

**GAS ANNUAL REPORT
OF**

Peoples Natural Gas Company LLC - Peoples Division

375 North Shore Drive, Suite 600, Pittsburgh, PA 15212

FOR THE

YEAR ENDED DECEMBER 31, 2013

TO THE

COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

**Name, title, address and telephone number (including the area code), E-Mail Address,
and Web Site Address of the person to be contacted concerning this report:**

**Karen R. Worcester
Director, Accounting
375 North Shore Drive, Suite 600
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www.peoples-gas.com**

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GENERAL INSTRUCTIONS

1. The completed original and an electronic (e-mail) copy of this report shall be filed with the Pennsylvania Public Utility Commission, P.O. Box 3265, Harrisburg, Pennsylvania, 17105-3265 on or before the 30th of April following the end of the year to which the report applies.
2. All Natural Gas Distribution Companies subject to the jurisdiction of the Pennsylvania Public Utility Commission, upon which this report is served are required by statute to complete and file this report. The statute further provides that when any such report is defective or believed to be erroneous, the reporting corporation shall be duly notified and given a reasonable time within which to make the necessary amendments or corrections. All data comprising this report shall be submitted in electronic and permanent form.
3. All accounting terms and phrases used in this form are to be interpreted in accordance with the effective applicable Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission Title 18 under "Part 201-Uniform System of Accounts Prescribed for Natural Gas Companies Subject to the Provisions of the Natural Gas Act", (18 CFR Part 201). Whenever the term respondent is used, it shall mean the reporting company.
4. Standard accounting procedures will apply in determining the nature of any entry (e.g., Uncollectibles, a revenue item, is normally a debit entry, and should be entered as a "positive" number unless the reported balance is a credit). Entries of a reverse or contrary character shall be indicated by parenthesis around the number.
5. If the report is made for a period less than the calendar year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where the period covered is shown. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes). If the books are not closed as of that date, the data in the report should nevertheless be complete, and the amounts reported should be supported by information set forth in, or as part of, the books of account.
6. All instructions shall be followed and each question shall be answered fully and accurately. Sufficient answers shall appear to show that no question or schedule has been overlooked. The expression "none" or "not applicable" shall be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. Where information called for herein is not given, state fully the reason for its omission.
7. Extra copies of any page will be furnished upon request. If it is necessary or desirable to insert additional statements for the purpose of further explanation of accounts or schedules, they shall be legibly made on paper of durable quality and shall correspond to this form in size of page and width of margin. Additional sheets, ruled either vertically or horizontally, will be furnished on request. Inserts, if any, should be appropriately identified with the schedules to which they relate.
8. If the gas distribution service provider conducts operations both within and outside the Commonwealth of Pennsylvania, data should be reported so that there will be shown the number of subscribers within this state, and (separately by accounts) the operating revenues from sources within this state, and the plant investment as of the end of the year within the state.
9. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different figures were used.
10. Throughout the report, money items shall be shown in units of dollars adjusted to accord with footings. Omitting cents does not apply, however, to items in which cents are of significance, as for instance, in averages and in unit costs.
11. If this report is not completed electronically, the name of the respondent and the year to which the report relates shall be inserted on the top of each page.

GENERAL INFORMATION

1. Name and title of officer having custody of the general books of account and address of the office where such books are kept.

Gregory A. Sciallo - Vice President and Controller
375 North Shore Drive, Suite 600
Pittsburgh, PA 15212

2. Name of State under the laws of which respondent is incorporated and the date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.

Peoples Natural Gas Company LLC ("Peoples") is a limited liability company organized under the laws of the Commonwealth of Pennsylvania. Peoples is the survivor of a merger dated February 1, 2010, between Peoples and The Peoples Natural Gas Company, which merger effected the acquisition by PNG Companies LLC, an indirect subsidiary of SteelRiver Infrastructure Fund North America LP. The acquisition was authorized by certificate of public convenience granted pursuant to order issued on November 19, 2009, in Docket No. A-2008-2063737.

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, (d) date when possession by receiver or trustee ceased.

None

4. State the classes of utility and other services furnished by respondent during the year in each state in which the respondent operated.

Natural gas service in the Commonwealth of Pennsylvania

IMPORTANT CHANGES DURING YEAR

Hereunder give particulars concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry must be answered. However, if the word "None" states the fact, it may be used in answering any inquiry.

1. Changes in, and additions to franchise rights; describing (a) the actual consideration given therefor, and (b) from whom acquired. If acquired without the payment of any consideration, state that fact.
2. Acquisition of other companies, reorganization, merger or consolidation with other companies: give names of companies involved, particulars concerning the transactions, and references to Commission authorization, if any.
3. Purchase or sale of substantial operating units, such as generating stations, transmission lines or distribution lines, specifying items, parties, effective dates and also reference to Commission authorization, if any.
4. Important leaseholds (other than leaseholds for natural gas lands) acquired, given, assigned, or surrendered, giving effective dates, lengths of terms, names of parties, rents, Commission authorization, if any, and other conditions.
5. Important extensions of system, giving location, new territory covered by distribution systems, and dates of beginning operations. Give, also, the number of new customers of each class, and for each class of customers the estimated annual revenues.
6. Estimated increase or decrease in annual revenues due to important rate changes, and the approximate extent to which such increase or decrease is reflected in revenues for the reporting year.
7. Important wage scale changes, showing dates of changes, effect on operating expenses for the year, and estimated annual effect of such wage scale changes on operating expenses.
8. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue, and giving Commission authorization, if any.
9. Changes in articles of incorporation or amendments to charter: explain the nature and purpose of such changes or amendments.
10. Other important changes not elsewhere provided for.

