



# Liberty Utilities

March 30, 2018

Kevin Brannelly, Director, Rates and Revenues Division  
Department of Public Utilities  
One South Station, 5<sup>th</sup> Floor  
Boston, MA 02110

Re: Liberty Utilities 2018 Annual Return

Dear Director Brannelly:

On behalf of Liberty Utilities (New England Natural Gas Company) Corp. d/b/a Liberty Utilities ("Liberty" or the "Company"), please find the Company's annual return for its Fall River and North Attleboro service areas for the twelve-month period ending December 31, 2017.

These filings are consistent with the consolidation of the Company's rates and operations as reviewed and approved in New England Gas Company, D.P.U. 08-35 (2009), and with the purchase and sale of the former New England Gas Company assets to Liberty Utilities Co., as reviewed and approved by the Department in New England Gas Company, D.P.U. 13-07 (2014).

Should you have any questions regarding this filing, please do not hesitate to contact me directly.

Very truly yours,

Ronald John Ritchie, Esq.

Enclosures

cc: Vincent P. Duffy, Liberty

Commonwealth of Massachusetts  
Department of Public Utilities  
One South Street  
Boston, MA 02110

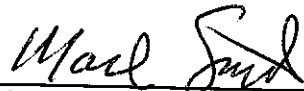
STATEMENT OF OPERATING REVENUES

YEAR 2017

Name of Company LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS COMPANY) CORP.  
D/B/A LIBERTY UTILITIES  
Address 36 Fifth St.  
Fall River, MA 02721

		Location on Annual Return
Massachusetts Operating Revenues (Intrastate)	<u>\$65,477,208.85</u>	<u>10</u>
Other Revenues (Outside Massachusetts)		
Total Revenues	<u>\$65,477,208.85</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 Mark Smith  
Title President-Liberty Utilities MA

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 Vincent P. Duffy  
Title Director of Regulatory Affairs  
Address 36 Fifth St.  
Fall River, MA 02721

# Department of Public Utilities

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

## CONDENSED FINANCIAL RETURN FOR THE YEAR ENDED DECEMBER 31, 2017

FULL NAME OF COMPANY

LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS  
COMPANY) CORP. d/b/a LIBERTY UTILITIES  
36 Fifth St.  
Fall River, MA 02721

LOCATION OF PRINCIPAL BUSINESS OFFICE

### STATEMENT OF INCOME FOR THE YEAR

Item	Current Year	Increase or (Decrease) from
<b>OPERATING INCOME</b>		
Operating Revenues	\$ 65,477,208.85	\$ 10,978,166.23
Operating Expenses:		
Operation Expense	37,679,274.77	6,635,659.09
Maintenance Expense	2,572,814.97	179,381.88
Depreciation Expense	6,471,616.40	616,863.28
Amortization of Utility Plant	-	-
Amortization of Property Losses (Note 1)	3,794,546.56	39,884.48
Amortization of Investment Tax Credit	-	-
Taxes Other Than Income Taxes	3,608,607.17	528,563.25
Income Taxes	-	(672,864.06)
Provision for Deferred Fed.Inc.Taxes	2,685,149.47	385,956.07
Fed. Inc. Taxes Def. in Prior Yrs.-Cr.	-	-
Total Operating Expenses	56,812,009.34	7,713,443.99
Net Operating Revenues	8,665,199.51	3,264,722.24
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	8,665,199.51	3,264,722.24
<b>OTHER INCOME</b>		
Income from Mdse. Job. & Contract Work	-	-
Income from Nonutility Operations	-	-
Nonoperating Rental Income	-	-
Interest and Dividend Income	408,600.30	12,492.60
Miscellaneous Nonoperating Income	-	(995.45)
Total Other Income	408,600.30	11,497.15
Total Income	9,073,799.81	3,276,219.39
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>		
Miscellaneous Amortization	(1,137,504.00)	-
Other Income Deductions	41,478.74	(75,224.33)
Total Income Deductions	(1,096,025.26)	(75,224.33)
Income Before Interest Charges	10,169,825.07	3,351,443.72
<b>INTEREST CHARGES</b>		
Interest on Long-Term Debt	1,607,299.92	-
Amortization of Debt Disc. & Expense	-	-
Amortization of Prem. on Debt - Credit	-	-
Int. on Debt to Associated Companies	728,051.09	(132,700.03)
Other Interest Expense	(646,442.26)	(237,451.76)
Interest Charged to Construction - Credit	-	-
Total Interest Charges	1,688,908.75	(370,151.79)
Net Income	8,480,916.32	3,721,595.51

Note 1: The amount on this line item does not represent Property Loss Amortization but rather is an expense amount corresponding to the amount of ERAC recovery that is included in Operating Revenue. As a result, the net impact of ERAC recoveries in the "Total Utility Operating Income" line item is \$0.00.

**Department of Public Utilities**

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

**CONDENSED FINANCIAL RETURN  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**FULL NAME OF COMPANY**

LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS  
COMPANY) CORP. d/b/a LIBERTY UTILITIES  
36 Fifth St.  
Fall River, MA 02721

**LOCATION OF PRINCIPAL BUSINESS OFFICE**

**BALANCE SHEET**

Title of Account		Balance End of Year	Title of Account		Balance End of Year
<b>UTILITY PLANT</b>		\$	<b>PROPRIETARY CAPITAL</b>		\$
Utility Plant		209,800,828.50	<b>CAPITAL STOCK</b>		
<b>OTHER PROPERTY AND INVESTMENTS</b>			Common Stock Issued		-
Nonutility Property		15,816.33	Preferred Stock Issued		-
Investment in Associated Companies		-	Capital Stock Subscribed		-
Other Investments		-	Premium on Capital Stock		-
Special Funds		-	Total		-
Total Other Property and Investments		15,816.33	<b>SURPLUS</b>		
<b>CURRENT AND ACCRUED ASSETS</b>			Other Paid-In Capital		48,705,664.00
Cash		(765,068.46)	Earned Surplus		25,532,418.42
Special Deposits		-	OCI - Pension & FAS 87		(9,043,823.77)
Working Funds		-	Surplus Invested In Plant		5,568,786.59
Temporary Cash Investments		559,550.48	Total		70,753,045.24
Notes and Accounts Receivable		8,038,267.43	Total Proprietary Capital		70,753,045.24
Receivables from Assoc. Companies		-	<b>LONG-TERM DEBT</b>		
Materials and Supplies		2,438,065.66	Bonds		19,500,000.00
Prepayments		1,022,786.20	Advances from Associated Companies		14,199,032.00
Interest and Dividends Receivable		-	Other Long-Term Debt		-
Rents Receivable - Gas Costs		-	Total Long-Term Debt		33,699,032.00
Accrued Utility Revenues		8,049,440.08	<b>CURRENT AND ACCRUED LIABILITIES</b>		
Misc. Current and Accrued Assets		-	Notes Payable		-
Total Current and Accrued Assets		19,343,041.39	Accounts Payable		5,041,350.56
<b>DEFERRED DEBITS</b>			Payables to Associated Companies		944,014.15
Unamortized Debt Discount and Expense		-	Customer Deposits		335,155.00
Extraordinary Property Losses		-	Taxes Accrued		-
Preliminary Survey and Investigation Charges		-	Interest Accrued		411,329.40
Clearing Accounts		-	Dividends Declared		-
Temporary Facilities		-	Matured Long-Term Debt		-
Miscellaneous Deferred Debits		48,543,185.73	Matured Interest		-
Total Deferred Debits		48,543,185.73	Tax Collections Payable		46,118.21
<b>CAPITAL STOCK DISCOUNT AND EXPENSE</b>			Misc. Current and Accrued Liabilities		14,854,773.00
Discount on Capital Stock		-	Total Current and Accrued Liabilities		21,632,740.32
Capital Stock Expense		-	<b>DEFERRED CREDITS</b>		
Total Capital Stock Discount and Expense		-	Unamortized Premium on Debt		-
<b>REACQUIRED SECURITIES</b>			Customer Advances for Construction		-
Reacquired Capital Stock		-	Other Deferred Credits		64,760,068.90
Reacquired Bonds		-	Total Deferred Credits		64,760,068.90
Total Reacquired Securities		-	<b>RESERVES</b>		
Total Assets and Other Debits		277,702,671.95	Reserves for Depreciation		77,309,944.76
			Reserves for Amortization		-
			Reserve for Uncollectible Accounts		527,590.79
			Operating Reserves		200,000.00
			Reserve for Depreciation and Amortization of Nonutility Property		-
			Reserves for Deferred Federal Income		3,572,963.43
			Taxes		-
			Total Reserves		81,810,498.98
			<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>		
			Contributions in Aid of Construction		5,247,286.51
			Total Liabilities and Other Credits		277,702,671.95

NOTES:

# Department of Public Utilities

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

## CONDENSED FINANCIAL RETURN FOR THE YEAR ENDED DECEMBER 31, 2017

FULL NAME OF COMPANY

LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS  
COMPANY) CORP. d/b/a LIBERTY UTILITIES

LOCATION OF PRINCIPAL BUSINESS OFFICE

36 Fifth St.  
Fall River, MA 02721

### GAS OPERATING REVENUES

Account	Operating Revenues	
	Amount for Year	Increase (Decrease) from Preceding Year
<b>SALES OF GAS</b>		
Residential Sales	\$ 45,894,883	\$ 8,046,803
Commercial and Industrial Sales	-	-
Small (or Commercial)	10,584,766	1,386,254
Large (or Industrial)	673,013	(460,635)
Other Sales to Public Authorities	-	-
Interdepartmental Sales	-	-
Miscellaneous Gas Sales	-	-
Total Sales to Ultimate Consumers	57,152,662	8,972,422
Sales for Resale	-	(357,897)
Total Sales of Gas	57,152,662	8,614,525
<b>OTHER OPERATING REVENUES</b>		
Supplier Sales	-	-
Unbilled Revenue	1,899,116	1,712,375
Miscellaneous Service Revenues	33,746	5,901
Revenues from Transportation of Gas of Others	6,391,682	653,849
Sales of Products Extracted from Natural Gas	-	-
Revenues from Natural Gas Processed by Others	-	-
Rent from Gas Property	-	-
Interdepartmental Rents	-	-
Other Gas Revenues	3	(8,484)
Total Other Operating Revenues	8,324,547	2,363,641
Total Gas Operating Revenues	65,477,209	10,978,166

### SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Steam Production	-	-	\$ -
Manufactured Gas Production	1,393,167	365,415	1,758,582
Other Gas Supply Expenses	15,178,329	-	15,178,329
Total Production Expenses	16,571,496	365,415	16,936,910
Local Storage Expenses	-	-	-
Transmission and Distribution Expenses	3,780,941	2,207,400	5,988,341
Customer Accounts Expenses	4,446,243	-	4,446,243
Sales Expenses	240,833	-	240,833
Administrative and General Expenses	12,639,762	-	12,639,762
Total Gas Operation and Maintenance Expenses	37,679,275	2,572,815	40,252,090

March 30, 2017, 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.

