901,233
		Reserve for Depreciation and Amortization of Nonutility Property	-
		Reserves for Deferred Federal Income Taxes	194,692,099
		Total Reserves	575,594,408
		<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>	
		Contributions in Aid of Construction	12,659,151
		Total Liabilities and Other Credits	\$ 1,519,563,895
NOTES:			

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

December 31, 2018

<b>STATEMENT OF EARNED SURPLUS</b>		
<b>Item</b>	<b>Current Year (b)</b>	<b>Increase or (Decrease) from Preceding Year (c)</b>
Unappropriated Earned Surplus (at beginning of period)	\$ 113,896,669	\$ (26,282,855)
Balance Transferred from Income	(30,082,313)	(41,299,458)
Miscellaneous Credits to Surplus	-	-
Miscellaneous Debits to Surplus	-	-
Appropriations of Surplus	-	-
Net Additions to Earned Surplus	(30,082,313)	(41,299,458)
Dividends Declared - - Preferred Stock		-
Dividends Declared - - Common Stock	-	(37,500,000)
Unappropriated Earned Surplus (at end of period)	\$ 83,814,356	\$ (30,082,313)
<b>ELECTRIC OPERATING REVENUES</b>		
<b>Account</b>	<b>Operating Revenues</b>	
	<b>Amount For Year</b>	<b>Increase or (Decrease) from Preceding Year</b>
<b>SALES OF ELECTRICITY</b>		
Residential Sales		
Commercial and Industrial Sales		
Small (or Commercial)		
Large (or Industrial)		
Public Street and Highway Lighting		
Other Sales to Public Authorities		
Sales to Railroad and Railways		
Interdepartmental Sales		
Miscellaneous Electric Sales		
Total Sales to Ultimate Consumers		
Sales for Resale		
Total Sales of Electricity		
<b>OTHER OPERATING REVENUES</b>		
Forfeited Discounts		
Miscellaneous Service Revenues		
Sales of Water and Water Power		
Rent from Electric Property		
Interdepartmental Rents		
Other Electric Revenues		
Total Other Operating Revenues		
Total Electric Operating Revenues		

## SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

3a

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

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

December 31, 2018

<b>GAS OPERATING REVENUES</b>		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
<b>SALES OF GAS</b>		
Residential Sales	\$ 236,321,072	\$ 47,925,383
Commercial and Industrial Sales	-	-
Small (or Commercial)	54,472,474	22,317,413
Large (or Industrial)	6,780,856	(6,681,171)
Other Sales to Public Authorities	23,000	4,838
Interdepartmental Sales	-	-
Quasi-Firm Revenue	-	-
Miscellaneous Gas Sales (Unbilled Revenue)	-	-
Total Sales to Ultimate Consumers	297,597,402	63,566,463
Sales for Resale	17,365,544	(3,223,295)
Total Sales of Gas	314,962,946	60,343,168
<b>OTHER OPERATING REVENUES</b>		
Adjustments	-	-
Miscellaneous Service Revenues	8,090	203,015
Revenues from Transportation of Gas of Others	23,081,211	2,685,421
Sales of Products Extracted from Natural Gas	-	-
Revenues from Natural Gas Processed by Others	-	-
Rent from Gas Property	-	(78,590)
Interdepartmental Rents	-	-
Other Gas Revenues	(21,194,193)	(21,561,103)
Total Other Operating Revenues	1,895,108	(18,751,257)
Total Gas Operating Revenues	\$ 316,858,054	\$ 41,591,911

**SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES**

4a

Functional Classification	Operation	Maintenance	Total
Steam Production			
Manufactured Gas Production	\$ -	\$ -	\$ -
Other Gas Supply Expenses	143,007,518	-	143,007,518
Total Production Expenses	143,007,518	-	143,007,518
Local Storage Expenses	747,204	(4,935,504)	(4,188,300)
Transmission and Distribution Expenses	51,127,908	34,628,245	85,756,153
Customer Accounts Expenses	38,990,787	-	38,990,787
Sales Expenses	496,686	-	496,686
Administrative and General Expenses	27,889,822	6,868	27,896,690
Total Gas Operation and Maintenance Expenses	\$ 262,259,925	\$ 29,699,609	\$ 291,959,534

March 27, 2019, 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.



Christopher McCusker  
Vice President, NE Controller

# 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,

# 2018

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

}  
}

**Christopher McCusker**

Official title: **Vice President, NE Controller**

Office address: 40 Sylvan Road  
Waltham, MA 02451

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**TABLE OF CONTENTS**

Designate in column (c) by the terms "none" or "not applicable," as appropriate, in instances where no information or amounts have been reported in certain schedules. Pages may be omitted where the responses are "none" or "not applicable" to the schedules on such pages.

Title of Schedule (a)	Schedule Page Number (b)	Remarks (c)
General Information	4-6	
Customer Meters	7	
Comparative Balance Sheet	8-9	
Statement of Income for the Year	10-11	
Statement of Earned Surplus	12	
Summary of Utility Plant and Reserves for Depreciation and Amortization	13	
Utility Plant - Gas	17-18	
Nonutility Property	19	
Investments	20	
Special Funds	21	
Special Deposits	21	
Notes Receivable	22	
Accounts Receivable	22	
Receivables from Associated Companies	23	
Materials and Supplies	24	
Production Fuel and Oil Stocks	25	
Unamortized Debt Discount and Expense and Unamortized Premium on Debt	26 & 26a	
Extraordinary Property Losses	27	
Miscellaneous Deferred Debits	27	
Discount on Capital Stock	28	
Capital Stock Expense	28	
Capital Stock and Premium	29	
Other Paid-In Capital	30	
Long-Term Debt	31	
Notes Payable	32	
Payables to Associated Companies	32	
Miscellaneous Current and Accrued Liabilities	33	
Other Deferred Credits	33	
Reserve for Depreciation of Utility Plant in Service	34	
Method of Determination of Depreciation Charges	34	
Dividends Declared During Year	34	
Operating Reserves	35	
Reserves for Deferred Federal Income Taxes	36	
Contributions in Aid of Construction	36	



## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>TABLE OF CONTENTS (Continued)</b>		
Title of Schedule (a)	Schedule Page Number (b)	Remarks (c)
Gas Operating Revenues	43	
Sales of Gas to Ultimate Consumers	44 & 44a	
Gas Operation and Maintenance Expenses	45-47	
Summary of Gas Operation and Maintenance Expenses	47	
Sales for Resale - Gas	48	
Sale of Residuals - Gas	48	
Purchased Gas	48, 48a, 48b	
Taxes Charged During Year	49	
Other Utility Operating Income	50	
Income from Merchandising, Jobbing and Contract Work	51	
Record of Sendout for the Year in MCF	72-73	
Gas Generating Plant	74	
Boilers	75	
Scrubbers, Condensers and Exhausters	75	
Purifiers	76	
Holders	76	
Transmission and Distribution Mains	77 & 77a	
Gas Distribution Services, House Governors and Meters	78	
Rate Schedule Information	79	
Expenditures for Certain Civic, Political & Related Activities	80A	
Advertising Expenses	80B	
Deposits & Collateral	80C	
Signature Page	81	

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**GENERAL INFORMATION**

**PRINCIPAL AND SALARIED OFFICERS\***

Titles	Names	Addresses	Annual Salaries
President and Director	(1) Reed, Marcy L. (Appointed on 5/1/2018)	Waltham, MA	\$37,527
Vice President, Chief Financial Officer, and Director	(2) Urban, Dennis	Waltham, MA	\$9,230
Vice President and Controller	(3) Carlin, George (Resigned on 5/1/2018)	Brooklyn, NY	\$1,616
Executive Vice President	(4) Bruckner, John (Resigned on 5/1/2018)	Melville, NY	\$7,638
Senior Vice President	(5) Mills, Jeannette	Waltham, MA	\$5,921
Senior Vice President	(6) Macklin, Ronald J.	Hicksville, NY	\$5,220
Senior Vice President	(7) Turrini, Ross	Melville, NY	\$14,078
Vice President and Controller	(8) McCusker, Christopher (Appointed on 6/6/2018)	Waltham, MA	\$5,364
<b>DIRECTORS*</b>			
<u>Names</u>	<u>Addresses</u>	<u>Fees Paid During Year</u>	
Proudman, Neil	Waltham, Massachusetts	No Fees Paid	
Reed, Marcy L. (Appointed as Director on 5/1/2018)	Waltham, Massachusetts	No Fees Paid	
O'Hara, Cordelia (Resigned as Director on 5/1/2018)	Waltham, Massachusetts	No Fees Paid	
Urban, Dennis	Waltham, Massachusetts	No Fees Paid	

- (1) Reed: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$433,892. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2018 thru 12-31-2018.
- (2) Urban: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$201,825. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2018 thru 12-31-2018.
- (3) Carlin: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$191,323. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2018 thru 12-31-2018.
- (4) Bruckner: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$318,784. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2018 thru 12-31-2018.
- (5) Mills: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$283,450. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2018 thru 12-31-2018.
- (6) Macklin: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$276,121. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2018 thru 12-31-2018.
- (7) Turrini: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$261,967. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2018 thru 12-31-2018.
- (8) McCusker: Salary disclosure includes amounts that have been allocated to Colonial Gas Company. The salary amount allocated to other companies was \$97,980. These salary amounts exclude incentive compensation payments and reflect base salary paid by the company from 1-1-2018 thru 12-31-2018.