1. None, other than the changes described in item 2.

2. By Order entered November 14, 2013 at Docket Nos. A-2013-2353647, A-2013-2353649, and A-2013-2353651, the Commission approved the transfer of 100% of the issued and outstanding limited liability company interests in Equitable Gas Company, LLC to PNG Companies LLC; the merger of Equitable Gas Company, LLC with Peoples Natural Gas Company LLC; the transfer of certain storage and transmission assets of Peoples Natural Gas LLC to affiliates of EQT Corporation; the transfer of certain assets and/or the exchange of certain services between EQT Corporation and Equitable Gas Company, LLC; certain PNG Companies ownership changes associated with the transaction; the associated gas capacity, storage interconnects, leases and supply service agreements among Peoples Natural Gas Company LLC, Peoples TP LLC, Equitable Gas Company, LLC, and/or EQT Corporation; and certain changes in Peoples Natural Gas Company's tariff necessary to carry out the transactions. On December 17, 2013, the transaction was closed between the parties. At acquisition, the Pennsylvania assets of the former Equitable Gas LLC were merged into Peoples Natural Gas LLC. Information presented in this report pertains only to the Peoples Division of Peoples Natural Gas Company. The information pertaining to the Pennsylvania division of the former Equitable Gas Company LLC is presented in a separate report and referred to as the Peoples Natural Gas Company LLC - Equitable Division.

5. None, other than the changes described in item 2.

3. None, other than the changes described in item 2.

4. None, other than the changes described in item 2.

5. None, other than the changes described in item 2.

6. Estimated increase or (decrease) in revenues during the year 2013 due to rate changes:

Date	Included in 2013 Revenues	Annual Impact
Tariff #45, Supplem 01/01/13	\$17,670,084	\$17,670,084 Q 1307(f)
Tariff #45, Supplem 04/01/13	\$12,089,697	\$23,004,761 Q 1307(f)
Tariff #45, Supplem 07/01/13	\$95,542	\$753,424 Q DSIC
Tariff #45, Supplem 07/01/13	(\$9,247,124)	(\$23,903,988) Q 1307(f)
Tariff #45, Supplem 10/01/13	\$341,454	\$1,187,384 Q DSIC
Tariff #45, Supplem 10/01/13	(\$2,371,755)	(\$7,420,001) Q 1307(f)

7. A 5 year agreement was ratified on December 3, 2010 with the Utility Workers Union of America, United Gas Workers, Local 666, AFL, CIO. The agreement is in effect from November 1, 2010 through October 31, 2015. A 2.5% wage increase was granted to hourly personnel on November 1, 2013.

Estimated effect on 2013 operating expenses - \$105,895

Estimated average annual effect on operating expenses - \$640,293

8. None

9. None

10. None

DEFINITIONS

“Accounts” means the accounts prescribed in the Federal Code Regulations Title 18, Part 201.

“Amortization” means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, which may be over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

“Book Cost” means the amount at which property is recorded in the applicable account without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

“Control” (including the terms; “controlling,” “controlled by,” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, affiliated companies, contract or any other direct or indirect means.

“Cost” means the amount of money actually paid for property or service. When the consideration given is other than cash, the value of such consideration shall be determined on a cash basis.

“Debt Expense” means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen or marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

“Depreciation”, as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of the utility plant in the course of providing service. This includes causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of regulatory bodies.

"Distribution Service Line", A distribution line that transports gas from a common source of supply to a customer meter or the connection to a customer’s piping, whichever is further downstream, or the connection to a customer’s piping if there is no customer meter.

DEFINITIONS**(Continued)**

“Investment Advances” means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

“Minor Items of Property” means the associated parts or items of which retirement units are composed.

“Net Salvage Value” means the salvage value of property retired less the cost of removal.

“Nominally Issued”, as applied to securities issued or assumed by the utility means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued directly to trustees of sinking funds in accordance with contractual requirements.

“Original Cost”, as applied to utility plant, means the cost of such property to the person first devoting it to public service.

“Property Retired”, as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

“Replacing or Replacement”, when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.

“Retained Earnings” means the accumulated net income of the utility less distributions to stockholders and transfers to other capital accounts, and other adjustments.

“Salvage Value” means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

“Straight-Line Remaining Life Method”, as applied to depreciation accounting, means the plan under which the service value of property is charged to operating expenses (and to clearing accounts if used), and credited to the accumulated depreciation account through equal annual changes during its service life. "Remaining Life" implies that estimates of the future life and salvage shall be reexamined periodically and that depreciation rates will be corrected to reflect any changes in these estimates.

100. VOTING POWERS AND ELECTIONS

1. Has each share of stock the right to one vote? Yes/No

Not applicable (N/A). The Company is a limited liability company the ownership of which is represented by membership interest instead of stock.

2. Are voting rights attached only to stock? Yes/No (If the answer to either query 1 or 2 is "No," give particulars on a separate sheet.)

N/A – Peoples Natural Gas Company LLC (“Peoples”) is a Pennsylvania limited liability company and wholly-owned regulated gas distribution subsidiary of PNG Companies LLC (“Company”), which exercises all voting rights. The Company has chosen to manage Peoples through an appointed Board of Directors. The Board, in turn, appoints officers to manage the day-to-day operations of the Company.

3. Give date of the latest closing of the stock book prior to end of year and state the purpose of such closing.

N/A

4. Is cumulative voting permitted? Yes/No

N/A

6. State the date and place of the latest general meeting held prior to the end of the year for the election of directors?

N/A

7. State the total number of votes cast at the latest general meeting and the total number cast by proxy.

N/A

8. State the total number of voting security holders and the total of all voting securities as of such date.

N/A

9. If any security has preferences, special privileges, or restrictions in the election of directors, trustees or managers, or in the determination of any corporate action, give details.

N/A

10. State the number of votes controlled by management, other than officers of the Corporation.

N/A

101 SECURITY HOLDER INFORMATION AND VOTING POWERS

1. Report the requested information for each holder of one percent or more of the voting securities or if there are fewer than ten such holders, the ten who hold the highest voting powers. Data should be the latest available nearest the end of the year. When the holder of record is a trustee, or other intermediate agency (except a corporation), the data should be reported opposite the names of the beneficial owners, designated as such, under a general heading identifying the trustee or other agency. Securities with contingent voting rights may be disregarded.
2. Attach hereto a certified copy of every effective voting trust established and a certified copy of every other agreement (trustee or otherwise) under which voting securities are held for beneficial owners. If any such agreement has been filed with a previous report, reference to the earlier report will be sufficient provided changes or modification since filing are shown.