Mark Smith, President

Ronald Ritchie, Secretary and Treasurer

# **Department of Public Utilities**

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

## **CONDENSED FINANCIAL RETURN FOR THE YEAR ENDED DECEMBER 31, 2017**

**FULL NAME OF COMPANY**

LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS  
COMPANY) CORP. d/b/a LIBERTY UTILITIES

**LOCATION OF PRINCIPAL BUSINESS OFFICE**

36 Fifth St.  
Fall River, MA 02721

### **STATEMENT OF EARNED SURPLUS**

	Amount for Year	Increase (Decrease) from Preceding Year
Unappropriated Earned Surplus (at beginning of period)	\$ 17,051,502	\$ 4,759,321
Balance Transferred from Income	8,480,916	3,721,596
Miscellaneous Credit to Surplus	-	-
Zero out Investment in Subsidiary	-	-
Net Additions to Earned Surplus	8,480,916	3,721,596
Dividends Declared - Preferred Stock	-	-
Dividends Declared - Common Stock	-	-
Unappropriated Earned Surplus (at end of period)	25,532,418	8,480,916

### **ELECTRIC OPERATING REVENUES**

	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
<b>SALES OF ELECTRICITY</b>	\$	\$
Residential Sales	N/A	
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 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**

Functional Classification	Operation	Maintenance	Total
Power Production Expenses	\$	\$	\$
Electric Generation:		N/A	
Steam Power			
Nuclear Power			
Hydraulic Power			
Other Power			
Other Power Supply Expenses			
Total Power Production Expenses			
Transmission Expenses			
Distribution Expenses			
Customer Accounts Expenses			
Sales Expenses			
Administrative and General Expenses			
Total Electric Operation and Maintenance Expenses			

LIBERTY UTILITIES (NEW ENGLAND NATURAL GAS COMPANY) CORP.  
RETURN ON COMMON EQUITY  
FOR CALENDAR YEAR 2017

	2017	MA DTE Page/Line #
<b>1 NET UTILITY INCOME AVAILABLE FOR COMMON SHAREHOLDERS</b>		
2		
3 Total Utility Operating Income	8,665,200	Page 10 / Line 18
4 Plus Income Taxes	2,685,149	Page 10 / Lines 11 and 12
5 Plus Service Quality Penalties	-	
6 Minus Long Term Interest	1,607,300	Page 10 / Line 33
7 Minus Interest on Debt to Assoc Companies	728,051	Page 10 / Line 36
8 Minus Other Utility Interest and Dividends	(646,442)	Page 10 / Line 37
9 Subtotal	9,661,440	
10		
11 Minus Income Tax	3,795,014	
12 Net Income	5,866,427	
13		
<b>14 TOTAL UTILITY COMMON EQUITY</b>		
15		
16 Total Proprietary Capital	70,753,045	Page 9 / Line 13
17 Minus Preferred Stock Issued	-	
18 Minus Unamortized Acquisition Premium	-	
19 Minus Surplus Invested in Plant (negative Acquisition Adjustment)	5,558,787	Page 9 / Line 11
20 Subtotal Equity	65,194,259	
21 Minus Prop Capital * Allocation Ratio	4,852	
22 Utility Common Equity	65,189,406	
23		
<b>25 ROE</b>	9.00%	
26		
<b>27 ALLOCATION FACTOR CALCULATION</b>		
28		
29 Utility Plant	209,800,829	Page 8 / Line 2
30 Other Property & Other Investments	15,616	Page 8 / Line 8
31 Property & Investments	209,816,445	
32		
33 Allocation Ratio	99.99%	
34		
<b>35 INCOME TAX CALCULATION</b>		
36		
37 Net Income Before Income Tax	9,661,440	
38 Blended Federal/State Income Rate	39.280%	
39		
40		
41		
42		

Blended Income Tax Rate	34.00%
Federal	8.00%
State	5.280%
State after Fed Tax Effect	39.280%
Total Rate	

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

GENERAL INFORMATION PRINCIPAL AND SALARIED OFFICERS			
Titles	Names	Addresses	Annual Salaries
CEO, Algonquin Power & Utilities	Ian Robertson *	2845 Bristol Cir., Oakville, ON L6H 7H7	\$ 122,146
COO, Liberty Utilities	David Pasieka *	2845 Bristol Cir., Oakville, ON L6H 7H7	\$ 25,894
President, Liberty Utilities MA	Mark Smith	36 Fifth Street, Fall River, MA 02721	\$ 214,750
Secretary and Treasurer, Liberty Utilities MA	Ronald Ritchie	36 Fifth Street, Fall River, MA 02721	\$ 130,556
*Note: Robertson and Pasieka salaries have been converted to U.S. dollars based on the prior month's exchange rate of when the cost was incurred.			

**Directors\***

Names	Addresses	Fees Paid During Year
IAN ROBERTSON	354 DAVIS RD., SUITE 100 OAKVILLE, ONTARIO, L6J 2X1 CAN	No fees paid
LORI C. AUTEN	1020 CARRINGTON COURT MIDLAND, GA 31820 USA	\$ 5,000
DAVID PASIEKA	354 DAVIS ROAD, SUITE 100 OAKVILLE, ON L6J 2X1 CAN	No fees paid
W. ROBERT KEATING	25 OAK ST. READING, MA 01867 USA	\$ 4,500
CHARLES F. BASS	65 ELM HILL RD. PETERBOROUGH, NH 03458 USA	\$ 5,000



## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## GENERAL INFORMATION - Continued

1. Corporate name of company making this report.

*Liberty Utilities (New England Natural Gas Company) Corp, dba Liberty Utilities*

2. Date of organization.
- See Item 3*

3. Date of incorporation.
- 12/13/2013*

4. Give location (including street and number) of principal business office:

*36th Fifth Street, Fall River MA, 02721*

5. Total number of stockholders. 1

6. Number of stockholders in Massachusetts. 0

7. Amount of stock held in Massachusetts, 0 No. of shares, 0

8. Capital stock issued prior to June 5, 1894: N/A No. of shares 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,

N/A No. of shares, N/A

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 of any part of the issue was sold at auction, the date of dates of such sale or sales, the number of shares sold and the amounts realized therefrom.

*N/A*

11. Management Fees and Expenses during the Year.

List all individuals, corporations or concerns with whom the company has any contact 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.

*See Page 5-A.*

**Liberty Utilities (New England Natural Gas Company) Corp**  
**Page 5, Question 11: Management Fees and Expenses during the Year**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

Following is a list of all individuals, corporations or concerns with whom the company has any contract or agreement covering the management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc.

**Affiliate Charges and Allocations**

Algonquin Power and Utilities Corp (APUC)	Total
Liberty Utilities (Canada) Corp (LUC)	<u>727,122</u>
Liberty Utilities Services Corp (LUSC)	637,583
Liberty Utilities Region	1,689,283
Total Allocated and Directly Charged Costs from Affiliated Entities	<u>632,352</u>
Less Amount Capitalized through Construction Overhead	<u>3,686,339</u>
Net Corporate Expenses	<u>(674,094)</u>
	<u><u>3,012,246</u></u>

**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 Electric property:

N O N E

In Gas property:

During the period from January 1 through December 31, 2017, the Company installed 84,578 ft of new mains and retired 76,255 ft of steel and cast iron mains. The Company installed 1,421 new Service Lines and retired 587 old bare steel Service Lines.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

GENERAL INFORMATION - Continued			
Names of the cities or towns in which the company supplies ELECTRICITY, with the number of customers' meters in each place.		Names of the cities or towns in which the company supplies GAS, with the number of customers' meters in each place.	
City or Town	Number of Customers' Meters, Dec.31,2017	City or Town	Number of Customers' Meters, Dec.31,2017
		Dartmouth	87
		Fall River	34,578
		Freetown	-
		Somerset	6,386
		Swansea	5,049
		Westport	4,155
		So. Attleboro	8
		No. Attleboro	4,268
		Plainville	1,493
TOTAL	0	TOTAL	56,024

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

COMPARATIVE BALANCE SHEET Assets and Other Debits				
Line No.	Title of Account (a)	Balance Beg of 2017 (b.)	Balance End of 2017 (c)	Increase or (Decrease) (d)
1	UTILITY PLANT	\$	\$	\$
2	Utility Plant (101-107) P.13.....	186,288,987	209,800,829	23,511,841
3	OTHER PROPERTY AND INVESTMENTS			
4	Nonutility Property (121) P.19.....	15,616	15,616	-
5	Investments in Associated Companies (123) P.20.....	-	-	-
6	Other Investments (124) P.20.....	-	-	-
7	Special Funds (125,126,127,128) P.21.....	-	-	-
8	Total Other Property and Investments.....	15,616	15,616	-
9	CURRENT AND ACCRUED ASSETS			
10	Cash (131).....	(1,429,242)	(765,068)	664,174
11	Special Deposits (132,133,134) P.21.....	-	-	-
12	Working Funds (135).....	-	-	-
13	Temporary Cash Investments (136) P.20.....	557,993	559,550	1,557
14	Notes and Accounts Receivable (141,142,143) P.22.....	7,149,488	8,038,267	888,780
15	Receivables from Assoc. Companies (145,146) P.23 (NOTE 1).....	5,260,265	-	(5,260,265)
16	Material and Supplies (151-159,163,164) P.24.....	2,274,648	2,438,066	163,418
17	Prepayments (165).....	523,818	1,022,786	498,968
18	Interest and Dividends Receivable (171).....	-	-	-
19	Rent Receivable (172).....	-	-	-
20	Accrued Utility Revenues (173,175).....	351,114	8,049,440	7,698,326
21	Misc. Current and Accrued Assets (174).....	-	-	-
22	Total Current and Accrued Assets.....	14,688,084	19,343,041	4,654,957
23	DEFERRED DEBITS			
24	Unamortized Debit Discount and Expense (181) P.26.....	-	-	-
25	Extraordinary Property Losses (182) P.27.....	-	-	-
26	Preliminary Survey and Investigation Charges (183).....	-	-	-
27	Clearing Accounts (184).....	38	-	(38)
28	Temporary Facilities (185).....	-	-	-
29	Miscellaneous Deferred Debits (186) P.27.....	51,691,818	48,543,186	(3,148,632)
30	Matured Interest (240).....	-	-	-
31	Total Deferred Debits.....	51,691,856	48,543,186	(3,148,670)
32	CAPITAL STOCK DISCOUNT AND EXPENSE			
33	Discount on Capital Stock (191) P.28.....	-	-	-
34	Capital Stock Expense (192) P.28.....	-	-	-
35	Total Capital Stock Discount and Expense.....	-	-	-
36	REACQUIRED SECURITIES			
37	Reacquired Capital Stock (196).....	-	-	-
38	Reacquired Bonds (197).....	-	-	-
39	Total Reacquired Securities.....	-	-	-
40	Total Assets and Other Debits.....	252,684,543	277,702,672	25,018,129
NOTE 1: Intercompany payable/receivables are presented on a net basis. At 12/31/2015, balance was net debit. At 12/31/2016 balance is a net debit.				

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

COMPARATIVE BALANCE SHEET Liabilities and Other Credits				
Line No.	Title of Account (a)	Balance Beg of 2017 (b)	Balance End of 2017 (c)	Increase or (Decrease) (d)
1	PROPRIETARY CAPITAL	\$	\$	\$
2	CAPITAL STOCK			
3	Common Stock Issued (201) P.29.....	-	-	-
4	Preferred Stock Issued (204) P.29.....	-	-	-
5	Capital Stock Subscribed (202,205).....	-	-	-
6	Premium on Capital Stock (207) P.29.....	-	-	-
7	Total.....	-	-	-
8	SURPLUS			
9	Other Paid-In Capital (208-211) P. 30.....	41,105,664	48,705,664	7,600,000
10	Earned Surplus (215,216) P. 12.....	17,051,502	25,532,418.42	8,480,916
10A	OCI - Pension and FAS 87	(13,666,024)	(9,043,824)	4,622,200
11	Surplus Invested In Plant (217).(SEE NOTE 1).....	5,558,787	5,558,787	-
12	Total.....	50,049,929	70,753,045	20,703,116
13	Total Proprietary Capital.....	50,049,929	70,753,045	20,703,116
14	LONG TERM DEBT			
15	Bonds (221) P.31.....	19,500,000	19,500,000	-
16	Advances from Assoc. Companies (223) P.31.....	14,199,032	14,199,032	-
17	Other Long-Term Debt (224) P.31.....	-	-	-
18	Total Long-Term Debt.....	33,699,032	33,699,032	-
19	CURRENT AND ACCRUED LIABILITIES			
20	Notes Payable (231) P.32.....	-	-	-
21	Accounts Payable (232).....	3,310,376	5,041,351	1,730,974
22	Payables to Associated Companies (233,234) P.32.....	7,600,000	944,014	(6,655,986)
23	Customer Deposits (235).....	223,000	335,155	112,155
24	Taxes Accrued (236).....	-	-	-
25	Interest Accrued (237).....	411,329	411,329	0
26	Dividends Declared (238).....	-	-	-
27	Matured Long-Term Debt(239).....	-	-	-
28	Matured Interest (240).....	-	-	-
29	Tax Collections Payable (241).....	38,103	46,118	8,015
30	Misc. Current and Accrued Liabilities (242) P.33.....	9,699,193	14,854,773	5,155,580
31	Total Current and Accrued Liabilities.....	21,282,002	21,632,740	350,738
32	DEFERRED CREDITS			
33	Unamortized Premium on Debt (251) P.26.....	-	-	-
34	Customer Advances for Construction (252).....	-	-	-
35	Other Deferred Credits (253) P.33.....	69,879,020	64,760,069	(5,118,951)
36	Total Deferred Credits.....	69,879,020	64,760,069	(5,118,951)
37	RESERVES			
38	Reserves for Depreciation (254-256) P.34.....	71,732,761	77,309,945	5,577,184
39	Reserves for Amortization (257-259) P.34.....	-	-	-
40	Reserve for Uncollectible Accounts (260).....	287,660	527,591	239,931
41	Operating Reserves (261-265) P.35.....	(0)	200,000	200,000
42	Reserve for Depreciation and Amortization of Nonutility Property (266).....	-	-	-
43	Reserves for Deferred Federal Income Taxes (268) P.36.....	838,852	3,572,963	2,734,112
44	Total Reserves.....	72,859,272	81,610,499	8,751,227
45	CONTRIBUTIONS IN AID OF CONSTRUCTION			
46	Contributions in Aid of Construction (271) P. 36B.....	4,915,289	5,247,287	331,997
47	Total Liabilities and Other Credits.....	252,684,543	277,702,672	25,018,129
NOTE 1: Amount in Account 217 is equal to negative Acquisition Adjustment required to be reflected in this account per DPU 13-07				