\* 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."

**GENERAL INFORMATION - Continued**

- |   |   |  |        |
|---|---|--|--------|
| 1. Corporate name of company making this report,  | Colonial Gas Compnay<br>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:-<br><br>One MetroTech Center 12th FL, 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,<br><br>Total, 100 common shares, par value, \$1.00, outstanding December 31 of the calendar year, 2018 |   |  | \$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 2018, the Company was charged \$57,615,668 by National Grid Corporate Services for services, which included: executive and administrative, corporate affairs, customer services, environmental services, financial services (including accounting, auditing, risk management, tax, treasury/finance), human resources, information technology, legal, materials management and purchasing, and strategic planning.

## GENERAL INFORMATION - Continued

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

In Gas Property:

No Important Changes

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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, 12/31/2018		
<u>FRANCHISE AREA</u>			
BARNSTABLE	22,744		
BILLERICA	12,082		
BOURNE	7,543		
BREWSTER	3,336		
CHATHAM	5,860		
CHELMSFORD	12,435		
DENNIS	11,338		
DRACUT	9,738		
DUNSTABLE	367		
EASTHAM	2,683		
FALMOUTH	15,537		
HARWICH	7,676		
LOWELL	30,902		
MASHPEE	8,957		
N.READING	3,200		
ORLEANS	2,086		
PEPPERELL	2,111		
SANDWICH	5,840		
TEWKSBURY	9,809		
TYNGSBORO	3,537		
WAREHAM	8,397		
WESTFORD	7,584		
WILMINGTON	3,663		
YARMOUTH	14,761		
	212,186		
<u>NON-FRANCHISE AREA</u>			
ANDOVER	49		
BEDFORD	1		
CARLISLE	1		
CARVER	4		
GROTON	96		
METHUEN	27		
OTIS	129		
PLYMOUTH	1		
WOBURN	48		
	401		
<b>TOTAL</b>	<b>212,587</b>		

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>COMPARATIVE BALANCE SHEET Assets and Other Credits</b>				
<b>Line No.</b>	<b>Title of Account (a)</b>	<b>Balance Beginning of Year (b)</b>	<b>Balance End of Year (c)</b>	<b>Increase or (Decrease) (d)</b>
1	<b>UTILITY PLANT</b>			
2	Utility Plant (101-107) p. 13	\$ 1,051,844,932	\$ 1,154,977,261	\$ 103,132,329
3	<b>OTHER PROPERTY AND INVESTMENTS</b>			
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	<b>CURRENT AND ACCRUED ASSETS</b>			
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	36,164,522	44,223,031	8,058,509
15	Receivables from Assoc. Companies (145, 146) P. 23	15,404,061	15,108,427	(295,634)
16	Materials and Supplies (151-159, 163) P. 24	11,949,603	14,378,333	2,428,730
17	Prepayments (165)	6,606	17,572,502	17,565,896
18	Interest and Dividends Receivable (171)	-	-	-
19	Rents Receivable (172)	-	-	-
20	Accrued Utility Revenues (173)	33,865,417	26,515,502	(7,349,915)
21	Misc. Current and Accrued Assets (174)	-	59,879	59,879
21A	Recoverable Fuel (175) <sup>1</sup>	(25,198,686)	(34,274,205)	(9,075,519)
22	Total Current and Accrued Assets	72,191,523	83,583,469	11,391,946
23	<b>DEFERRED DEBITS</b>			
24	Unamortized Debt Discount and Expense (181) P.26	1,725,864	1,519,708	(206,156)
25	Extraordinary Property Losses (182) P.27	-	-	-
26	Preliminary Survey and Investigation Charges (183)	-	-	-
27	Clearing Accounts (184)	616	616	-
28	Temporary Facilities (185)	-	-	-
29	Miscellaneous Deferred Debits (186) P. 27	290,218,540	279,479,101	(10,739,439)
30	Total Deferred Debits	291,945,020	280,999,425	(10,945,595)
31	<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>			
32	Discount on Capital Stock (191) P. 28	-	-	-
33	Capital Stock Expense (192) P. 28	-	-	-
34	Total Capital Stock Discount and Expense	-	-	-
35	<b>REACQUIRED SECURITIES</b>			
36	Reacquired Capital Stock (196)	-	-	-
37	Reacquired Bonds (197)	-	-	-
38	Total Reacquired Securities	-	-	-
39	Total Assets and Other Debits	\$ 1,415,985,215	\$ 1,519,563,895	\$ 103,578,680

## NOTES:

1 - At December 31, 2018, the recoverable fuel includes (\$15,698,103) of cost of gas adjustment clause, (\$822,614) of local distribution adjustment factor, and (\$17,753,488) of Deferred Gas.

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>COMPARATIVE BALANCE SHEET Liabilities and Other Credits</b>				
<b>Line No.</b>	<b>Title of Account (a)</b>	<b>Balance Beginning of Year (b)</b>	<b>Balance End of Year (c)</b>	<b>Increase or (Decrease) (d)</b>
1	<b>PROPRIETARY CAPITAL</b>			
2	<b>CAPITAL STOCK</b>			
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	<b>SURPLUS</b>			
9	Other Paid-In Capital (208-211) P.30	(158,990,562)	(158,990,562)	-
10	Earned Surplus (215,216) P.12	113,896,669	83,814,356	(30,082,313)
11	Other Comprehensive Income	-	-	-
12	Total	(45,093,893)	(75,176,206)	(30,082,313)
13	Total Proprietary Capital	374,335,352	344,253,039	(30,082,313)
14	<b>LONG-TERM DEBT</b>			
15	Bonds (221) P.31	275,000,000	275,000,000	-
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	275,000,000	275,000,000	-
19	<b>CURRENT AND ACCRUED LIABILITIES</b>			
	Capitalized Lease Obligation			
20	Notes Payable (231) P.32	-	-	-
21	Accounts Payable (232)	16,680,595	23,964,832	7,284,237
22	Payables to Associated Companies (233,234) P.32	62,258,869	169,640,326	107,381,457
23	Customer Deposits (235)	935,144	625,147	(309,997)
24	Taxes Accrued (236)	(8,097,888)	13,626	8,111,514
25	Interest Accrued (237)	4,804,617	3,592,409	(1,212,208)
26	Dividends Declared (238)	-	-	-
27	Matured Long-Term Debt (239)	-	-	-
	Matured Interest (240)	-	-	-
28	Tax Collections Payable (241)	255,798	291,583	35,785
29	Misc. Current & Accrued Liab. (242) P.33	6,471,947	7,351,377	879,430
30	Total Current & Accrued Liability	83,309,082	205,479,300	122,170,218
31	<b>DEFERRED CREDITS</b>			
32	Unamortized Premium on Debt (251) P.26	-	-	-
33	Customer Advances for Construction (252)	-	-	-
34	Other Deferred Credits (253) P.33	109,536,735	106,577,997	(2,958,738)
35	Total Deferred Credits	109,536,735	106,577,997	(2,958,738)
36	<b>RESERVES</b>			
37	Reserves for Depreciation (254-256) P.13	324,682,606	336,481,324	11,798,718
38	Reserves for Amortization (257-259) P.13	13,585,784	13,559,798	(25,986)
39	Reserve for Uncollectible Accounts (260)	7,288,349	7,959,954	671,605
40	Operating Reserves (261-265) P.35	40,570,807	22,901,233	(17,669,574)
41	Reserve for Depreciation and Amortization of Nonutility Property (266)	-	-	-
42	Reserve for Deferred Income	-	-	-
	Taxes (267, 268) P.36	187,676,500	194,692,099	7,015,599
43	Total Reserves	573,804,046	575,594,408	1,790,362
44	<b>CONTRIBUTION IN AID OF CONSTRUCTION</b>			
45	Contributions in Aid of Construction (271) P.36	-	12,659,151	12,659,151
46	Total Liabilities and Other Credits	\$ 1,415,985,215	\$ 1,519,563,895	\$ 103,578,680