Line No.	Last Name (a)	First Name (b)	Street Address (c)	City (d)	State (e)	Zip (f)	Total Votes (g)	Common Stock (h)	Preferred Stock (i)	Other (j)	Nonvoting Securities (see instruction 2) Principal, Par Value, or Stated Value (Specify issue-omit cents) (k)	
1	Total votes of all voting securities						N/A - 1	N/A - 1	N/A - 1			
2	Total number of security holders						N/A - 1	N/A - 1	N/A - 1			
3	Total votes of security holders listed below						N/A - 1	N/A - 1	N/A - 1			
4	PNG Companies LLC		375 North Shore Drive	Pittsburgh	PA	15212				Membership Interest		
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												

N/A-1 – Peoples Natural Gas Company LLC (“Peoples”) is a Pennsylvania limited liability company and wholly-owned regulated gas distribution subsidiary of PNG Companies LLC (“Company”), which exercises all voting rights. The Company has chosen to manage Peoples through an appointed Board of Directors. The Board, in turn, appoints officers to manage the day-to-day operations of the Company.

102. COMPANIES CONTROLLED BY RESPONDENT

1. Show below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year.
If control ceased prior to end of the year, give particulars in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediates involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Street Address (c)	City (d)	State (e)	Zip (f)	Voting % of Stock (g)	Footnote Ref. (h)
1	None							
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11								
12								
13								
14								
15								
16							0%	

103. Directors

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a) abbreviated titles of the directors who are officers of respondent.
2. Designate by an asterisk names of members of Executive Committee, and by double asterisk the Chairman of the Executive Committee.

Line No.	Directors Name and Title (a)	Principal Business Address					Term Began (i)	Term Email (j)	Meetings Attended (k)	Fees Paid (l)
		Street Address (b)	City (c)	Stat (d)	Zip (e)	Telephone (h)				
1	Christopher P. Kinney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	None
2	James Mahoney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	None
3	Dennis T. Mahoney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	None
4	Victor A. Roque	4543 Dogwood Drive	Allison Park	PA	15101	412 392 4400	Feb-10		5	\$36,000
5	Morgan K. O'Brien (President & CEO)	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7910	Feb-10		5	None
6	John McGuire	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-12		5	None
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104. Officers

Line No.	Official Title & Name (a)	Principal Business Address						Email (j)
		Street Address (b)	City (c)	State (d)	Zip (e)	Telephone (h)	Fax (i)	
1	President & Chief Executive Officer							
2	Morgan K. O'Brien	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7910	412 208 6580	morgan.obrien@peoples-gas.com
3	Vice President & Controller							
4	Gregory A. Sciuillo	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7940	412 208 6580	gregory.a.sciuillo@peoples-gas.com
5	Senior Vice President & Chief Information Officer							
6	Ruth M. DeLost	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208-7920	412 208 6574	ruth.a.delost@peoples-gas.com
7	Senior Vice President & Chief Operations Officer							
8	Kenneth M. Johnston	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7930	412 208 6580	kenneth.m.johnston@peoples-gas.com
9	Vice Presidents:							
10	Joseph A. Gregorini - Rates and Regulatory Affairs	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7905	412 208 6577	joseph.a.gregorini@peoples-gas.com
11	Carolyn B. McKinney - Human Resources	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7908	412 208 6576	carolyn.b.mckinney@peoples-gas.com
12	Vice President & Treasurer:							
13	Preston Poljak	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412-208-6563	412 208 6574	preston.poljak@peoples-gas.com
14	Secretary:							
15	William H. Roberts II	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 6527	412 208 6577	william.h.roberts@peoples-gas.com
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17								
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22								
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24								

200. COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/ Decrease (e)
1	UTILITY PLANT				
2	101.0 Utility Plant in Service	205	\$ 1,211,090,936	\$ 1,133,111,767	\$ (77,979,169)
3	101.1 Property Under Capital Leases				0
4	102.0 Gas Plant Purchased or Sold				0
5	103.0 Experimental Gas Plant Unclassified				0
6	104.0 Gas Plant Leased to Others				0
7	105.0 Gas Plant Held for Future Use		5,515	4,940	(575)
8	105.1 Production Properties Held For Future Use				0
9	106.0 Completed Construction Not Classified-Gas				0
10	107.0 Construction Work in Progress-Gas	208	16,420,456	13,605,204	(2,815,252)
11	108.0 Accumulated Provision for Depreciation of Gas Utility Plant	206	(402,120,863)	(391,402,988)	10,717,875
12	111.0 Accumulated Prov. For Amortization & Depletion of Gas Utility Pl.	206	(11,856,929)	(15,945,672)	(4,088,743)
13	114.0 Gas Plant Acquisition Adjustments	207	107,533,338	107,533,338	0
14	115.0 Accumulated Prov. For Amortization & Depletion of Gas Plant				0
15	Acquisition Adjustments	206			0
16	116.0 Other Gas Plant Adjustments				0
17	117.1 Gas Stored-Base Gas				0
18	117.2 System Balancing Gas				0
19	117.3 Gas Stored in Reservoirs and Pipelines-Noncurrent		1,049,789	6,823	(1,042,966)
20	117.4 Gas Owed to System Gas				0
21	118.0 Other Utility Plant Adjustments				0
22	119.0 Accumulated Provision for Depreciation and Amortization of Other				0
23	Utility Plant	206			0
24	TOTAL UTILITY PLANT		\$ 922,122,242	\$ 846,913,412	\$ (75,208,830)
25	OTHER PROPERTY AND INVESTMENTS				
26	121.0 Non-Utility Property		17,172	17,172	0
27	122.0 Accumulated Depreciation & Amortization of Non-Utility Property		(9,322)	(9,322)	0
28	123.0 Investments in Associated Companies	210			0
29	123.1 Other Investments	210			0
30	124.0 Other Investments	210	1,500,002	1,500,002	0
31	125.0 Sinking Funds				0
32	126.0 Depreciation Fund				0
33	128.0 Other Special Funds		24,858,429	165,000	(24,693,429)
34	TOTAL OTHER PROPERTY AND INVESTMENTS		\$ 26,366,281	\$ 1,672,852	\$ (24,693,429)

200. COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/ Decrease (e)
1	CURRENT AND ACCRUED ASSETS				
2	131.0 Cash		\$ 13,478,228	\$ 2,038,781	\$ (11,439,447)
3	132.0 Interest Special Deposits				0
4	133.0 Dividend Special Deposits				0
5	134.0 Other Special Deposits		5,687,515	12,241,339	6,553,824
6	135.0 Working Funds				0
7	136.0 Temporary Cash Investments	210			0
8	141.0 Notes Receivable	211			0
9	142.0 Customer Accounts Receivable		53,135,626	65,821,173	12,685,547
10	143.0 Other Accounts Receivable	211	7,719,498	12,540,483	4,820,985
11	144.0 Accumulated Provision for Uncollectible Accounts-Cr.		(8,401,641)	(9,669,456)	(1,267,815)
12	145.0 Notes Receivable from Associated Companies	212			0
13	146.0 Accounts Receivable for Associated Companies	213	522,319	852,337	330,018
14	151.0 Fuel Stock				0
15	152.0 Fuel Stock Expenses Undistributed				0
16	153.0 Residuals and Extracted Products				0
17	154.0 Plant Materials and Operating Supplies	215	2,566,868	2,635,304	68,436
18	155.0 Merchandise				0
19	156.0 Other Materials and Supplies				0
20	163.0 Stores Expense-Undistributed				0
21	164.1 Gas Stored-Current		5,398,592	3,339,356	(2,059,236)
22	164.2 Liquefied Natural Gas Stored				0
23	164.3 Liquefied Natural Gas Held for Processing				0
24	165.0 Prepayments		2,317,689	3,049,249	731,560
25	166.0 Advances for Gas Exploration, Development and Production				0
26	167.0 Other Advances for Gas				0
27	171.0 Interest and Dividends Receivable				0
28	172.0 Rents Receivable				0
29	173.0 Accrued Utility Revenues		30,496,285	27,829,842	(2,666,443)
30	174.0 Miscellaneous Current and Accrued Assets		13,309,175	52,857	(13,256,318)
31	TOTAL CURRENT & ACCRUED ASSETS		126,230,154	120,731,265	(5,498,889)
32	DEFERRED DEBITS				
33	181.0 Unamortized Debt Expense	216	\$ 8,086,195	\$ 7,604,646	\$ (481,549)
34	182.1 Extraordinary Property Losses	217			0
35	182.2 Unrecovered Plant and Regulatory Study Costs	217			0
36	182.3 Other Regulatory Assets		97,955,361	87,190,850	(10,764,511)
37	183.1 Preliminary Natural Gas Survey and Investigation Charges				0
38	183.2 Other Preliminary Survey and Investigation Charges				0
39	184.0 Clearing Accounts				0
40	185.0 Temporary Facilities				0
41	186.0 Miscellaneous Deferred Debits		26,402	13,919	(12,483)
42	187.0 Deferred Losses from Disposition of Utility Plant				0
43	188.0 Research, Development and Demonstration Expenditures				0
44	189.0 Unamortized Loss on Reacquired Debt				0
45	190.0 Accumulated Deferred Income Taxes		78,858,136	70,681,067	(8,177,069)
46	191.0 Unrecovered Purchased Gas Costs		10,938,272	6,352,373	(4,585,899)
47	TOTAL DEFERRED DEBITS		\$ 195,864,366	\$ 171,842,855	\$ (24,021,511)
48	TOTAL ASSETS & TOTAL DEBITS		\$ 1,270,583,043	\$ 1,141,160,384	\$ (129,422,659)

**200. COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	LIABILITIES AND OTHER CREDITS				
2	PROPRIETARY CAPITAL				
3	201.0 Common Stock Issued				-
4	202.0 Common Stock Subscribed				-
5	203.0 Common Stock Liability for Conversion				-
6	204.0 Preferred Stock Issued				-
7	205.0 Preferred Stock Subscribed				-
8	206.0 Preferred Stock Liability for Conversion				-
9	207.0 Premium on Capital Stock				-
10	208.0 Donations Received from Stockholders				-
11	209.0 Reduction in Par or Stated Value of Capital Stock				-
12	210.0 Gain on Resale or Cancellation of Reacquired Capital Stock				-
13	211.0 Miscellaneous Paid-In Capital		\$ 461,466,170	\$ 323,098,456	\$ (138,367,714)
14	212.0 Installments Received on Capital Stock				-
15	213.0 Discount on Capital Stock				-
16	214.0 Capital Stock Expense				-
17	215.0 Appropriated Retained Earnings				-
18	216.0 Unappropriated Retained Earnings		11,673,181	26,322,969	14,649,788
19	216.1 Unappropriated Undistributed Subsidiary Earnings				-
20	217.0 Reacquired Capital Stock				-
21	TOTAL PROPRIETARY CAPITAL		\$ 473,139,351	\$ 349,421,425	\$ (123,717,926)
22					
23	LONG-TERM DEBT				
24	221.0 Bonds	231	\$ -	\$ -	\$ -
25	222.0 Reacquired Bonds	231			-
26	223.0 Advances from Associated Companies		388,395,000	388,395,000	-
27	224.0 Other Long-term Debt	231			-
28	225.0 Unamortized Premium on Long-Term Debt				-
29	226.0 Unamortized Discount on Long-Term Debt-Debit				-
30	TOTAL LONG TERM DEBT		\$ 388,395,000	\$ 388,395,000	\$ -
31					
32	OTHER NONCURRENT LIABILITIES				
33	227 Obligation Under Capital Leases-NonCurrent		\$ -	\$ -	\$ -
34	228.1 Accumulated Provision for Property Insurance				-
35	228.2 Accumulated Provision for Injuries and Damages		350,000	350,000	-
36	228.3 Accumulated Provision for Pensions and Benefits		20,733,515	9,714,781	(11,018,734)
37	228.4 Accumulated Miscellaneous Operating Provisions				-
38	229 Accumulated Provision for Rate Refunds				-
39	230 Asset Retirement Obligations		33,685,701	34,327,290	641,589
40	TOTAL OTHER NONCURRENT LIABILITIES		\$ 54,769,216	\$ 44,392,071	\$ (10,377,145)
41					