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

STATEMENT OF INCOME FOR THE YEAR			
Line No.	Account (a)	Amount for Year (b)	Increase or (Decrease) from of Preceding Year (c)
1	<b>OPERATING INCOME</b>	\$	\$
2	Operating Revenues (400) P.37,43.....	65,477,209	10,978,166
3	Operating Expenses:		-
4	Operation Expense (401) P.42,47.....	37,679,275	6,635,659
5	Maintenance Expense (402) P.42,47.....	2,572,815	179,382
6	Depreciation Expense (403) P.34.....	6,471,616	616,863
7	Amortization of Utility Plant (404 and 405).....	-	-
8	Amortization of Property Losses (407.1) (Note 1).....	3,794,547	39,884
9	Amortization of Investment Tax Credit (406).....	-	-
10	Taxes Other Than Income Taxes (408) P.49.....	3,608,607	528,563
11	Income Taxes (409) P.49.....	-	(672,864)
12	Provision for Deferred Fed. Inc. Taxes (410) P.36.....	2,685,149	385,956
13	Fed. Inc. Taxes Def. in Prior Yrs.-Cr. (411) P.36.....	-	-
14	Total Operating Expenses.....	56,812,009	7,713,444
15	Net Operating Revenues.....	8,665,200	3,264,722
16	Income from Utility Plant Leased to Others (412)-Net.....	-	-
17	Other Utility Operating Income (414) P.50.....	-	-
18	Total Utility Operating Income.....	8,665,200	3,264,722
19	<b>OTHER INCOME</b>		
20	Income from Mds. Job & Contract Work (415) P.51.....	-	-
21	Income from Nonutility Operations (417).....	-	-
22	Nonoperating Rental Income (418).....	-	-
23	Interest and Dividend Income (419).....	408,600	12,493
24	Miscellaneous Nonoperating Income (421).....	-	(995)
25	Total Other Income.....	408,600	11,497
26	Total Income.....	9,073,800	3,276,219
27	<b>MISCELLANEOUS INCOME DEDUCTIONS</b>		
28	Miscellaneous Amortization (425).....	(1,137,504)	-
29	Other Income Deductions (426).....	41,479	(75,224)
30	Total Income Deductions.....	(1,096,025)	(75,224)
31	Income Before Interest Charges.....	10,169,825	3,351,444
32	<b>INTEREST CHARGES</b>		
33	Interest on Long-Term Debt (427) P.31.....	1,607,300	-
34	Amortization of Debt Disc. & Expense (428) P.26.....	-	-
35	Amortization of Prem. on Debt-Credit (429) P.26.....	-	-
36	Int. on Debt to Associated Companies (430) P.31,32.....	728,051	(132,700)
37	Other Interest Expense (431).....	(646,442)	(237,452)
38	Interest Charged to Construction-Credit (432).....	-	-
39	Total Interest Charges.....	1,688,909	(370,152)
40	Net Income.....	8,480,916	3,721,596
41	<b>EARNED SURPLUS</b>		
42	Unappropriated Earned Surplus (at beginning of period) (216).....	17,051,502	4,759,321
43	Balance Transferred from Income (433).....	8,480,916	3,721,596
44	Miscellaneous Credits to Surplus (434).....	-	-
45	Misc Debits to Surplus (435).....	-	-
46	Appropriations of Surplus (436).....	-	-
47	Net Additions of Earned Surplus.....	8,480,916	3,721,596
48	Dividends Declared-Preferred Stock (437).....	-	-
49	Dividends Declared-Common Stock (438).....	-	-
51	Unappropriated Earned Surplus (at end of period) (216).....	25,532,418	8,480,916

Note 1: Amount is equal to LDAC ERAC recoveries. Rather than crediting account 175 directly for the revenue billed ratepayers through the LDAC pertaining to recovery of ERAC expenditures, the Company is leaving the revenue in the revenue accounts and recording an entry to debit expense account 407.4 - Amortization of Reg. Assets in an amount equal to revenue with the offsetting credit to account 175).

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## STATEMENT OF EARNED SURPLUS (Accounts 215-216)

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

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

3. For each reservation or appropriation of earned surplus state the purpose, amount, and in the case of reservations, the reserve account credited.

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

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

5. List credits first; then debits.

Line No.	Item (a)	Primary Contra Account Affected (b)	Amount (c)
1	UNAPPROPRIATED EARNED SURPLUS (Account 216)		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13	APPROPRIATED EARNED SURPLUS (Account 215) State balance and purpose of each appropriated earned surplus amount at end of year and give accounting entries for any applications of appropriated earned surplus during the year.  NONE		
14			
15			
16			
17			
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43			



## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

SUMMARY OF UTILITY PLANT AND RESERVES FOR DEPRECIATION AND AMORTIZATION							
Line No.	Item (a)	Total (b)	Electric (c)	Gas (d)	(e)	(f)	Common (g)
1	UTILITY PLANT:	\$	\$	\$	\$	\$	\$
2	In Service:						
3	101 Plant in Service (Classified)	187,672,784		187,672,784			
4	106 Completed Construction not Classified.....	17,241,937		17,241,937			
5	Total P. 18.....	204,914,721		204,914,721			
6	104 Leased to Others.....						
7	105 Held for Future Use.....	0		-			
8	107 Construction Work in Progress	4,886,108		4,886,108			
9	Total Utility Plant.....	209,800,829		209,800,829			
10	DETAIL OF RESERVES FOR DEPRECIATION AND AMORTIZATION						
11	In Service:						
12	254 Depreciation P. 34.....	77,309,945		77,309,945			
13	257 Amortization.....						
14	Total, in Service.....	77,309,945		77,309,945			
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.....	77,309,945		77,309,945			

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

UTILITY PLANT-GAS								
1. Report below the cost of utility plant in service according to prescribed accounts. 2. Do not include as adjustments, corrections of additions and retirements for the current or			the preceding year. Such items should be included in column (c) or (d) as appropriate. 3. Credit adjustments of plant accounts should be enclosed in parentheses to indicate the negative effect of such amounts. 4. Reclassifications or transfers within utility plant accounts should be shown in column (f).					
Line No.	Account (a)	Balance Beg 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.....	5,002,598	598,450				5,601,048	
4	Total Intangible Plant.....	5,002,598	598,450	-	-	-	5,601,048	
5	<b>2. PRODUCTION PLANT</b>							
6	Manufactured Gas Production Plant.....							
7	304 Land and Land Rights.....	27,598	-	-			27,598	
8	305 Structures and Improvements.....	5,647,758	102,088	-			5,749,846	
9	306 Boiler Plant Equipment.....	1,398	-	-			1,398	
10	307 Other Power Equipment.....	117,872	323,678	-			441,550	
11	310 Water Gas Generating Equipment.....	-					-	
12	311 Liquefied Petroleum Gas Equipment.....	-					-	
13	312 Oil Gas Generating Equipment.....	(0)					(0)	
14	313 Generating Equipment-Other Processes.....	-					-	
15	315 Catalytic Cracking Equipment.....	2,074,870	19,317	-			2,094,187	
16	316 Other Reforming Equipment.....	-					-	
17	317 Purification Equipment.....	-					-	
18	321 LNG Equipment.....	-					-	
19	319 Gas Mixing Equipment.....	-					-	
20	320 Other Equipment.....	98,604	-	-			98,604	
21	Total Manufactured Gas Production Plant.....	7,968,100	445,082	-	-	-	8,413,182	
22	<b>3. STORAGE PLANT</b>							
23	360 Land and Land Rights.....	-					-	
24	361 Structures and Improvements.....	66,549					66,549	
25	362 Gas Holders.....	-					-	
26	363 Other Equipment.....	182,639					182,639	
27	Total Storage Plant.....	249,187	-	-	-	-	249,187	

UTILITY PLANT - GAS (Continued)						
Line No.	Account (a)	Balance Beg of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)
1	<b>4. DISTRIBUTION PLANT</b>					
2	365.1 Land and Land Rights.....	83,484	-	-	-	83,484
3	365.2 Rights of Way.....	-	-	-	-	-
4	366 Structures and Improvements.....	-	-	-	-	-
5	367 Mains.....	61,987,034	12,637,542	319,094	(37,611)	74,267,872
6	368 Compressor Station Equipment.....	-	-	-	-	-
7	369 Measuring and Regulating Station Equipment.....	-	-	-	-	-
8	380 Services.....	3,157,396	532,490	-	-	3,689,887
9	381 Meters.....	65,642,575	8,246,392	27,669	-	73,861,299
10	382 Meter Installations.....	9,671,214	282,538	121,306	-	9,832,446
11	383 House Regulators.....	13,777,264	2,408,926	-	-	16,186,190
12	384 House Regulators Installations.....	338,917	-	-	-	338,917
13	386 Other Property on Cust's Prem.....	192,744	-	-	-	192,744
14	387 Other Equipment.....	234,255	5,862	-	-	240,117
15	Total Transmission and Distribution Plant.....	155,084,884	24,113,751	468,069	(37,611)	178,692,956
16	<b>5. GENERAL PLANT</b>					
17	389 Land and Land Rights.....	41,368	-	-	-	41,368
18	390 Structures and Improvements.....	2,566,263	313,419	18,495	-	2,861,187
19	391 Office Furniture and Equipment.....	1,522,807	327,438	2,333	-	1,847,911
20	392 Transportation Equipment.....	2,290,616	1,782,513	159,909	-	3,913,219
21	393 Stores Equipment.....	33,281	-	-	-	33,281
22	394 Tools, Shop, and Garage Eqp.....	1,296,661	345,005	9,171	-	1,632,496
23	395 Laboratory Equipment.....	23,578	-	-	-	23,578
24	396 Power Operated Equipment.....	833,172	-	-	-	833,172
25	397 Communication Equipment.....	405,789	3,392	-	-	409,180
26	398 Miscellaneous Equipment.....	362,954	-	-	-	362,954
27	399 Other Tangible Property.....	-	-	-	-	-
28	Total General Plant.....	9,376,488	2,771,767	189,908	-	11,958,347
29	Total Gas Plant in Service.....	177,681,258	27,929,051	657,977	(37,611)	204,914,721
30	104 Utility Plant Leased to Others.....	-	-	-	-	-
31	105 Property Held for Future Use.....	-	-	-	-	-
32	107 Construction Work in Progress.....	8,607,729	23,882,417	27,604,038	-	4,886,108
33	Total Utility Plant - Gas.....	186,288,987	51,811,468	28,262,015	(37,611)	209,800,829

Note: Completed Construction Not Classified, Account 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 distribution 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 columns (c) and (d) including the reversal of the prior year years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of the respondent's plant actually in service at end of year.