## STATEMENT OF INCOME FOR THE YEAR

Line No.	Account (a)	Current Year (b)	Prior Year (c)	Increase or (Decrease) from Preceding Year (d)
1	<b>OPERATING INCOME</b>			
2	Operating Revenues (400) P. 37,43	\$ 316,858,054	\$ 275,266,143	\$ 41,591,911
3	Operating Expenses:			
4	Operating Expenses (401) P. 42,47	262,259,925	188,839,753	73,420,172
5	Maintenance Expense (402) P. 42,47	29,699,609	4,170,949	25,528,660
6	Depreciation Expense (403) P. 34	29,982,083	29,798,866	183,217
7	Amortization of Utility Plant (404 and 405)	-	92	(92)
8	Amortization of Investment Credit (406.0)	-	-	-
9	Amortization of Regulatory Expenses (407.3)	12,318,009	12,300,004	18,005
10	Taxes Other Than Income Taxes (408) P. 49	11,313,306	10,038,474	1,274,832
11	Income Taxes (409) P. 49	(10,619,795)	(12,236,338)	1,616,543
12	Provision for Deferred Income Taxes (410) P. 36	2,460,027	20,703,948	(18,243,921)
13	Income Taxes Deferred In Prior Years -- Cr. (411) P. 36	-	-	-
14	Total Operating Expenses	337,413,164	253,615,748	83,797,416
15	Net Operating Revenues	(20,555,110)	21,650,395	(42,205,505)
16	Income from Utility Plant Leased to Others	-	-	-
17	Other Utility Operating Income (414) P. 50	-	-	-
18	Total Utility Operating Income	(20,555,110)	21,650,395	(42,205,505)
19	<b>OTHER INCOME</b>			
20	Income from Mdse. Jobbing & Contract Work (415) P. 51	-	-	-
21	Income from Nonutility Operations (417)	-	-	-
22	Nonoperating Rental Income (418)	-	-	-
23	Interest and Dividend Income (419)	5,832,071	4,959,081	872,990
24	Miscellaneous Nonoperating Income (421)	78,550	87,227	(8,677)
25	Total Other Income	5,910,621	5,046,308	864,313
26	Total Income	(14,644,489)	26,696,703	(41,341,192)
27	<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
28	Miscellaneous Amortization (425)	-	-	-
29	Other Income Deductions (426)	(509,238)	4,109,026	(4,618,264)
30	Total Income Deductions	(509,238)	4,109,026	(4,618,264)
31	Income Before Interest Charges	(14,135,251)	22,587,677	(36,722,928)
32	<b>INTEREST CHARGES</b>			
33	Interest on Long-Term Debt (427) P. 31	12,311,333	8,737,917	3,573,416
34	Amortization of Debt Disc. & Expense (428) P. 26	206,156	147,013	59,143
35	Amortization of Prem. on Debt - - Credit (429) P. 26	-	-	-
36	Int. on Debt to Associated Companies (430) P. 31, 32	1,014,872	933,699	81,173
37	Other Interest Expense (431)	3,830,194	1,873,260	1,956,934
38	Interest Charged to Construction - - Credit (432)	(1,415,493)	(321,357)	(1,094,136)
39	Total Interest Charges	15,947,062	11,370,532	4,576,530
40	Net Income	(30,082,313)	11,217,145	(41,299,458)
41	<b>EARNED SURPLUS</b>			
42	Unappropriated Earned Surplus (at beginning of period) (216)	113,896,669	140,179,524	(26,282,855)
43	Balance Transferred from Income (433)	(30,082,313)	11,217,145	(41,299,458)
44	Miscellaneous Credits to Surplus (434)	-	-	-
45	Miscellaneous Debits to Surplus (435)	-	-	-
46	Appropriations of Surplus (436)	-	-	-
47	Net Additions to Earned Surplus	(30,082,313)	11,217,145	(41,299,458)
48	Dividends Declared - - Preferred Stock (437)	-	-	-
49	Dividends Declared - - Common Stock (438)	-	37,500,000	(37,500,000)
50	Unappropriated Earned Surplus (at end of period) (216)	\$ 83,814,356	\$ 113,896,669	\$ (30,082,313)



**Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018**

## STATEMENT OF INCOME FOR THE YEAR (CONTINUED)

Note:

None

<b>STATEMENT OF EARNED SURPLUS (Accounts 215-216)</b>			
<p>1. Report in this schedule an accounting for changes in appropriated and unappropriated earned surplus for the year.</p> <p>2. Each credit and debit during the year should be identified as to the surplus account in which included (Accounts 433-438) inclusive) and the contra primary account affected shown. Minor items may be grouped by classes, however, the number of items in each group should be shown.</p> <p>3. For each reservation of appropriation of earned surplus state the purpose, amount, and in the case</p>		<p>of reservations, the reserve account credited. Explain in a footnote the basis for determining the amount reserved or appropriated and if such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>4. Dividends should be shown for each class and series of capital stock. Show amounts of dividends per share.</p> <p>5. List credits first; then debits.</p>	
Line No.	Item (a)	Contra Primary Account Affected (b)	(c)
1	<b>UNAPPROPRIATED EARNED SURPLUS (Account 216)</b>		
2	Balance - - Beginning of year		\$ 113,896,669
3	Charges: (identify by prescribed earned surplus accounts)		
4	Transfer from income (loss)		(30,082,313)
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			
19			
20			
21			
22			
23			
24			
25			
26			
27	Balance - - end of year		\$ 83,814,356
28	<b>APPROPRIATED EARNED SURPLUS (Account 215)</b>		
29	State balance and purpose of each appropriated earned surplus amount at end		
30	of year and give accounting entries for any applications of appropriated		
31	earned surplus during year.		
32			
33			
34	NONE		
35			
36			
37			
38			
39			
40			

Annual Report of .....Colonial Gas Co.....Year ended December 31, 2018

**SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION**

Line No.		Total (b)	Electric (c)	Gas (d)	Common (g)
1	<b>UTILITY PLANT</b>				
2	In Service:				
3	101 Plant in Service (Classified)	\$1,023,928,852		\$1,023,928,852	
4	106 Completed Construction not Classified	17,827,480		17,827,480	
5	Total P. 16, 18	1,041,756,332		1,041,756,332	
6	104 Leased to Others			-	
7	105 Held for Future Use	-		-	
8	107 Construction Work in Progress	100,561,778		100,561,778	
9	271 Contribution In Aid Of Construction	\$12,659,151		12,659,151	
9	Total Utility Plant	1,154,977,261		1,154,977,261	
10	<b>DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION</b>				
11	In Service:				
12	254 Depreciation P. 34	336,481,324		336,481,324	
13	257 Amortization	13,559,798		13,559,798	
14	Total, in Service	350,041,122		350,041,122	
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	\$350,041,122		\$350,041,122	

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

## 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	<b>1. INTANGIBLE PLANT</b>						
2	301 Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	303 Miscellaneous Intangible Plant	13,559,798	-	-	-	-	13,559,798
3a	303 Goodwill	54,073,696	-	-	-	-	54,073,696
4	Total Intangible Plant	67,633,494	-	-	-	-	67,633,494
5	<b>2. PRODUCTION PLANT</b>						
6	Manufactured Gas Production Plant	-					-
7	304 Land and Land Rights	683,135	-	-	-	-	683,135
8	305 Structures and Improvements	14,127,647	117,135	-	-	-	14,244,782
9	306 Boiler Plant Equipment	605,282	-	-	-	-	605,282
10	307 Other Power Equipment	4,057,412	626	-	-	-	4,058,038
11	310 Water Gas Generating Equipment	-	-	-	-	-	-
12	311 Liquefied Petroleum Gas Equipment	2,226,146	-	-	-	-	2,226,146
13	312 Oil Gas Generating Equipment	-	-	-	-	-	-
14	313 Generating Equipment - - Other Processes & LNG Equipment	28,970,385	1,601,226	-	-	-	30,571,611
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	6,728,936	-	-	-	-	6,728,936
20	339 PRD Prod-ARO	28,839	-	-	-	-	28,839
21	Total Manufactured Gas Production Plant	57,427,782	1,718,987	-	-	-	59,146,769
22	<b>3. STORAGE PLANT</b>						
23	360 Land and Land Rights	-	-	-	-	-	-
24	361 Structures and Improvements	12,987,257	-	-	-	-	12,987,257
25	362 Gas Holders	725,398	-	-	-	-	725,398
26	363 Other Equipment	87,849	4,227	-	-	-	92,076
27	363.6 Sto-Other Equip ARO	-	-	-	-	-	-
27	Total Storage Plant	\$ 13,800,504	\$ 4,227	\$ -	\$ -	\$ -	\$ 13,804,731

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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	<b>4. TRANSMISSION AND DISTRIBUTION PLANT</b>						
2	365 Land and Land Rights	\$ 184,282	\$ -	\$ -	\$ -	\$ -	\$ 184,282.00
3	365.2 Rights-of-Way	-	-	-	-	-	-
4	366 Structures and Improvements	4,094,113	-	-	-	-	4,094,113
5	367 Mains	498,132,417	31,211,736	(1,529,175)	-	-	527,814,978
6	368 Compressor Station Equipment	-	-	-	-	-	-
7	369 Measuring and Regulating Station Equipment	18,034,736	2,097,173	-	-	-	20,131,909
8	372 T&D-AROs	1,412,094	-	(5,741)	-	-	1,406,353
9	380 Services	251,436,366	8,136,437	(3,245,133)	-	-	256,327,670
10	381 Meters	45,215,170	7,423,865	(7,827,498)	-	-	44,811,537
11	382 Meter Installations	15,978,829	1,918,702	-	-	-	17,897,531
12	383 House Regulators	-	-	-	-	-	-
13	386 Other Property on Cust's Prem	-	-	-	-	-	-
14	387 Other Equipment	1,833,752	2,822,872	-	-	-	4,656,624
15	388 T&D-AROs	64,961	-	-	-	-	64,961
	Total Transmission and Distribution Plant	836,386,720	53,610,785	(12,607,547)	-	-	877,389,958
	<b>5. GENERAL PLANT</b>						
16	389 Land-Land Rights	272,247	46,380	-	-	-	318,627
17	390 Structures and Improvements	14,295,416	444,571	(114,657)	1	-	14,625,331
18	391 Office Furniture and Equipment	1,588,911	458,044	(1,628)	-	-	2,045,327
19	392 Transportation Equipment	337,703	-	-	-	-	337,703
20	393 Stores Equipment	35,576	-	-	-	-	35,576
21	394 Tools, Shop and Garage Equipment	5,457,369	278,318	-	-	-	5,735,687
22	395 Laboratory Equipment	-	-	-	-	-	-
23	396 Power Operated Equipment	-	-	-	-	-	-
24	397 Communication Equipment	75,684	-	(16,448)	-	-	59,236
25	398 Miscellaneous Equipment	588,870	25,721	-	-	-	614,591
26	399 Gen-ARO's	9,302	-	-	-	-	9,302
27	Total General Plant	22,661,078	1,253,034	(132,733)	1	-	23,781,380
28	Total Gas Plant in Service	997,909,578	56,587,033	(12,740,280)	1	-	1,041,756,332
29	104 Utility Plant Leased to Others	-	-	-	-	-	-
	<b>Sub Total</b>						
30	105 Property Held for Future Use	-	-	-	-	-	-
31	107 Construction Work in Progress	53,935,354	46,639,733	-	(13,309)	-	100,561,778
32	271 Contribution In Aid of Construction	-	12,659,151	-	-	-	12,659,151
33	Total Utility Plant - - Gas	\$ 1,051,844,932	\$ 115,885,917	\$ (12,740,280)	\$ (13,308)	\$ -	\$ 1,154,977,261

Note: Completed Construction Not Classified, Acct.