**200. COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/ Decrease (e)
1	CURRENT AND ACCRUED LIABILITIES				
2	231.00 Notes Payable		\$ -	\$ -	\$ -
3	232.00 Accounts Payable		64,451,017	76,541,055	12,090,038
4	233.00 Notes Payable to Associated Companies		103,000,000	100,214,947	(2,785,053)
5	234.00 Accounts Payable to Affiliated Companies		6,930,523	18,586,010	11,655,487
6	235.00 Customers' Deposits-Billing		1,808,070	2,255,571	447,501
7	236.10 Accrued Taxes, Taxes Other Than Income		850,530	4,260,517	3,409,987
8	236.20 Accrued Taxes, Income Taxes				-
9	237.10 Accrued Interest on Long-term Debt				-
10	237.20 Accrued Interest on Other Liabilities		46,598	35,014	(11,584)
11	238.00 Dividends Declared				-
12	239.00 Matured Long-term Debt				-
13	240.00 Matured Interest				-
14	241.00 Tax Collections Payable		125,808	394,669	268,861
15	242.00 Miscellaneous Current and Accrued Liabilities		23,098,225	5,011,686	(18,086,539)
16	243.00 Obligations Under Capital Leases-Current				
17	244.00 Derivative Instrument Liabilities - Current Portion		622,750	503,307	(119,443)
18	TOTAL CURRENT AND ACCRUED LIABILITIES		\$200,933,521	\$207,802,776	\$6,869,255
19					
20	DEFERRED CREDITS				-
21	252.00 Customer Advances for Construction		\$ -	\$ -	\$ -
22	253.00 Other Deferred Credits		1,986,231	1,629,800	(356,431)
23	254.00 Other Regulatory Liabilities		21,439,520	6,787,427	(14,652,093)
24	255.00 Accumulated Deferred Investment Tax Credits				-
25	256.00 Deferred Gains from Disposition of Utility Plant				-
26	257.00 Unamortized Gain on Reacquired Debt				-
27	281.00 Accum. Deferred Income Taxes-Assume. Amortization Property				-
28	282.00 Accum. Deferred Income Taxes-Other Property		133,741,325	140,209,748	6,468,423
29	283.00 Accum. Deferred Income Taxes-Other		(3,821,121)	2,522,137	6,343,258
27	TOTAL DEFERRED CREDITS		\$153,345,955	\$151,149,112	(\$2,196,843)
28					
29	TOTAL LIABILITIES & OTHER CREDITS		\$1,270,583,043	\$1,141,160,384	(\$129,422,659)

201. NOTES TO BALANCE SHEET

- The space below is provided for important notes regarding the balance sheet or any account thereof.,
- Furnish particulars as to any contingent assets or liabilities existing at end of year. Minor items may be grouped by classes. For any dividends in arrears at the end of the year on cumulative preferred stock, state the date of the last dividend, the arrearage per share, and the total amount of the arrearage.
- For Other Plant Adjustments, Account 116, explain the origin of such amount, debits and credits during the year and plan of disposition contemplated, giving references to Commission orders or to other authorizations repeating classification of amounts as plant adjustments and requirements as to disposition thereof.
- If the notes to balance sheet, appearing in the annual report to the stockholders are applicable in every respect and furnish the data required by instructions 2 and 3 above, such notes may be attached hereto.

Account 216.0 - Unappropriated Retained Earnings

During 2013, Peoples Natural Gas Company LLC declared and paid dividends of \$30,300,000 to its parent, PNG Companies LLC.

Account 230.0 - Asset Retirement Obligations

Beginning in 2003, the Company recognizes its asset retirement obligations at fair value, as incurred, capitalizing these amounts as costs of the related tangible long-lived assets. Due to the absence of relevant market information, fair value is estimated using discounted cash flow analysis. The accretion of the ARO liabilities, due to the passage of time, is reported as an operating expense.

205. UTILITY PLANT IN SERVICE - Account No. 101.0

1. Report by prescribed accounts the original cost of utility plant in service and the additions and retirements of such plant during the year.
2. Do not include as adjustments, corrections to additions and retirements for the current or preceding year. Such items should be included in appropriate Column (c) or (d).
3. Credit adjustments in Column (e) should be shown in red, or in black enclosed in parenthesis. State in a footnote the general character of any adjustments in Column (e).
4. Submit, in a footnote, an explanation of amounts included in Columns (e) and/or (f), Line 34, for lowering or changing the location of mains.