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## Support for Classification of Account 1060 - Completed Construction Not Classified by Major Plant Category

367 Mains.....	10,828,998.66
369 Measuring and Regulating Station Equipment.....	56,426.29
380 Services.....	4,491,097.21
382 Meter Installations.....	1,066,636.62
392 Transportation Equipment.....	795,979.56
394 Tools, Shop, and Garage Eqpt.....	2,798.63
	<u>17,241,936.97</u>

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

NONUTILITY PROPERTY (ACCOUNT 121)					
Give particulars of all investments of the respondent in physical property not devoted to utility operation.					
Line No.	Description and Location (a)	Book Value at End of Year (b)	Revenue for the Year (c)	Expense for the Year (d)	Net Revenue for the Year (e)
1	Two (2) Family Frame Dwelling at 216 Charles Street Fall River, MA Less: Reserve for Depreciation of Non-Utility Property				
2					
3					
4		2,175			
5					
6		-			
7					
8					
9		2,175	-	-	-
10	Land - 45.9 Acres More or Less at Sanford Road, Westport, MA				
11					
12					
13					
14					
15					
16		13,441			-
17					
18					
19	Summary: Non-Utility Property a/c 121 Less: Reserve for Depreciation of Non-Utility Property a/c 266				
20					
21					
22					
23					
24					
25					
26					
27					
28	TOTALS	15,616			
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

INVESTMENTS (ACCOUNTS 123,124,136)		
Give particulars of all investments in stocks, bonds, notes, etc. held by the respondent at the end of the year. Provide a subheading for each list thereunder the information called for.		
Line No.	Description of Security Held by Respondent (a)	Amount (b)
1		
2		
3	a/c 123 - Investment in Associated Company	
4	-----	
5		
6		
7		
8	NONE	
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		\$ -
21		
22		
23	a/c 124 - Other Investments	
24	-----	
25		
26		\$ -
27	NONE	
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
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41		
42		
43		
44		
45		
46		
47		

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

SPECIAL FUNDS (Account 125, 126, 127, 128)				
(Sinking Funds Depreciation Fund, Amortization Fund-Federal, Other Special Funds)				
Report below the balance at end of year of each special fund maintained during year. Identify each fund as to account in which include Indicate nature of any fund included in Account 128, other Special Funds.				
Line No.	(a) Name of fund and Trustee if Any	Balance End of Year (b)		
1	NONE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19			TOTAL	\$ -
20				
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.				
	(a) Description and Purpose of Deposit	Balance End of Year (b)		
21	NONE			
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40			TOTAL	\$ -
41				
42				

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

NOTES RECEIVABLE (Account 141)					
1. Give the particulars called for below concerning notes receivable at the end of year.			3. Minor items may be grouped by classes, showing number of such items.		
2. Give particulars of any note pledged or discounted.			4. Designate any note the maker of which is a director, officer or other employee.		
Line No.	Name of Maker and Purpose for Which Received (a)	Date of Issue (b)	Date of Maturity (c)	Interest Rate (d)	Amount End of Year (e)
1	NONE				\$
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
TOTAL					\$ -
ACCOUNTS RECEIVABLE (Account 142, 143)					
1. Give the particulars called for below concerning accounts receivable at end of year.			2. Designate any account included in Account 143 in excess of \$5,000.		
Line No.	Description (a)	Amount End of Year (b)			
17	Customers (Account 142):	\$			
18					
19					
20					
21					
22					
23					
24					
25					
26					
23	Other Accounts Receivable (Account 143):				
24		Miscellaneous (group and describe by classes):			
25		Due from Common Wealth of Massachusetts	80,000		
26		Third Party Damages			
27		GPL Construction	1,317		
28		AGI	23,821		
29	Performance Pipe	52,008			
30					
31					
32					
33					
34					
35					
36					
37					
38	TOTAL	\$ 8,038,267			



## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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

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

Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
1		\$		\$
2				
3	Acct 146			
4				
5				
6				
7				
8				
9				
10				
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12				
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32				
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34				
35				
36				
37				
38				
39				
40				
41	TOTALS			
42		\$ -		\$ -

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

MATERIAL 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	Fuel Stock Expenses (Account 152).....		-
3	Residuals (Account 153).....		-
4	Plant Materials and Operating Supplies (Account 154).....	NOT APPLICABLE	1,088,390
5	Merchandise (Account 155).....		
6	Other Materials and Supplies (Account 156).....		
7	Liquefied Natural Gas (Account 164, Page 25).....		1,349,676
8	Nuclear Fuel Assemblies and Components-Stock Account (Account 158).....		-
9	Nuclear Byproduct Materials (Account 159).....		-
10	Stores Expense (Account 163).....		-
11			
12	Total Per Balance Sheet		2,438,066
13			
14			

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

PRODUCTION FUEL AND OIL STOCKS - Included in Account 151 & 164 (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)	Kinds of Fuel and Oil				
		Total Cost (b)	#2 Oil		Liquid Propane	
			Quantity (c) Gal.	Cost (d)	Quantity (e) Gal.	Cost (f)
1	On Hand Beginning of Year	1,403,189	-	-	-	-
2						
3	Received During Year	1,650,071				
4	TOTAL AVAILABLE	3,053,260	-	-	-	-
5	Used During Year (Note A)					
6	Compressor Fuel	-				
7	Boiler Fuel	-				
8	Vaporized	1,703,584				
9	Vapor - Send Out	-				
10	Propane Air	-				
11	Sold or Transferred	-				
12	TOTAL DISPOSED OF	1,703,584	-	-	-	-
13	BALANCE END OF YEAR	1,349,677	-	-	-	-
Kinds of Fuel and Oil - Continued						
Line No.	Item (a)	Liquid Natural Gas		Natural Gas In Storage		
		Quantity (h) MMBtu	Cost (i)	Quantity (j) MMBtu	Cost (k)	
14	On Hand Beginning of Year	139,493.00	1,157,340.81	169,099.00	245,847.10	
15						
16	Received During Year	133,141.00	1,047,461.76	276,362.85	602,609.67	
17	TOTAL AVAILABLE	272,634.00	2,204,802.57	445,461.85	848,456.77	
18	Used During Year (Note A)					
19	Compressor Fuel					
20	Vaporized	145,635.00	1,221,062.71	277,261.00	482,521.00	
21	Vapor - Send Out					
22	Sold or Transferred					
23						
24	TOTAL DISPOSED OF	145,635.00	1,221,062.71	277,261.00	482,521.00	
25	BALANCE END OF YEAR	126,999.00	983,739.86	168,200.85	365,935.77	

NOTE A - Indicate specific purpose for which used, e.g., Boiler Oil, Make Oil, Generator Fuel, etc.

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (Accounts 181, 251)									
Line No.	Designation of Long-Term Debt (a)	Principal Amount of Securities to which Discount and Expenses or Premium Minus Expense, Relates (b) (Omit Cents)	Total Discount and Expense or Net Premium (Omit Cents) (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	None								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22	TOTALS	-	-			-	-	-	-

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particularly 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 in prior years.

7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount or Expense, or credited to Account 429, Amortization of Premium on Debt - Credit.

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

EXTRAORDINARY PROPERTY LOSSES (Account 182)						
1. Report below particulars concerning the accounting for extraordinary property losses. 2. In column (a) describe the property abandoned or extraordinary loss suffered, date of abandonment or loss, date of Department authorization of use of Account 182, and period over which amortization is being made.						
Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written Off (c)	Written off During Year		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10	TOTALS					
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized show period of amortization. 3. Minor items may be grouped by classes, showing number of such items.						
Line No.	Description (a)	Balance Beg of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (d)	
11	Miscellaneous Deferred Debits 10-1920-1880 & 10-1920-1290	1,715,491	4,228,670	10-1168-1750, 69-5610-9280, 69-5615-9302, 69-5131-8213	4,440,374	1,503,786
12						
13	Environmental Reserve 0400-10-1920-1863	21,077,382	1,223,059	20-2110-2282, 20-2930-2282	311,334	21,989,107
14						
15	Environmental 0400-10-1168-1822	2,981,953	1,706,547	80-8641-4074, 10-1930-1824	2,554,280	2,134,220
16						
17	Deferred Remediation Costs 0400-10-1930-1824	13,205,984	4,030,713	10-1168-1750, 10-1168-1822, 20-2001-2320, 80-8550-4310	5,552,047	11,684,650
18						
19	Deferred Rate Case Expense 0400-10-1930-1823, 0400-10-1168-1823	662,166	4,566	69-5610-9280	305,616	361,115
20						
21	Pension-OPEB Regulatory Asset 0400-10-1930-1826	12,048,843	143,795	69-5043-9267, 68-5044-9262	1,371,294	10,821,344
22	Regulatory Asset - AFUDC Tax		48,963	20-2985-2830	0	48,963
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33	TOTALS	51,691,818	11,386,313		14,534,945	48,543,186

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## 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.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a state-

ment giving particulars of the change. State the reason for any charge-off during the year and specify the amount charged.

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
1	NONE	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21	TOTAL	0

## CAPITAL STOCK EXPENSE (Account 192)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a state-

ment giving particulars of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
22	NONE	
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41	TOTAL	0

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## CAPITAL STOCK AND PREMIUM (Account 201, 204, and 207)

- 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.
- Entries in column (b) should represent the number of shares authorized by the Department.
- Give particulars concerning shares of any class and series of stock authorized to be issued by the Department which have not yet been issued.
- The designation of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
- State if any capital stock which has been nominally issued is nominally outstanding at end of year.
- Give particulars of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

Line No.	Class and Series of Stock (a)	Number of Shares Authorized (b)	Per Value Share (c)	Amount Authorized (d)	Outstanding per Balance Sheet		Premium at End of Year (g)
					Shares (e)	Amount (f)	
1	NONE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24	TOTALS	0				\$ -	\$ -

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## OTHER PAID-IN CAPITAL (Accounts 208-211)

1. Report below balance at end of year and the information specified in the instructions below for respective other paid-in capital accounts. Provide a conspicuous subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet. Additional columns may be added for any account if deemed necessary. Explain the change in any account during the year and give the accounting entries effecting such change.
2. Donations received from Stockholders (Account 208) - State amount and give brief explanation of the origin and purpose of each donation.
3. Reduction in Par Value of Capital Stock (Account 209) - State amount and give brief explanation of the capital changes which gave rise to amounts reported under the caption including identification with the class and series of stock to which related.
4. Gain on Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a succinct designation of the nature of each credit and debit identified as to class and series of stock to which related.
5. Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account at end 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)	
1		
2		
3	<u>Miscellaneous Paid in Capital</u>	
4	Balance - Beginning of Year	41,105,664
5	Additions in 2017	7,600,000
6		
7	Balance - End of Year	48,705,664
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	TOTAL	48,705,664



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 Rate per Cent (f)	Dates Due (g)	Interest Accrued During Year, Charged to Income (h)	Interest Paid During Year (i)
1	Bonds - Fall River 7.99% Debt	9/20/1996	9/20/2026	7,000,000	7,000,000	7.99%	3/15 & 9/15	559,300	559,300
2	Bonds - Fall River 7.99% Debt	2/20/1990	2/20/2020	6,500,000	6,500,000	9.44%	2/15 & 8/15	613,600	613,600
3	Bonds - Fall River 7.24% Debt	12/11/1997	12/11/2027	6,000,000	6,000,000	7.24%	6/15 & 12/15	434,400	434,000
4									
5	Subtotal - DPU Accts 221 & 427			19,500,000	19,500,000			1,607,300	1,606,900
6									
7	Note Payable LU Co & LUNENat Gas Co \$2.8M @ 3.23% 7yr	12/20/2013	12/20/2020	2,839,806	2,839,806	3.23%	1/30 & 7/30	91,726	91,726
8	Note Payable LU Co & LUNENat Gas Co \$8.5M @ 3.86% 10yr	12/20/2013	12/20/2023	8,519,419	8,519,419	3.86%	1/30 & 7/30	328,850	328,850
9	Note Payable LU Co & LUNENat Gas Co \$2.8M @ 4.26% 15yr	12/20/2013	12/20/2028	2,839,806	2,839,806	4.26%	1/30 & 7/30	120,976	120,976
10									
11	Subtotal - DPU Accts 223 & 430			14,199,032	14,199,032			541,551	541,551
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27			TOTALS	33,699,032	33,699,032			2,148,851	2,148,451

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.