106. shall be classified in this schedule according to prescribed accounts, on an estimated basis if necessary, and the entries included in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (c). Likewise, if the respondent has a significant amount of plant retirements which

have not been classified to primary accounts at the end of the year, a tentative distribution of such retirements, on an estimated basis with appropriate contra entry to the Depreciation Reserve Account, shall be included in column (d). Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach an insert page showing the

account distributions of these tentative classifications in column (c) and (d) including the reversals of the prior years tentative account distributions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>NONUTILITY PROPERTY (Account 121)</b>					
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	<b>NONE</b>				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43		<b>TOTALS</b>	\$0	\$0	\$0

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44	TOTAL	\$ 3,740

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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

**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	<b>NONE</b>	
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
		<b>TOTAL</b>



## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**NOTES RECEIVABLE (Account 141)**

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

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					
2					
3					
4					
5					
6					
7					
8	NONE				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18				TOTAL	

**ACCOUNTS RECEIVABLE (Accounts 142, 143)**

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

Line No.	Description (a)	Amount End of Year (b)
19	Customers Accounts Receivable (Account 142)	\$ 40,503,714
20		
21	Other Accounts Receivable (Account 143)	
22	Gas Sale for Resale	1,446,772
23	ESCO Billing	1,440,491
24	Derivative Settlement Receivable	832,900
25	Other Receivables	(846)
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	\$ 44,223,031

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)**

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. Report particulars of notes and accounts receivable from associated companies at end of year.</li> <li>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.</li> <li>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.</li> </ol> | <ol style="list-style-type: none"> <li>4. If any note was received in satisfaction of open account, state the period covered by such.</li> <li>5. Include in column (d) interest recorded as income during the year, including interest on accounts and notes held any time during the year.</li> <li>6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.</li> </ol> |
|---|--|

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	\$ 4,348,353		
3	National Grid USA Parent	2,422,583		
4	Boston Gas Company	3,541,994		
5	Transgas Inc	4,343,205		
6	Other Associated Companies	452,292		
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36	TOTALS	\$ 15,108,427		

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

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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		14,029,638
3	Residuals (Account 153)		-
4	Plant Materials and Operating Supplies (Account 154)		348,695
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		\$ 14,378,333

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)</b>						
(Except Nuclear Materials)						
1. Report below the information called for concerning production fuel and oil stocks. 2. Show quantities in tons of 2,000 lbs., gal., or Mcf., whichever unit of quantity is applicable. 3. Each kind of coal or oil should be shown separately. 4. Show gas and electric fuels separately by specific use.						
Line No.	Item (a)	Total Cost (b)	Kinds of Fuel and Oil			
			PROPANE		LIGHT OIL	
			Quantity (c)	Cost (d)	Quantity (e)	Cost (f)
1	On Hand Beginning of Year	<b>NONE</b>				
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 of .....Colonial Gas Company.....Year ended December 31, 2018

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	06/15/92	07/01/22	\$ 98,396	\$ -	\$ 21,859	\$ 76,537
3	MTA-1	10,000,000	348,671	10/12/95	10/14/25	90,117	-	11,566	78,551
4	MTA-2	10,000,000	1,761,058	12/05/95	12/15/25	466,361	-	58,576	407,785
5	MTA-3	10,000,000	1,176,422	02/05/96	02/05/26	316,665	-	39,075	277,590
6	MTB-1	20,000,000	345,500	02/15/98	04/07/28	80,694	-	7,854	72,840
7									
8	Unsecured note								
9	Series A	25,000,000	59,897	03/15/12	03/15/22	48,941	-	2,021	46,920
10	Series B	25,000,000	179,690	03/15/12	03/15/42	146,833	-	6,062	140,771
11	3.13% Senior Unsecured notes due 2027	150,000,000	477,857	10/05/17	10/05/27	477,857	-	59,143	418,714
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27		\$ 275,000,000	\$ 5,005,018			\$ 1,725,864	\$ -	\$ 206,156	\$ 1,519,708

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>EXTRAORDINARY PROPERTY LOSSES (Account 182)</b>						
1. Report below particulars concerning the accounting for extraordinary property losses.						
2. In column (a) describe the property abandoned for extraordinary loss suffered, date of abandonment or loss, date of Department authorization of use of Account 182, and period over which amortization is being made.						
Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Written Off During Year			Balance End of Year (f)
			Previously Written off (c)	Account Charged (d)	Amount (e)	
1	<b>None</b>					
2						
3						
4						
5						
6						
7						
8						
9						
10		TOTALS				
<b>MISCELLANEOUS DEFERRED DEBITS (Account 186)</b>						
1. Report below the particulars called for concerning miscellaneous deferred debits.						
2. For any deferred debit being amortized show period of amortization.						
3. Minor items may be grouped by classes, showing number of such items.						
Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
11	Regulatory Asset - Environmental Response Costs	\$ 5,027,484	\$ 516,496	265	\$ 639,745	\$ 4,904,235
12	Regulatory Asset - Postretirement Benefits	9,783,981	5,783,378	263,926	11,312,433	4,254,926
13	Regulatory Asset - Derivative Instruments	4,084,307	7,706,708	242, 253	10,725,293	1,065,722
14	Regulatory Asset - Asset Retirement Obligation	1,255,546	169,356	253	68,081	1,356,821
15	Regulatory Asset - Rate Case Expenses [a]	82,516	243,902	928	11,658	314,760
16	Regulatory Asset - Capital Tracker	-	14,779,320	495, 419	13,986,590	792,730
17	Regulatory Asset - Hardship Protected A/R Recovery [b]	-	2,697,711	495	134,886	2,562,825
18	Regulatory Asset - Hardship Protected A/R Recovery- Current Bal.	-	22,770,636	495	21,623,557	1,147,079
19	Regulatory Asset - Gas Business Enablement	-	1,689,085	495	-	1,689,085
20	Regulatory Asset - Farm Discount [c]	-	465,840	407.2, 495	18,005	447,835
21	Regulatory Asset - FAS 109 Taxes	7,779,610	878,207	268	8,657,817	-
22	Regulatory Asset - Merger Savings [d]	177,666,667	4,100,004	407, 419	12,300,004	169,466,667
23	Deferred Income Tax	84,489,207	237,111,087	253, 282, 283, 409	230,788,245	90,812,049
24	Derivative Instruments	26,752	1,770,209	253	1,132,138	664,823
25	Miscellaneous Deferred Debits	22,470	27,428,768	Various	27,451,694	(456)
26						
27	[a] - Amortized over 7 yrs.					
28	[b] - Amortized over 5 yrs.					
29	[c] - Amortized over 5 yrs.; includes balance being amortized as well as current period deferrals					
30	[d] - Amortized over 30 yrs.					
31						
32						
33	TOTALS	\$ 290,218,540	\$ 328,110,707		\$ 338,850,146	\$ 279,479,101

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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 of .....Colonial Gas Company.....Year ended December 31, 2018**

**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	\$ 100.00	\$ 419,429,145
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTALS	100		\$100	100	\$100	\$419,429,145

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



Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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.

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.

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

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.

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

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 2018	\$ (5,781,655)
5	Other Paid In Capital (211) - no change during 2018	(153,208,907)
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37	<b>TOTAL</b>	<b>\$ (158,990,562)</b>

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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	06/15/92	07/01/22	\$ 25,000,000	\$ 25,000,000	8.800%	J - D	\$ 2,200,000	\$ 3,300,000
3	MTA-1	10/12/95	10/14/25	10,000,000	10,000,000	Note 1 , 3	A - O	706,667	738,000
4	MTA-2	12/05/95	12/15/25	10,000,000	10,000,000	Note 2 , 3	F - A	662,666	690,000
5	MTA-3	02/05/96	02/05/26	10,000,000	10,000,000	6.940%	F - A	694,000	694,000
6	MTB-1	02/15/98	04/07/28	20,000,000	20,000,000	Note 3 , 4	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	3.13% Senior Unsecured notes due 2027	10/05/17	10/05/27	150,000,000	150,000,000	3.130%	O - A	4,695,000	4,695,000
12									
13									
14									
15									
16									
17									
18	Note 1: For the period 10/12/95 through 10/14/05, the Rate Per Cent is 6.44%. For the period 10/15/05 through 10/14/25 the Rate Per Cent will be 7.38%.								
19	Note 2: For the period 12/15/95 through 12/14/05, the Rate Per Cent is 6.08%. For the period 12/15/05 through 12/15/25 the Rate Per Cent will be 6.90%.								
20	Note 3: These issues of bonds can be redeemed by the holder within a 30 day period at the end of ten years .								
21	Note 4: For the period 4/7/98 through 4/6/08, the Rate Per Cent is 6.34%. For the period 4/7/08 through 4/7/28 the Rate Per Cent will be 7.12%.								
22									
23									
24									
25									
26									
27	TOTALS			\$ 275,000,000	\$ 275,000,000			\$ 12,311,333	\$ 13,522,000

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. #.