Line No.	Account Number and Title (a)	Balance Previous Year (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Balance End of Year (f)
1	INTANGIBLE PLANT	XXX	XXX	XXX	XXX	XXX
2	301 Organization					-
3	302 Franchises & Consents					-
4	303 Other Plant and Miscellaneous Equipment	\$51,661,605	\$6,938,617	\$0	\$0	\$58,600,222
5	Total Intangible Plant	\$51,661,605	\$6,938,617	\$0	\$0	\$58,600,222
6	MANUFACTURED GAS PRODUCTION PLANT	XXX	XXX	XXX	XXX	XXX
7	304 Land and Land Rights					-
8	305 Structures and Improvements					-
9	306 Boiler Plant Equipment					-
10	307 Other Power Equipment					-
11	308 Coke Ovens					-
12	309 Infiltration Galleries and Tunnels					-
13	310 Producer Gas Equipment					-
14	311 Liquefied Petroleum Gas Equipment					-
15	312 Oil Gas Generating Equipment					-
16	313 Generating Equipment-Other Processes					-
17	314 Coal, Coke and Ash Handling Equipment					-
18	315 Catalytic Cracking Equipment					-
19	316 Other Reforming Equipment					-
20	317 Purification Equipment					-
21	318 Residential Refining Equipment					-
22	319 Gas Mixing Equipment					-
23	320 Other Equipment					-
23	Total Gas Manufacturing Plant	\$ -	\$ -	\$ -	\$ -	\$ -
24	NATURAL GAS PRODUCTION & GATHERING PLANT	XXX	XXX	XXX	XXX	XXX
25	325.1 Producing Lands	\$75,600	\$0	\$0	\$0	\$75,600
26	325.2 Producing Leaseholds	473,654	-	455,090	-	18,564
27	325.3 Gas Rights	10,223	-	-	-	10,223
28	325.4 Rights of Way	1,372,083	-	27,124	-	1,344,959
29	325.5 Other Land and Land Rights	35,303	-	-	-	35,303
30	326 Other Plant and Miscellaneous Equipment	-	-	-	-	-
31	327 Field Compressor Station Structures	2,052,056	-	84,905	-	1,967,151
32	328 Field Measuring & Regulating Station Structures	45,916	-	-	-	45,916
33	329 Other Structures	1,836,139	4,370	-	-	1,840,509
34	330 Producing Gas Wells-Well Construction	9,221	-	-	-	9,221
35	331 Producing Gas Wells-Well Equipment	2,984	-	-	-	2,984
36	332 Field Lines	32,710,287	606,587	86,370	-	33,230,504
37	333 Field Compressor Station Equipment	28,274,477	270,775	1,138,948	-	27,406,304
38	334 Field Measuring & Regulating Station Equipment	1,640,030	-	43,100	-	1,596,930
39	335 Drilling & Cleaning Equipment	18,642	-	-	-	18,642
40	336 Purification Equipment	-	-	-	-	-
41	337 Other Equipment	124,470	-	-	-	124,470
42	338 Unsuccessful Exploration & Development Costs	-	-	-	-	-
43	339 Production Equipment Held under Asset Retirement Obligation	648,294	-	-	-	648,294
44	Total Natural Gas Production & Gathering Plant	\$69,329,379	\$881,732	\$1,835,537	\$0	\$68,375,574
45	PRODUCTS EXTRACTION PLANT	XXX	XXX	XXX	XXX	XXX
46	340 Land and Land Rights					-
47	341 Other Plant and Miscellaneous Equipment					-
48	342 Extraction & Refining Equipment					-
49	343 Pipe Lines					-
50	344 Extracted Product Storage Equipment					-
51	345 Compressor Equipment					-
52	346 Gas Measuring and Regulating Equipment					-
53	347 Other Equipment					-
54	Total Products Extraction Plant	\$ -	\$ -	\$ -	\$ -	\$ -
55	NATURAL GAS PRODUCTION & PROCESSING PLANT	XXX	XXX	XXX	XXX	XXX
56	350.1 Land	\$288,568	\$0	\$271,744	\$0	\$16,824
57	350.2 Rights of Way	158,554	-	111,754	-	46,800
58	351 Structures and Improvements	5,907,708	239,867	4,489,738	-	1,657,837
59	352 Wells	18,892,813	132,709	18,005,301	-	1,020,221
60	352.1 Storage Leaseholds and Rights	4,353,764	-	4,167,772	-	185,992
61	352.2 Reservoirs	433,138	-	-	-	433,138
62	352.3 Nonrecoverable Natural Gas	466,978	-	261,727	-	205,251
63	353 Lines	20,574,880	839,154	19,209,947	-	2,204,087