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

NOTES PAYABLE (Account 231)					
Report the particulars indicated concerning notes payable at end of year.					
Line No.	Payee (a)	Date of Note (b)	Date of Maturity (c)	Int. Rate (d)	Balance End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
TOTAL					
PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)					
Report the particulars indicated concerning payables 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)	
19	<u>Acct 233</u>	\$		\$	
20	Note Pay-LU Co & New Eng Gas-\$7.6M @ 4.2%	0	4.20%	186,500	
21					
22					
23	<u>Acct 234</u>				
24	Due To New England Regulated, Net	944,014			
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41	TOTALS	944,014		186,500	

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## 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.	Description (a)	Amount (b)
1	Current Portion-Misc Operating Reserves 20-2110-2282	3,140,300
2	Misc Accrued Liabilities 20-2110-2420	2,225,443
3	Short Term Pension Obligation accrual 20-2110-2421	325,581
4	Short Term OPEB obligation accrual 20-2110-2429	744,755
5	Gas/Power Purchases Accrual 20-2110-2425	5,387,101
6	Unapplied payments 20-2111-2420	783,538
7	Unpaid Invoice Accrual 20-2111-2421	893,895
8	Accrued Payroll 20-2130-2420	247,769
9	Bonus Accrual 20-2130-2425	613,743
10	Charitable Org. Accrual 20-2140-2422	98
11	Cum&Accr Liab-Vac Accrual 20-2141-2428	484,304
12	Group Insurance Accrual 20-2140-2424	476
13	Empl Deduct-Union Dues Accrual 20-2140-2425	8,388
14	Flex Accounts 20-2140-1850	(619)
15		
16		
17	TOTAL	14,854,773

## 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 Beg of Year (b)	Debits		Credits (e)	Balance End of Year (dr)/cr (f)
			Account Debited (c)	Amount (d)		
16	FAS 87 Liability 20-2930-2285	20,001,407	20-2001-2320, 69-5043-9267	3,821,964	440,338	16,619,781
17						
18	Environmental 20-2930-2282	19,877,595	10-1920-1863, 20-2110-2282	4,767,050	3,738,262	18,848,807
19						
20	FAS 106 Liability - OPEB 20-2930-2283	11,065,937	10-1240-1850, 10-1250-1840, 20-2001-2320, 20-2021-2340	480,974	1,051,499	11,636,462
21						
22	Other Long Term Post Retirement Accrual 20-2930-2286	3,865,150	20-2001-2320, 20-2140-1847, 69-5043-9260, 10-1240-1850, 10-1920-1860, 30-3800-2194	455,434	297,965	3,707,680
23						
24	Rate Base Offset 20-2910-2543	14,753,206	80-8641-4250	1,137,504	0	13,615,702
25						
26	Asset Retirement Obligation 20-2930-2300	315,726	N/A	0	15,910	331,636
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTALS	69,879,020		10,662,925	5,543,974	64,760,069

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## RESERVE FOR DEPRECIATION OF UTILITY PLANT IN SERVICE (Account 254-259)

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 Total.....		71,732,761	71,732,761
2	Credits to Depreciation Reserve during year:			
3	Account 80-8610-4030 Depreciation.....		6,471,616	6,471,616
4	Account 10-1251-1843 TWE Clearing.....		281,279	281,279
5	TOTAL CREDITS DURING YEAR.....		6,752,895	6,752,895
6	Net Charges for Plant Retired:			
7	Book Cost of Plant Retired.....		657,977	657,977
8	Cost of Removal.....		522,179	522,179
9	Salvage (Credit).....		(4,445)	(4,445)
10				
11				
12	NET CHARGES DURING YEAR.....		1,175,711	1,175,711
13	Balance December 31.....	-	77,309,945	77,309,945

## 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.

14	Book depreciation was calculated using the depreciation rates approved in D.P.U. 10-114.
15	
16	
17	
18	
19	
20	
21	
22	

## 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	Payable
23	NONE						
24							
25							
26							
27							
28							
29							
30							
31							
32	TOTALS	-		-	-		
33							
34	Dividend rates on Common Stock and Premium						
35	Dividend rates on Common Stock, Premium and Surplus						

0.0%

0.0%

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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

1. Report below an analysis of the change 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.	Item (a)	Contra Account Debited or Credited (b)	Amount (c)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11	<u>A/C 265 Reserve for Liability &amp; Damages</u>		
12			
13	Balance - Beginning of Year		(0)
14			
15	Provisions		212,166
16	Claims Paid		(12,165)
17			
18			
19			
20			200,000
21	Balance - End of Year		<u>200,000</u>
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49		TOTAL	200,000
50			
51			
52			
53			

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## 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 Account 411, Federal Income Taxes Deferred in Prior Years - Credit or comparable account of the previous system of accounts.

Line No.	Account Subdivisions (a)	Balance Beg of 2017 (b)	Changes During Year			
			Acct 410 cr/(dr) (c)	Acct 411 cr/(dr) (d)	Other Adju cr/(dr) (e)	Balance End of Year cr/(dr) (f)
1	Accelerated Amortization	\$		\$		\$
2	(Account 267)					
3	Electric.....	0				0
4	Gas - State.....	0				0
5	Gas - Federal.....	0				0
6	Other (Specify).....	0				0
7						
8	Totals.....	0	0	0	0	0
9						
10	Liberalized Depreciation (Note)					
11	(Account 268)					
12	Electric.....	0				0
13	Gas - State.....	1,821,247	1,401,151		0	3,222,398
14	Gas - Federal.....	11,727,725	9,022,562		0	20,750,287
15	Other (Specify).....	0				0
16						
17	Totals.....	13,548,972	10,423,713	0	0	23,972,685
18						
19	Other					
20	(Accounts )					
21	Electric.....	0				0
22	Gas - State.....	(1,726,412)	(1,040,214)		6,582	(2,760,045)
23	Gas - Federal.....	(10,983,708)	(6,698,349)		42,381	(17,639,677)
24	Other .....	0				0
25						
26	Totals.....	(12,710,121)	(7,738,563)	0	48,962	(20,399,721)
27						
28	Total (Accounts 267, 268)					
29	Electric.....	0	0	0	0	0
30	Gas - State.....	94,835	360,937	0	6,582	462,353
31	Gas - Federal.....	744,017	2,324,213	0	42,381	3,110,611
32	Other (Specify).....	0	0	0	0	0
33						
34	Totals.....	838,852	2,685,149	0	48,962	3,572,963
35						

Note: Includes impact of bonus depreciation, repair tax deduction, and cost of removal which is deducted as incurred for tax purposes.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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)		
1	Total CIAC	4,915,289	10-1618-1070	287,433	619,430	5,247,287
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12	TOTALS	4,915,289		287,433	619,430	5,247,287

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

GAS OPERATING REVENUES (Account 400)										
1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year. 2. If increases and decreases are not derived from previously reported figures explain any inconsistencies. 3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added. The average number of customers means the average of the 12 figures at the close of each month. If the customer count in the residential service classification includes customers counted more than once because of special services, such as water heating etc., indicate in a footnote the number of such duplicate customers included in the classification. 4. Unmetered sales should be included below. The details of such sales should be given in a footnote. 5. Classification of Commercial and Industrial Sales, Account 481, according to Small (or Commercial) and Large (or Industrial) may be according to the basis of classification regularly used by the respondent.			Operating Revenues			MCF Sold (1000 BTU)		Average Number of Customers per Month		
			Amount for Year (b)	Increase or (Decrease) from Preceding Year (c)	Amount for Year (d)	Increase or (Decrease) from Preceding Year (e)	Number For Year (f)	Increase or (Decrease) from Preceding Year (g)		
Line No.	Account (a)	\$	\$							
1	SALES OF GAS									
2	480 Residential Sales.....	45,894,883	8,046,803	3,685,376	236,120	50,803	367			
3	481 Commercial and Industrial Sales:									
4	Small (or Commercial)...see instr.5.....	10,584,766	1,386,254	1,001,956	76,461	3,728	55			
5	Large (or Industrial)...see instr.5.....	673,013	(460,635)	111,083	(88,789)	3	(1)			
6	482 Other Sales to Public Authorities.....	-	-	-	-	-	-			
7	484 Interdepartmental Sales.....	-	-	-	-	-	-			
8	485 Miscellaneous Gas Sales... Unbilled.....	-	-	-	-	-	-			
9	Total Sales to Ultimate Consumers.....	57,152,662	8,972,422	4,798,415	223,792	54,533	421			
10	483 Sales for Resale.....	-	(357,897)	-	(164,774)	-	(1)			
11	Total Sales of Gas *	57,152,662	8,614,525	4,798,415	59,018	54,533	420			
12	OTHER OPERATING REVENUES									
13	486 Supplier Sales									
14	487 Unbilled Revenue.....	1,899,116	1,712,375							
15	488 Miscellaneous Service Revenues.....	33,746	5,901							
16	489 Revenues from Trans.of Gas of Others.....	6,391,682	653,849							
17	490 Sales of Products Extracted from Natural Gas.....	-	-							
18	491 Rev. from Natural Gas Processed by Others.....	-	-							
19	493 Rent from Gas Property.....	-	-							
20	494 Interdepartmental Rents.....	-	-							
21	495 Other Gas Revenues.....	3	(8,484)							
22	Total Other Operating Revenues.....	8,324,547	2,363,641							
23	Total Gas Operating Revenues.....	65,477,209	10,978,166							
		Purchased Price Adjustment Clauses		Fuel Clauses						



## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

SALES OF GAS TO ULTIMATE CONSUMERS							
Report by account the MCF 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)	M.C.F (1000 BTU) (b)	Revenue (c)	Average Revenue per MCF (\$0.0000) (see Note) (d)	Number of Customers (Per Bills Rendered)	
						July 31 (e)	December 31 (f)
1	RESIDENTIAL						
2							
3		R-1 Residential Non-heating	38,764	802,506.680	20.7023	2,709	2,660
4							
5		R-2 Residential Non-heating, Low income	4,042	61,251.000	15.1544	155	209
6							
7		R-3 Residential Heating	2,912,321	36,564,493.460	12.5551	38,493	39,210
8							
9		R-4 Residential Heating, Low income	730,248	6,914,499.690	9.4687	9,145	9,411
10							
11		LDAC Deferred Revenue		(2,942,052.600)			
12							
13		Res Decoupling Revenue Deferred		(534,302.070)			
14							
15		Gas Revenue Deferred		5,028,486.390			
16							
17	COMMERCIAL & INDUSTRIAL						
18							
19		G-41 C&I Low Annual Use, Low Load Factor	408,429	4,995,722.370	12.2316	2,822	2,944
20							
21		G-42 C&I Medium Annual Use, Low Load Factor	312,372	3,103,930.400	9.9367	191	208
22							
23		G-51 C&I Low Annual Use, High Load Factor	117,942	1,095,196.540	9.2859	572	587
24							
25		G-52 C&I Medium Annual Use, High Load Factor	163,213	1,390,214.790	8.5178	103	115
26							
27		Com Decoupling Revenue Deferred		(297.760)			
28							
29							
30							
31							
32							
33							
34							
35		G-43 C&I High Annual Use, Low Load Factor	31,505	266,386.200	8.4554	2	2
36							
37		G-53 C&I High Annual Use, High Load Factor	79,578	406,626.790	5.1098	2	2
38							
39							
40							
41							
42							
43		Note: Average revenue per MCF for individual rate classes above is calculated based on revenue billed for each class, without allocating impact of LDAC, GAF, and Decoupling accruals and deferrals.					
44	TOTAL SALES TO ULTIMATE CONSUMERS (Page 43 line 9)		4,798,415	57,152,661.880	11.9107	54,194	55,348