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

<b>PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)</b>				
Report particulars of notes and accounts payable to associated companies at end of year.				
Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
14	Payable to intercompany Regulated Money Pool*	\$ 137,239,089	2.22%	\$ 1,014,872
15	Accounts Payable to Associated Companies:**			
16	National Grid USA	25,411,573		
17	NGUSA Service Company	5,112,282		
18	Boston Gas Company	427,142		
19	Other associated companies	1,450,240		
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38	TOTALS	\$ 169,640,326		\$ 1,014,872

\* The average rate on intercompany borrowings from the Regulated Money Pool was 2.22% during 2018.

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

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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 Incentive Compensation	\$ 343,352
4	Accrued Miscellaneous	193,589
5	Non-Utility Billing Overpayment	1,505,687
6	Accrued Regulatory Commission	237,263
7	Accrued Benefits	427,634
8	Accrued Vacation	1,713,737
9	Accrued Payroll	610,790
10	Derivative Instruments	1,091,333
11	Restitution Fund	359,047
12	Asset Retirement Obligation	101,832
13	Environmental Reserve	767,113
14	TOTAL	7,351,377

**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)		
15	Reg Liability - FAS 109 Taxes	\$ 82,779,014	268, 186, 410	\$ 9,033,428	\$ 2,843,846	\$ 76,589,432
16	Reg Liability - Derivative Instruments	26,752	186	2,629,861	2,603,109	-
17	Reg Liability - Profit Sharing	6,620,148	495, 431	26,843,389	27,122,940	6,899,699
18	Reg Liability - Revenue Decoupling Mechanism	8,553,841	495, 431	117,288,343	117,901,022	9,166,520
19	Reg Liability - Deferred Equity Return on Capital Trackers	7,263,893	426	83,244,838	82,526,174	6,545,229
20	Reg Liability - Hardship Recoveries Refundable	-	495	875,703	1,489,217	613,514
21	Reg Liability - Excess Tax Reserve	-	495, 431	55,872	1,761,489	1,705,617
22	Asset Retirement Obligation	2,165,108	186	1,408,816	1,384,120	2,140,412
23	Derivative Instruments	1,293,557	186	4,372,847	3,718,503	639,213
24	Deferred Postemployment Benefits	26,374	926	81,074	93,512	38,812
25	Deferred Sales Tax	420,948	408	317,543	134,755	238,160
26	Deferred Sales Tax Interest	103,979	431	110,583	41,425	34,821
27	FIN48 Tax Reserves	-	409, 431	5,948,713	7,915,281	1,966,568
28	Miscellaneous Deferred Credit	283,121	Various	371,453	88,332	-
29						
30						
31						
32						
33						
34						
	TOTALS	\$ 109,536,735		\$ 252,582,463	\$ 249,623,725	\$ 106,577,997

Check

-

-

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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		\$ 324,682,606	\$ 324,682,606
2	Credits to Depreciation Reserve during year:			
3	Account 403 Depreciation		29,982,083	29,982,083
4	Other Accounts (Rental Equipment)			
5				
6	TOTAL CREDITS DURING YEAR		29,982,083	29,982,083
7	Net Charges for Plant Retired:			
8	Book Cost of Plant Retired		12,740,280	12,740,280
9	Cost of Removal		7,671,134	7,671,134
10	Salvage (Credit)		-	-
11	Other Adjustment Entries		(2,228,049)	(2,228,049)
12				
13	NET CHARGES DURING YEAR		18,183,365	18,183,365
14	Balance December 31		\$ 336,481,324	\$ 336,481,324

**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	29,982,083
16	The Composite Depreciation Rate as a Percentage of the Average Depreciable	2.94%
17	Depreciation taken for Federal Income Tax purposes	14,354,690
18		
19		
20		

34a

**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	Common Stock				-		
22							
23							
24							
25							
26							
27							
28							
29							
30		TOTALS	\$ -			-	
Dividend rates on Common Stock and Premium					-		
Dividend rates on Common Stock, Premium and Surplus					-		

**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	\$ 198,307	\$ 214,594	\$ 192,540	925, 131, 253	\$ 220,361
4	Injuries&Damages Reserve (includes Gen, Auto and OCIP)	213,212	215,768	363,979	131	65,001
5	Incurred but not reported (IBNR)	2,243,125	178,060		925	2,421,185
6						
7						
8	Account 263:					
9						
10	Pensions	32,343,032	4,920,011	22,089,259	926, 131	15,173,784
11	Other Post Employment Benefits Reserve	(2,256,839)	6,396,218	6,242,272	926, 131	(2,102,893)
12						
13						
14						
15						
16	Account 265:					
17	Environmental Reserve	7,829,970	268,867	975,042	926, 131	7,123,795
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	\$ 40,570,807	\$ 12,193,518	\$ 29,863,092		\$ 22,901,233

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

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

2. In the space provided furnish significant explanations, including the following:

(a) Accelerated Amortization - - State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax amounts.

(b) Liberalized Depreciation - - State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated useful lives and classes of plant to which each method is being applied. Furnish a table showing for each year, 1954 to date of this report, the annual amounts of tax deferral, the total debits thereto which have been accounted for as credits to Acct. 411, Federal Income Taxes Deferred in Prior Years - - Credit or comparable account of the previous system of accounts.

Line No.	Account Subdivisions (a)	Balance Beginning of Year (b)	Changes During Year		Balance End of Year (e)
			Amts. Debited Account 410 (1) (c)	Amts. Credited Account 411 (2) (d)	
1	Accelerated Amortization	\$ -	\$ -	\$ -	\$ -
2	(Account 267)				
3	Electric				
4	Gas				
5	Other (Specify)				
6	Totals	-	-	-	-
7					
8	Liberalized Depreciation				
9	(Account 268)				
10	Electric				
11	Gas	145,938,229	4,828,199		150,766,428
12	Trueup and Other				
13	Totals	145,938,229	4,828,199	-	150,766,428
14					
15	Total (Accounts 267, 268)				
16	Electric				
17	Gas	145,938,229	4,828,199		150,766,428
18	Trueup and Other				
19	Totals	\$ 145,938,229	\$ 4,828,199	\$ -	\$ 150,766,428
20					
21	(1) Account 410, Provision for Deferred Federal Income Taxes				
22	(2) Account 411, Federal Income Taxes Deferred in Prior Years - - Credit				
22	Note: The table above does not include the property and other taxes.				

**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	\$ -	-	\$ -	\$ 12,659,151	\$ 12,659,151
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	TOTALS	\$ -	-	\$ -	\$ 12,659,151	\$ 12,659,151

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>GAS OPERATING REVENUES (Account 400)</b>											
1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.		counted for each group of meters so added. 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.				
2. If increases and decreases are not derived from previously reported figures explain any inconsistencies.							5 Classification of Commercial and Industrial Sales, Acct. 481, according to Small (or Commercial) and Large (or Industrial) may be according to the basis of classification regularly used by the respondent.				
3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be											
Line No	Account (a)	Operating Revenues			DTH		Average No. of Cust. Per Month				
		Amount for Year (b)	Prior Year	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Prior Year	Increase or (Decrease) from Preceding Year (e)	Number for Year (f)	Prior Year	Increase or (Decrease) from Preceding Year (g)	
1	<b>SALES OF GAS</b>										
2	480 Residential Sales	\$ 236,321,071	\$ 188,395,689	\$ 47,925,382	15,888,488	14,360,758	1,527,729	189,508	188,778	730	
3	481 Commercial and Industrial Sales:	-	-	-	-	-	-	-	-	-	
4	Small (or Commercial) see instr. 5	42,909,448	32,155,061	10,754,387	4,572,383	3,126,583	1,445,800	17,712	17,399	313	
5	Large (or Industrial) see instr. 5	18,343,883	13,462,027	4,881,856	737,392	1,659,474	(922,082)	70	362	(292)	
6	481 Other Sales to Public Authorities	23,000	18,162	4,838	1,260	1,275	(15)	-	-	-	
7	481 Lost Margin	-	-	-	-	-	-	-	-	-	
8	481 Quasi-Firm Sales	-	-	-	-	-	-	-	-	-	
9	485 Miscellaneous Gas Sales	-	-	-	-	-	-	-	-	-	
10	Total Sales to Ultimate Consumers	297,597,402	234,030,939	63,566,463	21,199,523	19,148,090	2,051,432	207,290	206,539	751	
11	483 Sales for Resale	17,365,544	20,588,839	(3,223,295)	5,076,214	7,375,624	(2,299,410)	-	-	-	
12	Total Sales of Gas	314,962,946	254,619,778	60,343,168	26,275,736	26,523,714	(247,978)	207,290	206,539	751	
13	<b>OTHER OPERATING REVENUES</b>										
14	487 Adjustments	-	-	-	-	-	-	-	-	-	
15	488 Miscellaneous Service Revenues	8,090	(194,925)	203,015							
16	489 Revenues from Trans. of Gas of Others	23,081,211	20,395,790	2,685,421							
17	490 Sales of Products Extracted from Natural Gas	-	-	-							
18	491 Rev. from Natural Gas Processed by Others	-	-	-							
19	493 Rent from Gas Property	-	78,590	(78,590)							
20	494 Interdepartmental Rents	-	-	-							
21	495 Other Gas Revenues	(21,194,193)	366,910	(21,561,103)							
22	Total Other Operating Revenues	1,895,108	20,646,365	(18,751,257)							
23	Total Gas Operation Revenues	\$ 316,858,054	\$ 275,266,143	\$ 41,591,911							



Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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 No-Heat	98,007	\$ 2,208,843	\$ 22.5377	6,769	6,639
3	480	R-2 Residential SSI Non Heat	7,168	115,829	16.1601	252	247
4	480	R-31 Residential Heat	14,623,676	220,825,747	15.1006	172,267	172,940
5	480	R-32 Residential SSI Heat	1,159,637	13,170,653	11.3576	9,943	9,682
6	480	R-5 Residential -Non Heat	-	-	-	-	-
7	481	G-17 Unmetered Gas Lamps	1,260	23,000	18.2539	-	-
8	481	G-41 Commercial Low Load - Small	2,715,574	34,753,092	12.7977	14,778	15,074
9	481	G-42 Commercial Low Load - Medium	868,290	9,491,524	10.9313	276	284
10	481	G-43 Commercial Low Load - Large	412,974	4,033,704	9.7674	26	61
11	481	G-51 Commercial High Load - Small	774,120	8,240,366	10.6448	2,583	2,296
12	481	G-52 Commercial High Load - Medium	214,399	2,071,503	9.6619	64	58
13	481	G-53 Commercial High Load - Large	324,418	2,747,152	8.4679	11	9
14	481	Lost Margin			-		
15	481	Interruptibles	-	-	-	-	-
16	481						
17		G-27 CNG Fuel					
18	481	G-90 Special Contracts (Broker Sales)	-	(84,011)			
19	TOTAL SALES TO ULTIMATE						
20	CONSUMERS (Page 43 line 10)		21,199,523	\$ 297,597,402	\$ 14.0379	206,969	207,290

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

## 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 DTH (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.	762,879	\$ 4,191,507	\$ 5.4943	1,590	1,644
5		G-42 Low-Load Firm Transp.	1,222,765	5,027,127	4.1113	289	307
6		G-43 Low-Load Firm Transp.	676,040	2,101,721	3.1089	61	30
7		G-31 Res Heating Transp	340,459	2,580,701	7.5801	3,701	4,233
8		G-46 Small Load Transp.	-	-	-	-	-
9		G-47 Medium Load Transp.	-	-	-	-	-
10		G-48 Large Load Transp.	-	-	-	-	-
11		G-51 High-Load Firm Transp.	341,669	1,617,002	4.7327	526	496
12		G-52 High-Load Firm Transp.	448,688	1,676,252	3.7359	111	116
13		G-53 High-Load Firm Transp.	1,728,026	4,418,038	2.5567	53	53
14		G-56 Firm Small Load Transp.	-	-	-	-	-
15		G-57 Firm Medium Load Transp.	-	-	-	-	-
16		G-58 Firm Large Load Transp.	-	-	-	-	-
17		G-61 Firm Small Load Transp.	-	-	-	-	-
18		G-81 Low-Load Contract Transp.	-	(3,293)	-	-	-
19		G-82 High-Load Contract Transp.	883,362	1,431,126	1.6201	11	11
20		R-1 Residential Non-Heat	3,025	41,030	13.5623	126	148
21		Interruptible	-	-	-	-	-
22		Broker Fee	-	-	-	-	-
23		R-5 Transport Res Seasonal					
24		<b>Total Revenues from Transportation</b>					
25		<b>of Gas for Others (Page 43, Line 16)</b>	6,406,913	\$ 23,081,211	\$ 3.6025	6,468	7,038

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**GAS OPERATION AND MAINTENANCE EXPENSES**

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

Line No.	Account (a)	Amount for Year (b)	Prior Year amount	Increase/(Decrease) from Preceding Year (c)
1	<b>PRODUCTION EXPENSE</b>			
2	<b>MANUFACTURED GAS PRODUCTION EXPENSES</b>			
3	<b>STEAM PRODUCTION</b>			
4	Operation:			
5	700 Operation supervision and engineering	\$ -	\$ -	\$ -
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	<b>MANUFACTURED GAS PRODUCTION</b>			
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	-	1,254,805	(1,254,805)
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	-	1,254,805	(1,254,805)
45	Maintenance:			
46	740 Maintenance supervision and engineering	-	-	-
47	741 Maintenance of structures and improvements	-	-	-
48	742 Maintenance of production equipment	-	2,405	(2,405)
49	Total maintenance	-	2,405	(2,405)
50	Total manufactured gas production	\$ -	\$ 1,257,210	\$ (1,257,210)

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>GAS OPERATION AND MAINTENANCE EXPENSES - - Continued</b>				
Line No.	Account (a)	Amount for Year (b)	Prior year amount	Increase/(Decrease) From Preceding Year (c)
1	<b>OTHER GAS SUPPLY EXPENSES</b>			
2	Operation:			
3	804 Natural gas city gate purchases	\$ 147,217,758	\$ 113,349,980	\$ 33,867,778
4	805 Other gas purchases	-	-	-
5	808.10 Liquified natural gas	9,151,664	8,888,518	263,146
6	808-20 Deferred cost of gas	(13,361,904)	(9,940,401)	(3,421,503)
7	812 Gas used for other utility operations - - Cr	-	-	-
8	813 Other gas supply expenses	-	-	-
9	814 Environmental Costs	-	-	-
10	815 Conservation & Load Management Expense	-	-	-
11				
12		143,007,518	112,298,097	30,709,421
13	Total production expenses	143,007,518	113,555,307	29,452,211
14	<b>LOCAL STORAGE EXPENSES</b>			
15	Operation:			
16	840 Operation supervision and engineering	-	-	-
17	841 Operation labor and expenses	747,204	1,160,844	(413,640)
18	842 Rents	-	-	-
19	Total operation	747,204	1,160,844	(413,640)
20	Maintenance:			
21	843-60 Maintenance supervision and engineering	-	-	-
22	844 Maintenance of structures and improvements	45,012	-	45,012
23	845 Maintenance of gas holders	-	-	-
24	846 Maintenance of other equipment	-	-	-
	847 Maintenance Supervision and Engineering	21,572	-	21,572
25	849 Joint Expenses-Credit	(5,002,088)	(6,289,338)	1,287,250
26	Total maintenance	(4,935,504)	(6,289,338)	1,353,834
27	Total storage expenses	(4,188,300)	(5,128,494)	940,194
28	<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>			
29	Operation:			
30	850 Operation supervision and engineering	975,933	1,891,703	(915,770)
31	851 System control and load dispatching	-	-	-
32	852 Communication system expenses	-	-	-
33	853 Compressor station labor and expenses	-	-	-
34	855 Fuel and power for compressor stations	-	-	-
35	857 Measuring and regulating station expenses	153,959	534,620	(380,661)
36	858 Transmission and compression of gas by others	-	-	-
37	860 Transmission Rents	-	-	-
38	874 Mains and services expenses	11,380,468	4,560,677	6,819,791
39	876 Measuring/Reg Station Exp-Industrial	4,223	-	4,223
40	878 Meter and house regulator expenses	22,355	1,940,827	(1,918,472)
41	879 Customer installations expenses	323,573	506,022	(182,449)
42	880 Other expenses	38,267,397	1,676,057	36,591,340
43	881 Rents	-	-	-
44	882 Transportation expense	-	-	-
45	Total operation	51,127,908	11,109,906	40,018,002
46	Maintenance:			
47	885 Maintenance supervision and engineering	485,867	581,520	(95,653)
48	886 Maintenance of structures and improvements	-	-	-
49	887 Maintenance of mains	26,543,767	1,805,402	24,738,365
50	888 Maintenance of compressor station equipment	-	-	-
51	889 Maintenance of measuring and regulating station equipment	1,367,715	546,828	820,887
52	892 Maintenance of services	3,357,672	3,996,392	(638,720)
53	893 Maintenance of meters and house regulators	2,873,224	3,139,956	(266,732)
54	894 Maintenance of other equipment	-	381,400	(381,400)
54	Total maintenance	34,628,245	10,451,498	24,176,747
55	Total transmission and distribution expenses	\$ 85,756,153	\$ 21,561,404	\$ 64,194,749