205. UTILITY PLANT IN SERVICE - Account No. 101.0

Line No.	Account Number and Title (a)	Balance Previous Year (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Balance End of Year (f)
62	354 Compressor Station Equipment	27,750,584	4,160,813	26,672,030	-	5,239,367
63	355 Measuring and Regulating Equipment	4,235,349	-	4,159,600	-	75,749
64	356 Purification Equipment	-	-	-	-	-
65	357 Other Equipment	92,424	-	62,240	-	30,184
65	358 Underground Storage Equipment Held under Asset Retirement Obligation	18,455	-	-	-	18,455
66	Total Natural Gas Production and Processing Plant	\$ 83,173,215	\$ 5,372,543	\$ 77,411,853	\$ -	\$ 11,133,905
67	OTHER STORAGE PLANT	XXX	XXX	XXX	XXX	XXX
68	360 Land & Land Rights	-	-	-	-	-
69	361 Structures and Improvements	-	-	-	-	-
70	362 Gas Holders	-	-	-	-	-
71	363 Purification Equipment	-	-	-	-	-
72	363.1 Liquefaction Equipment	-	-	-	-	-
73	363.2 Vaporizing Equipment	-	-	-	-	-
74	363.3 Compressor Equipment	-	-	-	-	-
75	363.4 Measuring and Regulating Equipment	-	-	-	-	-
76	363.5 Other Equipment	-	-	-	-	-
77	Total Other Storage Plant	\$ -	\$ -	\$ -	\$ -	\$ -
78	BASE LOAD LIQUEFIED NATURAL GAS	-	-	-	-	0
79	TERMINATING AND PROCESSING PLANT	XXX	XXX	XXX	XXX	XXX
80	364.1 Land and Land Rights	-	-	-	-	\$ -
81	364.2 Structures and Improvements	-	-	-	-	0
82	364.3 LNG Processing Terminal Equipment	-	-	-	-	0
83	364.4 LNG Transportation Equipment	-	-	-	-	0
84	364.5 Measuring and Regulating Equipment	-	-	-	-	0
85	364.6 Compressor Station Equipment	-	-	-	-	0
86	364.7 Communication Equipment	-	-	-	-	0
87	364.8 Other Equipment	-	-	-	-	0
88	Total Base Load Liquefied Natural Gas Term. & Proc. Plant	\$ -	\$ -	\$ -	\$ -	\$ -
89	TRANSMISSION PLANT	XXX	XXX	XXX	XXX	XXX
90	365.1 Land and Land Rights	\$124,959	\$70,520	\$2,513	\$0	\$192,966
91	365.2 Rights of Way	2,871,396	48,384	823,439	-	2,096,341
92	366 Structures and Improvements	1,221,933	-	29,954	-	1,191,979
93	367 Mains	135,656,234	24,681,315	64,390,598	-	95,946,951
94	368 Compressor Station Equipment	-	-	-	-	-
95	369 Measuring and Regulating Station Equipment	12,059,315	2,019,309	1,364,857	-	12,713,767
96	370 Communication Equipment	-	-	-	-	-
97	371 Other Equipment	1,045,626	5,239	268,963	-	781,902
97	372 Transmission Equipment Held under Asset Retirement Obligation	653,478	-	-	-	653,478
98	Total Transmission Plant	\$153,632,941	\$26,824,767	\$66,880,324	\$0	\$113,577,384
99	DISTRIBUTION PLANT	XXX	XXX	XXX	XXX	XXX
100	374 Land & Land Rights	\$4,270,041	\$1,122	\$23,387	\$0	\$4,247,776
101	375 Structures and Improvements	20,921,732	207,326	18,668	-	21,110,390
102	376 Mains	472,183,478	18,064,934	1,328,034	-	488,920,378
103	377 Compressor Station Equipment	-	-	-	-	-
104	378 Measuring & Regulating Station Equipment-General	24,913,996	1,233,445	114,212	-	26,033,229
105	379 Measuring & Regulating Station Equipment-City Gate C. St.	-	-	-	-	-
106	380 Services	189,997,723	6,402,851	-	-	196,400,574
107	381 Meters	29,343,874	1,361,774	2,349,459	-	28,356,189
108	382 Meter Installations	49,540,574	1,470,597	-	-	51,011,171
109	383 House Regulators	-	-	-	-	-
110	384 House Regulatory Installations	-	-	-	-	-
111	385 Industrial Measuring and Regulating Station Equipment	6,380,512	1,016,082	284,355	-	7,112,239
112	386 Other Property on Customers' Premises	77,720	-	-	-	77,720
112	387 Other Equipment	4,919,155	61,258	171,460	-	4,808,953
113	388 Distribution Equipment Held under Asset Retirement Obligation	2,641,369	-	-	861,664	3,503,033
114	Total Distribution Plant	\$805,190,174	\$29,819,389	\$4,289,575	\$861,664	\$831,581,652
115	GENERAL PLANT	XXX	XXX	XXX	XXX	XXX
116	389 Land & Land Rights	\$88,385	\$0	\$3,500	\$0	\$84,885
117	390 Structures and Improvements	1,932,964	-	-	-	1,932,964
118	391 Office Furniture & Equipment	7,800,105	1,048,527	228,796	-	8,619,836
119	392 Transportation Equipment	19,322,782	2,010,717	375,813	-	20,957,686
120	393 Stores Equipment	7,200	-	-	-	7,200
121	394 Tools & Garage Equipment	2,147,907	-	407,736	-	1,740,171
122	395 Laboratory Equipment	-	-	-	-	-
123	396 Power Operated Equipment	6,443,576	159,849	-	-	6,603,425
124	397 Communication Equipment	9,231,925	855,090	767,533	-	9,319,482
125	398 Miscellaneous Equipment	1,128,778	-	551,397	-	577,381
126	399 Other Tangible Property	-	-	-	-	-
127	Total General Plant	\$48,103,622	\$4,074,183	\$2,334,775	\$0	\$49,843,030
128	Total Plant	\$1,211,090,936	\$73,911,231	\$152,752,064	\$861,664	\$1,133,111,767

(Company Name)

**206. ACCUMULATED DEPRECIATION OF UTILITY PLANT -
Account Nos. 108, 111, 115 and 119**

1. Report below an analysis of the changes in accumulated depreciation during the year and the amounts applicable to prescribed functional classifications.
2. Explain and give particulars of important adjustments during the year.

Line No.	Item (a)	Total (b)	101 Utility Plant In Service (c)	104 Utility Plant Leased to Others (d)	105 Property Held for Future Use (e)	107.0 Construction Work In Progress (f)
1	Balance Beginning of Year	\$413,977,792	\$413,977,792			
2	Credits During Year	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
3	Depreciation Provisions charged to:	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
4	403. Depreciation	28,711,213	28,711,213			
5	404. Amortization	7,198,356	7,198,356			
6	413. Income from Utility Plant Leased to Others	0	0			
7		0	0			
8		0	0			
9		0	0			
10	Total Depreciation Provisions	\$35,909,569	\$35,909,569	\$0	\$0	\$0
11	Recoveries from Insurance	0	0			
12	Salvage Realized from Retirements	263,966	263,966			
13	Other Credits (Describe)					
14		0	0			
15		0	0			
16		0	0			
17		0	0			
18	Total Credits During Year	\$263,966	\$263,966	\$0	\$0	\$0
19	Total Credits	\$36,173,535	\$36,173,535	\$0	\$0	\$0
20	Debits During Year	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
21	Retirement of Utility Plant	41,257,549	41,257,549			
22	Cost of Removal	\$2,608,217	\$2,608,217			
23	Other Debits (Describe)					
24	ARO Adjustment	(1,063,099)	(1,063,099)			
25		0	0			
26		0	0			
27		0	0			
28	Total Debits During Year	\$42,802,667	\$42,802,667	\$0	\$0	\$0
29	Balance at End of Year	\$407,348,660	\$407,348,660	\$0	\$0	\$0

Describe the basis upon which depreciation provisions for the year were determined and attach worksheets showing the computations made in arriving at the annual provisions.