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## 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)	Increase or (Decrease) from of Preceding Year (c)
1	<b>PRODUCTION EXPENSES</b>		
2	<b>MANUFACTURED GAS PRODUCTION EXPENSES</b>		
3	<b>STEAM PRODUCTION</b>		
4	<b>Operation:</b>		
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	<b>Maintenance:</b>		
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	<b>Operation:</b>		
20	710 Operation supervision and engineering.....	-	-
21	Production labor and expenses:		
22	711 Steam expenses.....	-	-
23	712 Other power expenses.....	-	-
24	715 Water gas generating expenses.....	-	-
25	716 Oil gas generating expenses.....	-	-
26	717 Liquefied petroleum gas expenses.....	452,275	(710,924)
27	718 Other process production expenses.....	-	-
28	<b>Gas fuels:</b>		
29	721 Water gas generator fuel.....	-	-
30	722 Fuel for oil gas.....	-	-
31	723 Fuel for liquefied petroleum gas process.....	56,775	(11,444)
32	724 Other gas fuels.....	-	-
33	<b>Gas raw materials:</b>		
34	726 Oil for water gas.....	-	-
35	727 Oil for oil gas.....	-	-
36	728 Liquefied petroleum gas.....	-	-
37	808.1 Liquefied Natural Gas (Costs included in Act 804.1).....	-	-
38	730 Residuals expenses.....	-	-
39	731 Residuals produced -- Cr.....	-	-
40	732 Purification expenses.....	-	-
41	733 Gas mixing expenses.....	-	-
42	734 Duplicate charges -- Cr.....	-	-
43	735 Miscellaneous production expenses.....	884,117	795,517
44	736 Rents.....	-	-
45	Total operation.....	1,393,167	73,149
46	<b>Maintenance:</b>		
47	740 Maintenance supervision and engineering.....	-	-
48	741 Maintenance of structures and improvements.....	235,983	(28,271)
49	742 Maintenance of production equipment.....	129,432	42,406
50	Total maintenance.....	365,415	14,135
51	Total manufactured gas production.....	1,758,582	87,285

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

GAS OPERATION AND MAINTENANCE EXPENSES - Continued			
Line No.	Account (a)	Amount for Year (b)	Increase or (Decrease) from of Preceding Year (c)
1	<b>OTHER GAS SUPPLY EXPENSES</b>	\$	\$
2	<b>Operation:</b>		
3	804 Natural gas city gate purchases.....	15,029,939	6,594,922
4	805 Other gas purchases.....	-	-
5	806 Exchange gas.....	-	-
6	807 Purchased Gas Expenses.....	-	-
7	810 Gas used for compressor station fuel - Cr.....	-	-
8	811 Gas used for products extraction - Cr.....	-	-
9	812 Gas used for other utility operations - Cr.....	(46,892)	(15,511)
10	813 Other gas supply expenses (CGA & Capacity Release).....	195,282	(80,802)
11	Total other gas supply expenses.....	15,178,329	6,498,610
12	Total production expenses.....	16,936,910	6,585,895
13	<b>LOCAL STORAGE EXPENSES</b>		
14	<b>Operation:</b>		
15	835 Measuring & Regulating Equipment	-	-
16	840 Operation supervision and engineering.....	-	-
17	841 Operation labor and expenses.....	-	-
18	842 Rents.....	-	-
19	Total operation.....	-	-
20	<b>Maintenance:</b>		
21	843 Maintenance supervision and engineering.....	-	-
22	844 Maintenance of structures and improvements.....	-	-
23	845 Maintenance of gas holders.....	-	-
24	846 Maintenance of other equipment.....	-	-
25	Total maintenance.....	-	-
26	Total storage expenses.....	-	-
27	<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>		
28	<b>Operation:</b>		
29	850 Operation supervision and engineering.....	136,173	(7,344)
30	851 System control and load dispatching.....	124,743	123,155
31	852 Communication system expenses.....	-	-
32	853 Compressor station labor and expense.....	-	-
33	855 Fuel and power for compressor stations.....	-	-
34	857 Measuring and regulating station expenses.....	-	-
35	858 Transmission and compression of gas by others.....	-	-
36	874 Mains and services expenses.....	1,434,483	159,039
37	878 Meter and house regulator expenses.....	439,764	18,661
38	879 Customer installations expenses.....	896,793	(579,356)
39	880 Other expenses.....	748,986	57,787
40	881 Rents.....	-	-
41	Total operation.....	3,780,941	(228,058)
42	<b>Maintenance:</b>		
43	885 Maintenance supervision and engineering.....	-	-
44	886 Maintenance of structures and improvements.....	254,203	17,373
45	887 Maintenance of mains.....	548,086	64,288
46	888 Maintenance of compressor station equipment.....	-	-
47	889 Maintenance of measuring and regulating station equipment.....	14,210	8,796
48	891 City Gate .....	-	-
49	892 Maintenance of services.....	565,364	342,296
50	893 Maintenance of meters and house regulators.....	780,154	138,822
51	894 Maintenance of other equipment.....	45,382	(406,328)
52	Total maintenance.....	2,207,400	165,247
53	Total transmission and distribution expenses.....	5,988,341	(62,811)

GAS OPERATION AND MAINTENANCE EXPENSES - Continued				
Line No.	Account (a)	Amount for Year (b)	Increase or (Decrease) from of Preceding Year (c)	
1	<b>CUSTOMER ACCOUNTS EXPENSES</b>	\$	\$	
2	<b>Operation:</b>			
3	901 Supervision.....	-	-	
4	902 Meter reading expenses.....	95,332	(175,004)	
5	903 Customer records and collection expenses.....	3,017,911	195,632	
6	904 Uncollectible accounts.....	1,333,000	401,175	
7	905 Miscellaneous customer accounts expenses.....	-	-	
8	Total customer accounts expenses.....	4,446,243	421,804	
9	<b>SALES EXPENSES</b>			
10	<b>Operation:</b>			
11	909 I&I Advertising Exp- Sales Exp.....	-	-	
12	910 Misc Cust Assist Exp-Information.....	-	-	
13	912 Demonstrating and selling expenses.....	58,468	37,543	
14	913 Advertising expenses.....	86,741	20,998	
15	916 Miscellaneous sales expenses.....	95,625	(12,027)	
16	Total sales expenses.....	240,833	46,514	
17	<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>			
18	<b>Operation:</b>			
19	920 Administrative and general salaries.....	3,787,282	500,800	
20	921 Office supplies and expenses.....	2,057,210	157,242	
21	922 Administrative expenses transferred - Cr.....	(3,442,870)	(403,848)	
22	923 Outside services employed.....	2,849,001	(22,169)	
23	924 Property insurance.....	637,107	(24,362)	
24	925 Injuries and damages.....	212,166	360,023	
25	926 Employees pensions and benefits.....	6,036,241	(637,954)	
26	928 Regulatory commission expenses.....	400,668	42,001	
27	929 Duplicate charges - Cr.....	-	-	
28	930 Miscellaneous general expenses.....	102,958	(148,092)	
29	931 Rents.....	-	-	
30	Total operation:	12,639,762	(176,360)	
31	<b>Maintenance:</b>			
32	932 Maintenance of general plant.....	-	-	
33	Total administrative and general expenses.....	12,639,762	(176,360)	
34	Total gas operation and maintenance expenses.....	40,252,090	6,815,041	
<b>SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (d)
35	Steam production.....	\$	\$	\$
36	Manufactured gas production.....	1,393,166.77	365,415	1,758,582
37	Other gas supply expenses.....	15,178,328.85	-	15,178,329
38	Total production expenses.....	16,571,495.62	365,415	16,936,910
39	Local storage expenses.....	-	-	-
40	Transmission and distribution expenses.....	3,780,940.95	2,207,400	5,988,341
41	Customer accounts expenses.....	4,446,243.00	-	4,446,243
42	Sales expenses.....	240,833.49	-	240,833
43	Administrative and general expenses.....	12,639,761.71	-	12,639,762
44	Total gas operation and maintenance expenses.....	37,679,274.77	2,572,815	40,252,090
45	Ratio of operating expenses to operating revenues (carry out decimal two places, e.g.: 0.00%) Compute by dividing Revenues (Acct 400) into the sum of Operation and Maintenance Expenses (P. 47 line 44 (d), Depreciation (Acct 403) and Amortization (Acct 407)			77.15%
46	Total salaries and wages of gas department for year, including amounts charged to operating expenses, construction and other accounts			\$ 12,803,944
47	Total number of employees of gas department at end of year, including administrative, operating, maintenance, construction and other employees (including part time employees)			150

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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

## 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. (c)	Rate per M.C.F. (d)	Amount (e)
1	NONE		-	\$ -	\$ -
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15			-		\$ -

## SALE OF RESIDUALS (Accounts 730, 731)

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

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

## PURCHASED GAS (Accounts 804-806)

Line No.	Names of Companies from Which Gas is Purchased (a)	Where Received and Where and How Measured (b)	M.C.F. (1000 BTU) (c)	Rate per M.C.F. (\$0.0000) (d)	Amount (e)
24	See Page 48A				
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					

Support for page 48

Year ended December 31, 2017			
		<u>MCF</u>	<u>COST</u>
Gas Purchased, Produced and Sold	Delivered & Measured by		
AGT Imbalance	Orifice Meter @ Charles St.	(64,518)	\$ (940,298)
	Plant Westport &		
	Swansea Gate Stations		
COMMODITY:			
Direct Energy (INCL INJECTIONS)		5,480,057	6,293,791
RESERVATION/DEMAND CHARGES:			8,143,213
Algonquin, Texas Eastern. Dominion, Transco, National Fuel			
STORAGE WITHDRAWAL		270,234	497,142
LNG PRODUCED / VAPORIZED		<u>141,945</u>	<u>1,194,560</u>
		5,827,718	\$ 2.6062 15,188,408

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

## 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 plant 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 of apportioning such a 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)				(g)	(h)
			Electric (c)	Subtotal Gas (d)	Acct. 408 (d)	Subtotal Gas (f)		
1	Federal:	0						
2	Income Tax	793,539		793,539				
3	Social Security	190,555		190,555				
4	FICA / Medicare	10,002		10,002				
5	Unemployment	994,095		994,095				
6	Total Federal							
7								
8	State:	0						
9	Franchise/Income Tax	91,035		91,035				
10	Unemployment	258,400		258,400				
11	Excise, Sales & Other	349,435		349,435				
12	Total State							
13								
14	Municipal:	2,265,077		2,265,077				
15	City & Towns - Property	2,265,077		2,265,077				
16	Total Municipal							
17								
18								
19	TOTALS	3,608,607		3,608,607				
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								

Note: Liberty current year income taxes payable per tax department pertaining to regulated operations.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51	Totals				\$ -



Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

INCOME FROM MERCHANDISING, JOBBING, AND CONTRACT WORK (Account 415)					
Report by utility departments 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	Revenues:				
2	Merchandise sales, less discounts, allowance and returns				
3	Contract work				
4	Commissions				
5	Other (list according to major classes)		NONE		NONE
6					
7					
8					
9					
10					
11	Total Revenues		-		-
12					
13					
14					
15	Costs and Expenses:				
16	Cost of sales (list according to major classes of cost)				
17					
18					
19					
20					
21					
22					
23					
24	Sales expenses				
25	Customer accounts expenses				
26	Administrative and general expenses				
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51	TOTAL COSTS AND EXPENSES	-	-	-	-
	Net Profit (or Loss)				

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

RECORD OF SENDOUT FOR THE YEAR IN MCF  
BASED ON 1000 BTU PER CUBIC FOOT

Line Item No.	Totals	January	February	March	April	May
1 <u>Gas Made</u>						
2 Liquefied Natural Gas	138,145	7,963	10,941	45,871	7,494	4,136
3 Liquefied Petroleum Gas	-	-	-	-	-	-
4 Gas						
5 Gas						
6 TOTAL	138,145	7,963	10,941	45,871	7,494	4,136
7						
8 <u>Gas Purchased</u>						
9 Natural	6,263,427	995,963	843,024	985,758	447,722	307,005
10 Transportation	-	-	-	-	-	-
11 TOTAL	6,263,427	995,963	843,024	985,758	447,722	307,005
12 TOTAL MADE AND						
13 PURCHASED	6,401,572	1,003,926	853,965	1,031,629	455,216	311,141
14 Net Change in Holder Gas						
15 TOTAL SENDOUT	6,401,572	1,003,926	853,965	1,031,629	455,216	311,141
16						
17						
18						
19 Gas Sold	6,068,111	1,013,995	954,791	889,834	822,654	350,838
20 Gas Used by Company	13,696	2,479	2,001	2,498	1,055	850
21 Gas Accounted for	6,081,807	1,016,474	956,792	892,332	823,709	351,688
22 Gas Unaccounted for	319,765	(12,548)	(102,827)	139,297	(368,493)	(40,547)
23 % Unaccounted for (0.00%)	5.00%	-1.25%	-12.04%	13.50%	-80.95%	-13.03%
24						
25						
26						
27 <u>Sendout in 24 hours</u>						
<u>in MCF</u>						
28 Maximum-MCF		52,173	48,204	54,204	3,294	16,073
29 Maximum-Date		Jan. 9	Feb. 9	March 4	April 1	May 8
30 Minimum-MCF		19,286	11,941	18,153	6,549	6,722
31 Minimum-Date		Jan. 12	Feb. 24	March 1	April 29	May 19
32						
33						
34						
35 B.T.U. Content of Gas Delivered: 1,029 per cf.		1.027	1.027	1.029	1.027	1.027