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

<b>GAS OPERATION AND MAINTENANCE EXPENSES - - Continued</b>				
Line No.	Account (a)	Amount for Year (b)	Prior Year Amount	Increase/(Decrease) from Preceding Year (c)
<b>CUSTOMER ACCOUNTS EXPENSES</b>				
1	Operation:			
2	901 Supervision	\$ 208,516	\$ 182,452	\$ 26,064
3	902 Meter reading expenses	751,547	1,020,567	(269,020)
4	903 Customer records and collection expenses	3,474,577	3,781,815	(307,238)
5	904 Uncollectible accounts	5,041,220	4,068,006	973,214
6	905 Miscellaneous customer accounts expenses	29,514,927	25,119,901	4,395,026
7	Total customer accounts expenses	38,990,787	34,172,741	4,818,046
<b>SALES EXPENSES</b>				
9	Operation:			
10	911 Supervision	-	-	-
11	912 Demonstrating and selling expenses	408,617	511,556	(102,939)
12	913 Advertising expenses	88,069	907,885	(819,816)
13	916 Miscellaneous sales expenses	-	-	-
14	Total sales expenses	496,686	1,419,441	(922,755)
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>				
16	Operation:			
17	920 Administrative and general salaries	6,136,057	6,394,896	(258,839)
18	921 Office supplies and expenses	4,251,569	4,963,087	(711,518)
19	922 Administrative expenses transferred - - Cr	(2,270,654)	-	(2,270,654)
20	923 Outside services employed	1,366,392	2,571,178	(1,204,786)
21	924 Property Insurance	160,007	182,903	(22,896)
22	925 Injuries and damages	829,406	(2,329,457)	3,158,863
23	926 Employees pensions and benefits	12,833,260	10,398,855	2,434,405
24	927 Franchise Requirements	-	-	-
25	928 Regulatory commission expenses	590,353	617,418	(27,065)
26	929 Duplicate charges - - Cr	-	-	-
27	930 Miscellaneous general expenses	(232,748)	862,980	(1,095,728)
28	931 Rents	4,226,180	3,762,059	464,121
29	Total operation	27,889,822	27,423,919	465,903
30	Maintenance:			
31	932 Maintenance of general plant	6,868	6,384	484
32	Total administrative and general expenses	27,896,690	27,430,303	466,387
33	Total gas operation and maintenance expenses	\$ 291,959,534	\$ 193,010,702	\$ 98,948,832
<b>SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
34	Steam production			
35	Manufactured gas production	\$ -	\$ -	\$ -
36	Other gas supply expenses	143,007,518	-	143,007,518
37	Total production expenses	143,007,518	-	143,007,518
38	Local storage expenses	747,204	(4,935,504)	(4,188,300)
39	Transmission and distribution expenses	51,127,908	34,628,245	85,756,153
40	Customer accounts expenses	38,990,787	-	38,990,787
41	Sales expenses	496,686	-	496,686
42	Administrative and general expenses	27,889,822	6,868	27,896,690
43	Total gas operation and maint. expenses.	\$ 262,259,925	\$ 29,699,609	\$ 291,959,534
44	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g. : 0.00%)			<u>105.49%</u>
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			\$ 37,075,389
50	Total number of employees of gas department at end of year, including administrative,			
51	operating, maintenance, construction and other employees - National Grid Massachusetts.			92

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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	5,076,214	\$ 3.42	\$ 17,365,544
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	TOTALS		5,076,214	\$ 3.42	\$ 17,365,544

**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					
14					
15					
16		SEE PAGES 48a & 48b			
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							
17							
18							
19				NONE			
20							
21							
22							
23	TOTALS						

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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	<b>Algonquin Gas Transmission</b>	Metered at Everett,			
2		Weston, Waltham,			
3		Braintree, Norwood,			
4		Wellesley, Milton,			
5		Waltham Polaroid, Mansfield,			
6		Medford & Potter Street			
7	Transportation and Capacity Costs				16,758,771
8	Other Charges				-
9	TOTAL ALGONQUIN		-	\$	16,758,771
10	<b>Tennessee Gas Pipeline</b>	Metered at Leominster,			
11		Clinton, Southbridge,			
12		Spencer, Lynn, Acton,			
13		Lynnfield, Arlington,			
14		Burlington, Lexington,			
15		Reading, Revere, West			
16	Peabody, Beverly/Salem,				
17	& Gloucester				
18					
19	Transportation and Capacity Costs				15,238,666
20	Other Charges				-
21	TOTAL TENNESSEE		-	\$	15,238,666
22	<b>Texas Eastern</b>				
23	Transportation and Capacity Costs				6,546,260
24	Other Charges				-
25	TOTAL TEXAS EASTERN		-	\$	6,546,260
26	<b>Canadian</b>				
27					
28	Commodity Cost		29,390	4.77	140,284
29	Transportation and Capacity Costs				-
30	Other Charges				-
31	TOTAL CANADIAN		29,390	\$	140,284
32					
33	<b>Direct Purchases</b>				
34					
35	Commodity Cost		27,914,621	4.29	119,686,027
36	Transportation and Capacity Costs				2,587,388
37	Other Charges				-
38	TOTAL DIRECT PURCHASES		27,914,621	\$	122,273,415
39					
40					
41					
42					
43					
44					

Annual Report of ....Colonial Gas Company.....Year ended December 31, 2018

	(a)	(b)	(c)	(d)	(e)
	Name of Companies From Which Gas is Purchased	Where Rec'd & Where & How Measured	MCF 1,000 BTU	Rate Per MCF	Amount
1					
2	<b>Distrigas</b>	Metered at Everett			
3	Commodity Cost		-	-	-
4	Capacity Costs				-
5	<b>TOTAL DISTRIGAS</b>				-
6					
7					
8					
9					
10					
11	Total Commodity Cost		27,944,011	4.29	119,826,311
12	Total Transportation & Capacity Costs				41,131,063
13	Total Other Charges				
14					
15	Unbilled Gas Cost				(5,021,319)
16	Total Purchased Gas Cost		27,944,011		155,936,055
17	Marketers and Other				(6,470,827)
18	Net Change in Holder Gas *				(4,210,240)
19	Deferred Cost of Gas 808-20,21,23,29				(2,247,470)
20	<b>Purchased Gas Expense</b>		27,944,011	\$	143,007,518
<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 of .....Colonial Gas Company.....Year ended December 31, 2018

**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	\$ (8,661,325)	\$ -	\$ (8,661,325)				\$ -	
3	Payroll	3,216,793	733,362	2,372,422			111,008		
4	Transportation/Fleet								
5	Excise								
6									
7	State:								
8	Income	(1,958,470)		(1,958,470)					
9	Use	168,711		168,711					
10	Sales and Use tax reserve adjustment								
11	Payroll	165,604	82,802	82,802					
12	Fuel								
13									
14	Local:								
15	Excise								
16	Cities & Towns	8,689,371		8,689,371					
<b>TOTALS</b>		\$ 1,620,684	\$ 816,164	\$ 693,511			\$ 111,008		

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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 of .....Colonial Gas Company.....Year ended December 31, 2018

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

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**RECORD OF SENDOUT FOR THE YEAR IN DKTH**

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	27,944,011	3,582,055	2,879,942	3,052,913	2,128,887	1,367,199
10	Other						
11	TOTAL	27,944,011	3,582,055	2,879,942	3,052,913	2,128,887	1,367,199
12	TOTAL MADE AND						
13	PURCHASED	27,944,011	3,582,055	2,879,942	3,052,913	2,128,887	1,367,199
14	Net Change in Holder						
15	Gas (1)	(6,268,422)	632,822	(141,090)	(75,504)	(135,877)	(688,270)
16	TOTAL SENDOUT	21,675,589	4,214,877	2,738,852	2,977,409	1,993,010	678,929
17	GAS TRANSPORTED	6,004,013	700,549	499,368	638,253	533,441	390,179
18	TOTAL THROUGHPUT	27,679,602	4,915,426	3,238,220	3,615,662	2,526,451	1,069,108
19							
20	Gas Sold *	20,611,868	3,829,978	2,485,851	2,907,974	1,919,012	669,240
21	Gas Used by Company	112,753	20,175	11,066	11,802	13,209	5,888
22	Gas transported *	6,406,913	854,478	790,537	607,539	663,974	479,613
23	Gas Accounted for	27,131,534	4,704,632	3,287,454	3,527,315	2,596,194	1,154,741
24	Gas Unaccounted for (2)	548,068	210,794	(49,234)	88,347	(69,743)	(85,633)
25	% Unaccounted						
26	for (0.00%) (2)	1.98%					
27							
28							
29	<u>Sendout in 24 hours</u>						
30	in DTH						
31	Maximum - DTH		260,574	196,201	156,126	125,159	49,975
32	Maximum - Date		1/6/2018	2/1/2018	3/18/2018	4/15/2018	5/12/2018
33	Minimum - DTH		61,237	62,292	66,595	37,215	25,900
34	Minimum - Date		1/12/2018	2/21/2018	3/29/2018	4/28/2018	5/26/2018
35							
36							
37							
38							
39							
40	(1) Add Decreases in Holder Gas, Deduct Increases.						
41	(2) Includes unbilled gas sales						