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

RECORD OF SENDOUT FOR THE YEAR IN MCF-Continued  
BASED ON 1000 BTU PER CUBIC FOOT

	June	July	August	September	October	November	December
1 <u>Gas Made</u>							
2 Liquefied Natural Gas	3,554	5,946	5,823	3,774	4,740	4,313	33,590
3 Liquefied Petroleum Gas	-	-	-	-	-	-	-
4 Gas							
5 Gas							
6 TOTAL	3,554	5,946	5,823	3,774	4,740	4,313	33,590
7							
8 <u>Gas Purchased</u>							
9 Natural	199,315	162,792	168,949	173,929	235,301	636,357	1,107,312
10 Transportation	-	-	-	-	-	-	-
11 TOTAL	199,315	162,792	168,949	173,929	235,301	636,357	1,107,312
12 TOTAL MADE AND							
13 PURCHASED	202,869	168,738	174,772	177,703	240,041	640,670	1,140,902
14 Net Change in Holder							
15 Gas							
16 TOTAL SENDOUT	202,869	168,738	174,772	177,703	240,041	640,670	1,140,902
17							
18 Transportation							
19 Gas Sold	354,818	120,433	163,153	154,767	187,362	325,735	729,732
20 Gas Used by Company	548	330	181	183	707	954	1,910
21 Gas Accounted for	355,366	120,763	163,334	154,950	188,069	326,689	731,642
22 Gas Unaccounted for	(152,497)	47,975	11,438	22,753	51,972	313,981	409,260
23 % Unaccounted for (0.00%)	-75.17%	28.43%	6.54%	12.80%	21.65%	49.01%	35.87%
24							
25							
26							
27 <u>Sendout in 24 hours</u>							
in MCF							
28 Maximum-MCF	13,091	8,044	6,639	7,587	14,024	35,855	64,660
29 Maximum-Date	June 6	July 26	Aug. 29	Sept. 30	Oct. 31	Nov. 10	Dec. 28
30 Minimum-MCF	5,092	4,545	4,652	4,932	5,200	8,194	18,757
31 Minimum-Date	June 24	July 22	Aug. 19	Sept. 16	Oct. 8	Nov. 2	Dec. 5
32							
33							
34							
35 B.T.U. Content of Gas Delivered: 1,029 per cf.	1.027	1.026	1.026	1.027	1.026	1.027	1.028

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

GAS GENERATING PLANT			
Line No.	General Description - Location, Size, Type, etc.	No. of Sets	24 Hour Cap. (MCF)
1	<u>Other Gas Producing Equipment</u>  NONE		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
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40			
41			
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43			
44			
45			
46			
47			
48			
49		TOTAL	

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
SCRUBBERS, CONDENSERS AND EXHAUSTERS. 24 HOUR CAPACITY (MCF)						
Line No.		Kind of Gas			Total Capacity	
29	Scrubbers		NONE			
30						
31						
32						
33	Condensers		NONE			
34						
35						
36						
37	Exhausters		NONE			
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

PURIFIERS							
Line No.	Location	Kind of Gas Purified	Kind of Purifying Material	Estimated 24 Hour Capacity			
1	NONE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
HOLDERS (Including Relief Holders). Indicate Relief Holders by the letters R.H.							
Line No.	Location	Type of Tank	Dimensions		No. of Lifts	Number	Working Capacity
			Diam.	Height			
23	NONE						
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							

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	Adjustments During Year	Abandoned But Not Removed During Year	Total Length in Feet at End
1						
2						
3	<b>Steel</b>					
4	2" or less	408,677	-	2,595	14,865	396,407
5	Over 2" thru 4"	654,556	-	796	11,493	643,859
6	Over 4" thru 8"	197,937	-	3,515	8,869	192,583
7	Over 8" thru 12"	63,096	1,938	2,236	2,368	64,902
8	Over 12"	12,778	-	12	23	12,767
9						
10						
11	<b>Cast/Wrought Iron</b>					
12	2" or less	1,742	-	(78)	397	1,267
13	Over 2" thru 4"	353,142	-	(1,639)	14,745	336,758
14	Over 4" thru 8"	191,627	-	2,114	13,392	180,349
15	Over 8" thru 12"	46,992	-	(20)	1,221	45,751
16	Over 12"	24,563	-	1	8,882	15,682
17						
18						
19	<b>Plastic</b>					
20	2" or less	584,280	20,286	1,723	1,845	604,444
21	Over 2" thru 4"	426,698	21,641	1,290	1,642	447,987
22	Over 4" thru 8"	275,776	32,270	(2,079)	1,042	304,925
23	Over 8" thru 12"	12,640	8,443	228	-	21,311
24	Over 12"	-	-	-	-	-
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
	TOTALS	3,254,504	84,578	10,694	80,784	3,268,992
Normal Operating Pressure - Mains and Lines			- Maximum	60 psi	Minimum	6" w.c.
Normal Operating Pressure - Services			- Maximum	60 psi	Minimum	6" w.c.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 201

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.....	36,348	12,459	61,448
2	Additions during year:			
3	Purchased.....	1,421	564	1,660
4	Installed.....			
5	Associated with Plant acquired.....			
6	Total Additions.....	1,421	564	1,660
7	Reductions during year:			
8	Retirements.....	1,082	337	1,698
9	Associated with Plant sold.....			
10	Total Reductions.....	1,082	337	1,698
11	Number at End of Year.....	36,687	12,686	61,410
12	In Stock.....			3,794
13	On Customers' Premises - Inactive.....			1,565
14	On Customers' Premises - Active.....			56,024
15	In Company Use.....			27
16	Number at End of Year.....			61,410
17	Number of Meters Tested by State Inspectors During Year.....			7,026



**Sales Service Rates - Peak**  
**Effective March 1, 2017**

Use rates as shown for R-1 and apply 25% discount to total amount.

Use rates as shown for R-3 and apply 25% discount to total amount.

G-53	Com & Ind rate - High annual use, High load factor				Demand	Customer	
		Base rate +			Rate	Charge +	Fixed Charge
	Maximum Daily Contract Quantity (MDCQ)	\$3.2115			\$3.2115		(per month)
	plus Therms		\$0.3417	\$0.0159	\$0.1137	\$942.09	\$942.09

"GAF" (Gas Adjustment Factor)	\$0.3417
Fixed Price Option	\$0.3617

Local Distribution Adjustment Factors (LDAF):	
R-1 & R-2	\$0.2456
R-3 & R-4	\$0.2456
G-41, G-42, & G-43	\$0.1618
G-51, G-52, & G-53	\$0.1137
Revenue Decoupling Adjustment Factor (RDAF)	
R-1 & R-2	\$0.0255
R-3 & R-4	\$0.0255
G-41, G-42, & G-43	\$0.0195
G-51, G-52, & G-53	\$0.0159

# Liberty Utilities

## Transportation Billing Rates - Peak Effective March 1, 2017

<b>T-1</b>	<b>Residential rate - Non Heating</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.5366	\$0.0255	\$0.2456	\$0.8077	\$11.68	\$11.68
<b>T-2</b>	<b>Residential low income rate - Non Heating</b>		Use rates as shown for T-1 and apply 25% discount to total amount.					
<b>T-3</b>	<b>Residential rate - Heating</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4679	\$0.0255	\$0.2456	\$0.7390	\$12.11	\$12.11
<b>T-4</b>	<b>Residential low income rate - Heating</b>		Use rates as shown for T-3 and apply 25% discount to total amount.					
<b>T-41</b>	<b>Com &amp; Ind rate - Low annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4745	\$0.0195	\$0.1618	\$0.6558	\$26.91	\$26.91
<b>T-42</b>	<b>Com &amp; Ind rate - Medium annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4467	\$0.0195	\$0.1618	\$0.6280	\$40.37	\$40.37
<b>T-43</b>	<b>Com &amp; Ind rate - High annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2450	\$0.0195	\$0.1618	\$0.4263	\$942.09	\$942.09
<b>T-51</b>	<b>Com &amp; Ind rate - Low annual use, High load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4003	\$0.0159	\$0.1137	\$0.5299	\$26.91	\$26.91
<b>T-52</b>	<b>Com &amp; Ind rate - Medium annual use, High load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4421	\$0.0159	\$0.1137	\$0.5717	\$40.37	\$40.37
<b>T-53</b>	<b>Com &amp; Ind rate - High annual use, High load factor</b>		Base rate +			Demand Rate	Customer Charge +	Fixed Charge (per month)
	Maximum Daily Contract Quantity (MDCQ)		\$3.2115			\$3.2115		
	plus Therms			\$0.0159	\$0.1137	\$0.1296	\$942.09	\$942.09

Customer Charge includes cost of reading, billing and accounting.

Retention Rate Line Loss	2.32%
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Local Distribution Adjustment Factors (LDAF):	
T-1 & T-2	\$0.2456
T-3 & T-4	\$0.2456
T-41, T-42, & T-43	\$0.1618
T-51, T-52, & T-53	\$0.1137
Revenue Decoupling Adjustment Factor (RDAF)	
T-1 & T-2	\$0.0255
T-3 & T-4	\$0.0255
T-41, T-42, & T-43	\$0.0195
T-51, T-52, & T-53	\$0.0159

# Liberty Utilities

## Sales Service Rates - Off-Peak Effective May 1, 2017

R-1	Residential rate - Non Heating		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.5099	\$0.1965	\$0.0121	\$0.2694	\$0.9879	\$11.68	\$11.68

R-2 Residential low income rate - Non Heating

Use rates as shown for R-1 and apply 25% discount to total amount.

R-3	Residential rate - Heating		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.3475	\$0.1965	\$0.0121	\$0.2694	\$0.8255	\$12.11	\$12.11

R-4 Residential low income rate - Heating

Use rates as shown for R-3 and apply 25% discount to total amount.

G-41	Com & Ind rate - Low annual use, Low load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2852	\$0.1965	\$0.0132	\$0.1772	\$0.6721	\$26.91	\$26.91

G-42	Com & Ind rate - Medium annual use, Low load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2986	\$0.1965	\$0.0132	\$0.1772	\$0.6855	\$40.37	\$40.37

G-43	Com & Ind rate - High annual use, Low load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.1714	\$0.1965	\$0.0132	\$0.1772	\$0.5583	\$942.09	\$942.09

G-51	Com & Ind rate - Low annual use, High load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2630	\$0.1965	\$0.0030	\$0.1244	\$0.5869	\$26.91	\$26.91

G-52	Com & Ind rate - Medium annual use, High load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.3128	\$0.1965	\$0.0030	\$0.1244	\$0.6367	\$40.37	\$40.37

G-53	Com & Ind rate - High annual use, High load factor		Base rate +				Demand Rate	Customer Charge +	Fixed Charge (per month)
	Maximum Daily Contract Quantity (MDCQ)		\$2.2482				\$2.2482		
	plus Therms			\$0.1965	\$0.0030	\$0.1244	\$0.3239	\$942.09	\$942.09

Customer Charge includes cost of reading, billing and accounting.

"GAF" (Gas Adjustment Factor) \$0.1965  
Fixed Price Option N/A

Local Distribution Adjustment Factors (LDAF):	
R-1 & R-2	\$0.2694
R-3 & R-4	\$0.2694
G-41, G-42, & G-43	\$0.1772
G-51, G-52, & G-53	\$0.1244
Revenue Decoupling Adjustment Factor (RDAF)	
R-1 & R-2	\$0.0121
R-3 & R-4	\$0.0121
G-41, G-42, & G-43	\$0.0132
G-51, G-52, & G-53	\$0.0030

# Liberty Utilities

## Transportation Billing Rates - Off-Peak Effective May 1, 2017

<b>T-1</b>	<b>Residential rate - Non Heating</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.5099	\$0.0121	\$0.2694	\$0.7914	\$11.68	\$11.68

### T-2 Residential low income rate - Non Heating

Use rates as shown for T-1 and apply 25% discount to total amount.