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

## 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	1,061,315	2,073,033	2,087,677	1,760,451	1,993,865	2,782,062	3,174,612
10							
11	1,061,315	2,073,033	2,087,677	1,760,451	1,993,865	2,782,062	3,174,612
12							
13	1,061,315	2,073,033	2,087,677	1,760,451	1,993,865	2,782,062	3,174,612
14							
15	(521,317)	(1,512,844)	(1,508,214)	(1,214,842)	(732,294)	(358,043)	(12,949)
16	539,998	560,189	579,463	545,609	1,261,571	2,424,019	3,161,663
17	323,346	298,023	319,081	325,225	524,450	696,544	755,554
18	863,344	858,212	898,544	870,834	1,786,021	3,120,563	3,917,217
19							
20	550,029	405,168	449,344	599,194	1,460,909	2,486,269	2,848,900
21	6,977	4,998	5,846	4,179	7,506	9,006	12,101
22	350,216	314,809	353,015	417,495	343,192	504,964	727,081
23	907,222	724,975	808,206	1,020,867	1,811,607	3,000,239	3,588,082
24	(43,878)	133,237	90,338	(150,033)	(25,586)	120,324	329,135
25							
26							
27							
28							
29							
30							
31	46,455	35,748	35,812	40,232	99,230	198,994	170,806
32	6/4/2018	7/16/2018	8/29/2018	9/24/2018	10/25/2018	11/22/2018	12/8/2018
33	22,395	22,308	21,543	22,578	27,479	37,053	54,079
34	6/30/2018	7/28/2018	8/4/2018	9/2/2018	10/10/2018	11/2/2018	12/21/2018
35							
36							
37							
38							
39							
40							
41							
42							

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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			
8			
9	Cape Cod Division: South Yarmouth, MA	4	40,800
10	Wareham, MA	4	4,300
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36	<b>NOTE (A): Assumes 1,000 BTU per cubic foot.</b>		
37			
38			
39			
40		<b>Total</b>	125,100

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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						
3	School and Rock Sts.		PSIG			AT 212F	
4						100C	
5							
6							
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 of .....Colonial Gas Company.....Year ended December 31, 2018

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

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



## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

## 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	Diameter	Total Length in Feet at Beginning	Added During Year	Taken Up During Year	Abandoned but not Removed During Year	Total Length in Feet at End of Year
No.		of Year	Year	During Year	During Year	of Year
1	<b>CAST IRON</b>					
2	3"	446	-	-		446
3	4"	314,907	-	-		314,907
4	6"	392,606	-	-		392,606
5	8"	14,910	-	-		14,910
6	10"	17,398	-	-		17,398
7	12"	64,690	-	-		64,690
8	14"	-	-	-	-	-
9	16"	9,863	-	-	-	9,863
10	18"	5,136	-	-	-	5,136
11	20"	3,742	-	-	-	3,742
12	24"	2,287	-	-	-	2,287
13	Subtotal	825,985	-	-	-	825,985
14	<b>STEEL OR WROUGHT IRON</b>					
15	3/4"	-	-	-	-	-
16	1"	44,500	-	-	252	44,248
17	1-1/4"	9,702				9,702
18	1-1/2"	86,287				86,287
19	2"	3,696,081			130,973	3,565,108
20	3"	272,646			190	272,456
21	4"	1,326,373			37,054	1,289,319
22	5"	13,169				13,169
23	6"	550,059			2,666	547,393
24	8"	496,144			6,995	489,149
25	10"	145,751				145,751
26	12"	355,865			70	355,795
27	14"	887		-		887
28	16"	1,555		-		1,555
29	18"	5		-		5
30	20"	104		-		104
31	24"	722		-		722
32	Subtotal	6,999,850	-	-	178,200	6,821,650
33	<b>PLASTIC</b>					
34	1/2"	38,855	-	-	-	38,855
35	5/8"	269				269
36	3/4"	10,278				10,278
37	1"	40,903	1,299		33	42,169
38	1-1/4"	31,320				31,320
39	1-1/2"	11,378				11,378
40	2"	8,985,762	169,882		5,071	9,150,573
41	3"	13,180				13,180
42	4"	2,228,134	39,079		406	2,266,807
43	6"	850,849	33,047		137	883,759
44	8"	340,011	24,428			364,439
45	10"	1,870				1,870
46	12"	7,514	2,284			9,798
47	20"	582		-		582
48	Subtotal	12,560,905	270,019	-	5,647	12,825,277
49	Totals	20,386,740	270,019	-	183,847	20,472,912
	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		35	Miles Retired

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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	14,125	22,943	-		37,068
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39	<b>GRAND TOTAL</b>	20,400,199	292,962	-	183,847	20,509,314
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 of .....Colonial Gas Company.....Year ended December 31, 2018

**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	303,696		263,381
2	Additions during year:			
3	Purchased			51,344
4	Installed	(817)		
5	Associated with Plant acquired			
6	Total Additions	(817)		51,344
7	Reductions during year:			
8	Retirements	1,825		47,893
9	Associated with Plant sold	-		-
10	Total Reductions	1,825		47,893
11	Number at End of Year	301,054		266,832
12	In Stock			52,462
13	On Customers' Premises - - Inactive			3,309
14	On Customers' Premises - - Active			211,061
15	In Company Use			-
16	Number at End of Year			266,832
17	Number of Meters Tested by State Inspectors during Year			30,464

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

## Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**RATE SCHEDULE INFORMATION**

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

Date Effective	M.D.T.E. Number	Rate Schedule	Estimated Effect on Annual Revenues 1/	
			Increases	Decreases
Nov 1, 2018	6.4	Residential Non-Heating Rate R-1	13%	
Nov 1, 2018	7.4	Residential Assistance Non-Heating Rate R-2	13%	
Nov 1, 2018	8.4	Residential Heating Rate R-3	4%	
Nov 1, 2018	9.4	Residential Assistance Heating Rate R-4	4%	
Nov 1, 2018	10.4	Commercial/Industrial, Small - Low Load Factor Rate G-41	2%	
Nov 1, 2018	11.4	Commercial/Industrial, Medium - Low Load Factor Rate G-42	6%	
Nov 1, 2018	12.4	Commercial/Industrial, Large - Low Load Factor Rate G-43	15%	
Nov 1, 2018	13.4	Commercial/Industrial, Small - High Load Factor Rate G-51		-11%
Nov 1, 2018	14.4	Commercial/Industrial, Medium - High Load Factor Rate G-52		-8%
Nov 1, 2018	15.4	Commercial/Industrial, Large - High Load Factor Rate G-53	12%	
Total			9%	
Overall Average			4%	

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

**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	\$ 50,764
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	TOTAL	\$ 50,764

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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		\$ 88,069
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42		TOTAL	\$ 88,069

Annual Report of .....Colonial Gas Company.....Year ended December 31, 2018

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		\$ 625,147
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	\$ 625,147
41		

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*[Handwritten signature]*

.....Vice President and NE Controller

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

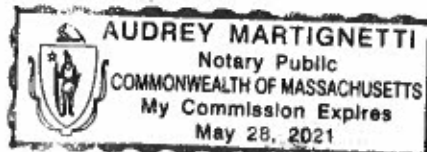
*Middlesex, SS.*  
Kings, New York, SS

March 29, 2019

Then personally appeared..... *CHRISTOPHER McEUSKER* .....

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

.....*Audrey Martignetti*.....Notary Public  
My Commission Expires: *5/28/21*





**Colonial Gas Company**  
**Return on Average Common Equity**  
**For the year ended December 31, 2018**

Net Income Calculation:

1	Utility Operating Income DPU page 10, Line 18	\$ (20,555,110)
2		
3	Less: Allocated Interest(See Below)	(15,947,010)
4		
5		
6	Net Utility Income Available for Common Shareholders	<u>\$ (36,502,120)</u>
7		

Calculation of Allocated Interest:

11		
12	Interest + Preferred Dividends - DPU page 10, Lines 39 and 48	<u>\$ 15,947,062</u>
13		
14	Utility Plant--DPU page 8, Line 2	\$ 1,154,977,261
15	Other Property & Investments - DPU page 8, Line 8	3,740
16	Total	<u>\$ 1,154,981,001</u>
17		
18	Utility % (% of Line 14 to Line 16)	<u>100%</u>
19		
20	Allocated Interest(Line 18 above times Line 12)	<u>\$ 15,947,010</u>
21		

Total Utility Common Equity:

25		
26		
27	Proprietary Capital - DPU page 9,Line 13	\$ 344,253,039
28		
29	Less preferred: DPU Page 9, Line 4	-
30		
31	Less: Unamortized Acquisition Premium	(102,993,367)
32		
33	Less: Goodwill DPU Page 17, Line 3a	(54,073,696)
34		
35	Long Term Debt - DPU Page 9, Line 18	275,000,000
36	Capitalization	<u>\$ 462,185,976</u>
37		
38		
39	50%/50% Capital Structure DPU 10-55	50%
40	Hypothetical Total Equity, December 31, 2018	<u>\$ 231,092,988</u>
41		

47		
48	Ending Hypothetical Utility Common Equity Multiplied by Utility %	\$ 231,092,240
49		
50	Beginning Hypothetical Utility Common Equity Multiplied by Utility %	<u>243,641,503</u>
51		
52	Total	<u>\$ 474,733,743</u>
53		
54	<b>Average Hypothetical Common Equity</b>	<u><b>\$ 237,366,871</b></u>
55		

56		
57	<b>NET UTILITY INCOME DIVIDED BY AVERAGE HYPOTHETICAL EQUITY</b>	<u><b>-15.38%</b></u>