<b>T-3</b>	<b>Residential rate - Heating</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.3475	\$0.0121	\$0.2694	\$0.6290	\$12.11	\$12.11

### T-4 Residential low income rate - Heating

Use rates as shown for T-3 and apply 25% discount to total amount.

<b>T-41</b>	<b>Com &amp; Ind rate - Low annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2852	\$0.0132	\$0.1772	\$0.4756	\$26.91	\$26.91

<b>T-42</b>	<b>Com &amp; Ind rate - Medium annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2986	\$0.0132	\$0.1772	\$0.4890	\$40.37	\$40.37

<b>T-43</b>	<b>Com &amp; Ind rate - High annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.1714	\$0.0132	\$0.1772	\$0.3618	\$942.09	\$942.09

<b>T-51</b>	<b>Com &amp; Ind rate - Low annual use, High load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2630	\$0.0030	\$0.1244	\$0.3904	\$26.91	\$26.91

<b>T-52</b>	<b>Com &amp; Ind rate - Medium annual use, High load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.3128	\$0.0030	\$0.1244	\$0.4402	\$40.37	\$40.37

<b>T-53</b>	<b>Com &amp; Ind rate - High annual use, High load factor</b>		Base rate +			Demand Rate	Customer Charge +	Fixed Charge (per month)
	Maximum Daily Contract Quantity (MDCQ)		\$2.2482			\$2.2482		
	plus Therms			\$0.0030	\$0.1244	\$0.1274	\$942.09	\$942.09

Customer Charge includes cost of reading, billing and accounting.

Retention Rate Line Loss 2.32%

#### Local Distribution Adjustment Factors (LDAF):

T-1 & T-2	\$0.2694
T-3 & T-4	\$0.2694
T-41, T-42, & T-43	\$0.1772
T-51, T-52, & T-53	\$0.1244

#### Revenue Decoupling Adjustment Factor (RDAF)

T-1 & T-2	\$0.0121
T-3 & T-4	\$0.0121
T-41, T-42, & T-43	\$0.0132
T-51, T-52, & T-53	\$0.0030

# Liberty Utilities

## Sales Service Rates - Peak Effective November 1, 2017

R-1	Residential rate - Non Heating		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.5366	\$0.3102	\$0.0328	\$0.2963	\$1.1759	\$11.68	\$11.68

R-2 Residential low income rate - Non Heating

Use rates as shown for R-1 and apply 25% discount to total amount.

R-3	Residential rate - Heating		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4679	\$0.3102	\$0.0328	\$0.2963	\$1.1072	\$12.11	\$12.11

R-4 Residential low income rate - Heating

Use rates as shown for R-3 and apply 25% discount to total amount.

G-41	Com & Ind rate - Low annual use, Low load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4745	\$0.3102	\$0.0270	\$0.1971	\$1.0088	\$26.91	\$26.91

G-42	Com & Ind rate - Medium annual use, Low load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4467	\$0.3102	\$0.0270	\$0.1971	\$0.9810	\$40.37	\$40.37

G-43	Com & Ind rate - High annual use, Low load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2450	\$0.3102	\$0.0270	\$0.1971	\$0.7793	\$942.09	\$942.09

G-51	Com & Ind rate - Low annual use, High load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4003	\$0.3102	\$0.0256	\$0.1389	\$0.8750	\$26.91	\$26.91

G-52	Com & Ind rate - Medium annual use, High load factor		Base rate +	GAF +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4421	\$0.3102	\$0.0256	\$0.1389	\$0.9168	\$40.37	\$40.37

G-53	Com & Ind rate - High annual use, High load factor		Base rate +				Demand Rate	Customer Charge +	Fixed Charge (per month)
	Maximum Daily Contract Quantity (MDCQ)		\$3.2115				\$3.2115		
	plus Therms			\$0.3102	\$0.0256	\$0.1389	\$0.4747	\$942.09	\$942.09

Customer Charge includes cost of reading, billing and accounting.

"GAF" (Gas Adjustment Factor)	\$0.3102
Fixed Price Option	\$0.3302

Local Distribution Adjustment Factors (LDAF):	
R-1 & R-2	\$0.2963
R-3 & R-4	\$0.2963
G-41, G-42, & G-43	\$0.1971
G-51, G-52, & G-53	\$0.1389
Revenue Decoupling Adjustment Factor (RDAF)	
R-1 & R-2	\$0.0328
R-3 & R-4	\$0.0328
G-41, G-42, & G-43	\$0.0270
G-51, G-52, & G-53	\$0.0256

# Liberty Utilities

## Transportation Billing Rates - Peak Effective November 1, 2017

<b>T-1</b>	<b>Residential rate - Non Heating</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.5366	\$0.0328	\$0.2963	<b>\$0.8657</b>	\$11.68	<b>\$11.68</b>
<b>T-2</b>	<b>Residential low income rate - Non Heating</b>		Use rates as shown for T-1 and apply 25% discount to total amount.					
<b>T-3</b>	<b>Residential rate - Heating</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4679	\$0.0328	\$0.2963	<b>\$0.7970</b>	\$12.11	<b>\$12.11</b>
<b>T-4</b>	<b>Residential low income rate - Heating</b>		Use rates as shown for T-3 and apply 25% discount to total amount.					
<b>T-41</b>	<b>Com &amp; Ind rate - Low annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4745	\$0.0270	\$0.1971	<b>\$0.6986</b>	\$26.91	<b>\$26.91</b>
<b>T-42</b>	<b>Com &amp; Ind rate - Medium annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4467	\$0.0270	\$0.1971	<b>\$0.6708</b>	\$40.37	<b>\$40.37</b>
<b>T-43</b>	<b>Com &amp; Ind rate - High annual use, Low load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.2450	\$0.0270	\$0.1971	<b>\$0.4691</b>	\$942.09	<b>\$942.09</b>
<b>T-51</b>	<b>Com &amp; Ind rate - Low annual use, High load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4003	\$0.0256	\$0.1389	<b>\$0.5648</b>	\$26.91	<b>\$26.91</b>
<b>T-52</b>	<b>Com &amp; Ind rate - Medium annual use, High load factor</b>		Base rate +	RDAF +	LDAF =	Variable Rate	Customer Charge +	Fixed Charge (per month)
	ALL	Therms	\$0.4421	\$0.0256	\$0.1389	<b>\$0.6066</b>	\$40.37	<b>\$40.37</b>
<b>T-53</b>	<b>Com &amp; Ind rate - High annual use, High load factor</b>		Base rate +			Demand Rate	Customer Charge +	Fixed Charge (per month)
	Maximum Daily Contract Quantity (MDCQ)		\$3.2115			<b>\$3.2115</b>		
	plus Therms			\$0.0256	\$0.1389	<b>\$0.1645</b>	\$942.09	<b>\$942.09</b>

Customer Charge includes cost of reading, billing and accounting.

Retention Rate Line Loss	2.05%
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Local Distribution Adjustment Factors (LDAF):	
T-1 & T-2	\$0.2963
T-3 & T-4	\$0.2963
T-41, T-42, & T-43	\$0.1971
T-51, T-52, & T-53	\$0.1389
Revenue Decoupling Adjustment Factor (RDAF)	
T-1 & T-2	\$0.0328
T-3 & T-4	\$0.0328
T-41, T-42, & T-43	\$0.0270
T-51, T-52, & T-53	\$0.0256

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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.P.U. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
		<i>See Attached</i>		

## Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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, referenda, legislation or ordinances (either with respect to the possible adoption of referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities; Account 426.4.

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

(e) newspaper and magazine editorial services; and (f) other advertising.

3. Expenditures within the definition of paragraph (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 instructions of Account 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 for ratemaking or other purposes.

Line No.	Item (a)	Amount (b)
1		
2	ANIMAL RESCUE LEAGUE OF FALL RIVER	\$ 1,000
3	CHILDRENS ADVOCACY CENTER OF	1,000
4	CITIZENS FOR CITIZENS	3,000
5	CITY OF FALL RIVER	1,500
6	DANA FARBER CANCER INSTITUTE INC	540
7	DURFEE HILLTOPPER ATHLETIC FOUNDATION	1,000
8	DURFEE PARENT ADVISORY COMMITTEE	1,000
9	MASSACHUSETTS GOOD NEIGHBOR	10,000
10	MASSACHUSETTS STATE POLICE BOXING TEAM INC	500
11	NEIGHBORS HELPING NEIGHBOR	5,000
12	OFFICER SEAN A. COLLIER MEMORIAL FUND INC.	1,000
13	PAULO MATOS MEMORIAL FOUNDATION	1,000
14	SALVATION ARMY OF FALL RIVER	1,350
15	SEC OF MA	109
16	STEPPING STONE INC	1,000
17	THOMAS CHEW MEMORIAL	5,000
18	University Sports Publication	695
19	UTILITY WORKERS UNION	250
20		
21		
22		
23		
24		
25		
26	TOTAL	
27		\$ 34,944
28		



Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

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	Name of City or Town	Amount
1		\$
2	Fall River	213,990
3		
4	Somerset	19,540
5		
6	Swansea	28,230
7		
8	Westport	17,365
9		
10	Attleboro Falls	4,300
11		
12	North Attleboro	38,656
13		
14	Plainville	11,224
15		
16	South Attleboro	1,850
17		
18		
19		
20		
21		
22		
23		
24		
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29		
30		
31		
42		
43		
44		
45		
46		
47		
48		
49		
50		
51		
52		
53	TOTAL	335,155
54		

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*Mark Smith*

Mark Smith

President- Liberty Utilities MA

Directors.

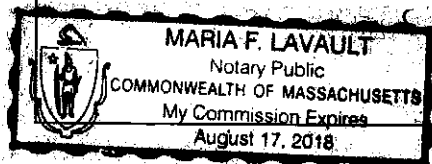
SIGNATURES OF ABOVE PARTIES AFFIXED OUTSIDE OF THE COMMONWEALTH OF  
MASSACHUSETTS MUST BE PROPERLY SWORN TO

*Dorset County* ss. *March 29* 20 *18*.

Then personally appeared

*Mark Smith*

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



*Maria F. Lavault*

Notary Public or  
Justice of the Peace.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*R. A. Ritchie*  
Ronald Ritchie

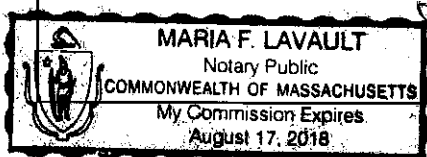
Treasurer and Secretary

Directors.

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

*Bristol County* ss. *March 29* 20 *18*  
Then personally appeared *R. J. Ritchie*

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



*Maria F. Lavault*

Notary Public or  
Justice of the Peace.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*Lori C. Auten*

Lori C. Auten

Director

Directors.

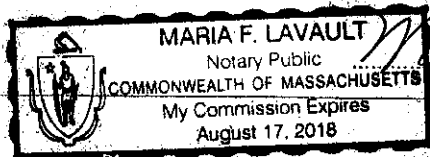
SIGNATURES OF ABOVE PARTIES AFFIXED OUTSIDE OF THE COMMONWEALTH OF  
MASSACHUSETTS MUST BE PROPERLY SWORN TO

*Bristol County* ss. *March 29* 20 *18*

Then personally appeared

*Lori C. Auten*

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



*Maria F. Lavault*

Notary Public or  
Justice of the Peace.

Annual report of ... Liberty Utilities (New England Natural Gas Company) Corp. .... Year ended December 31, 2017

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*W. Robert Keating*  
W. Robert Keating

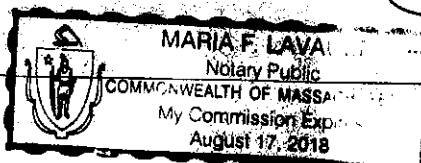
Director

Directors.

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

*Bristol County ss. March 29 2018*  
Then personally appeared *W. Robert Keating*

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



*Maria F. Lavoie* Notary Public or  
Justice of the Peace.

Annual report of ...Liberty Utilities (New England Natural Gas Company) Corp..... Year ended December 31, 2017

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*Charles F. Bass*  
Charles F. Bass

Director

Directors.

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

*Bristol County* ss.

*March 29*

20 *18*

Then personally appeared.....

*Charles F. Bass*

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

*Maria F. Lavault*

Notary Public or  
Justice of the Peace.