207. GAS PLANT ACQUISITIONS ADJUSTMENTS - Account No. 114.0

Line No.	Item (a)	Project No. 1 Amount (b)	Project No. 2 Amount (c)	Project No. 3 Amount (d)	Project No. 4 Amount (e)	Totals (f)
1	Book Plant - Net					0
2	PUC Difference (Ratemaking)					0
3	Less Contributions (Net)					0
4	Net Utility Plant Acquired					0
5	Purchase Price					0
6	Acquisition Adjustment	\$107,533,338				\$107,533,338
7						
8						

**SCHEDULE 206 - ACCUMULATED PROVISION FOR DEPRECIATION,
AMORTIZATION, AND DEPLETION OF PLANT AND ADJUSTMENTS
REMARKS**

Annual depreciation and amortization charges are computed for each plant account by applying one twelfth of the annual rate to the monthly depreciable plant balance each month during the year.

Annual accrual rates were developed in a depreciation study made by Gannett Fleming Valuation and Rates Consultants, Inc., based on the plant-in-service balance at December 31, 2011. The annual depreciation is based on the remaining-life method using (1) remaining lives consistent with the average service-life procedure for plant installed prior to 1983 and (2) remaining lives consistent with the equal-life group procedure for plant installed in 1983 and subsequent years.

Certain general plant accounts use a vintage year group method of recording the loss of service life. This method recognizes retirement of all assets included in a vintage year once the useful life ends and the entire vintage has been fully depreciated.

**SCHEDULE 206 ACCUMULATED PROVISION FOR DEPRECIATION
AMORTIZATION, AND DEPLETION OF PLANT AND ADJUSTMENTS
RATES**

<u>Plant Acct. Number</u>	<u>Annual Accrual Rate</u>		<u>Plant Acct. Number</u>	<u>Annual Accrual Rate</u>	
	<u>Current</u>	<u>Year</u>		<u>Current</u>	<u>Year</u>
<u>Production System</u>			<u>Transmission System</u>		
32541001	1.17		36521001	1.10	
32701001	3.24		36601001	0.00	
32803001	0.99		36602001	2.82	
32901001	1.78		36603001	1.31	
33101001	13.67		36701001	1.51	
33102001	13.67		36901001	3.18	
33201001	1.68		36902001	3.18	
33301001	2.73		36903001	3.18	
33401101	18.40		37101001	3.54	
33401201	18.49				
33404101	0.00		<u>Distribution System</u>		
33404201	3.09		37404001	1.36	
33406101	0.88		37501001	1.50	
33406201	0.17		37502001	1.94	
33502001	0.00		37503201	3.29	
33701001	5.83		37601001	1.55	
33703001	5.83		37602001	1.55	
33001001	Depl		37801001	2.42	
32521001	2.04		37802001	2.42	
32511001	1.57		38001001	1.95	
			38003001	1.95	
			38101001	3.94	
<u>Storage System</u>			38201001	2.39	
35011001	2.54		38203001	2.39	
35021001	1.74		38501001	1.61	
35102001	1.82		38502001	1.61	
35103001	1.82		38503001	1.61	
35104001	1.82		38601001	4.76	
35201001	2.70		38701001	*	
35202001	1.62				
35211001	1.60		<u>General System</u>		
35212001	4.18		38903001	0.98	
35221001	2.30		39005001	2.25	
35231001	0.00		39101001	*	
35301001	2.88		39102001	*	
35401001	2.28		39103001	*	
35501001	2.10		39104001	*	
35502001	2.10		39201101	12.35	
35701001	2.02		39202101	11.89	
			39202201	0.00	
			39203101	7.41	
			39205101	4.47	
			39205201	0.00	
			39205301	0.00	

* Accounts amortized using vintage year group method. This recognizes retirement of all assets included in a vintage year once the useful life ends.

**SCHEDULE 206 ACCUMULATED PROVISION FOR DEPRECIATION
AMORTIZATION, AND DEPLETION OF PLANT AND ADJUSTMENTS
RATES (Continued)**

<u>Plant Acct. Number</u>	<u>Annual Accrual Rate</u> <u>Current Year</u>
<u>General System (Continued)</u>	
39205301	0.00
39205401	0.00
39205501	0.00
39301001	*
39401001	*
39402001	*
39403001	*
39601301	8.00
39701001	*
39702001	*
39704001	*
39705001	*
39801001	*

* Accounts amortized using vintage year group method. This recognizes retirement of all assets included in a vintage year once the useful life ends.

(Company Name)

208. CONSTRUCTION WORK IN PROGRESS - Account No. 107

1. Describe the particulars concerning utility plant in process of construction but not ready for service at end of the Calendar Year.
2. Describe separately each work order that exceeds the lesser of an estimated expenditure of \$300,000 or 10% of the book cost of utility plant at the beginning of the year. All other work orders may be grouped by nature of project.

Line No.	Description of Work (a)	Balance End of Year (b)	Estimate Total Cost of Construction (c)	Projected In-Service Date (d)
1	Projects greater than \$300,000.00:			
2	<i>Project Number</i> <i>Project Description</i>			
3	SW.PNG.OSI.2 Software-OSI In-House	\$ 463,414	\$ 360,000	Jan-14
4	SW.PNG.OSI.3 Software-OSI Purchased	1,441,851	1,332,000	Jan-14
5	SW.PNG.SAP II.2 Software-SAP Enhancements-In-h	4,587,405	4,725,000	Jan-14
6	55458.1.2 XS150 INST METER SET	495,616	552,000	Jun-14
7	SW.PNG.OSI.1.9 computer Hardware - OSI	2,328,544	2,391,000	Jan-14
8	SW.PNG.SAP II.1.9 Computer Hardware - SAP II	902,691	903,000	Jan-14
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	SUBTOTAL	\$10,219,521	\$10,263,000	
21				
22	Remaining Projects:			
23	Production	21,872	32,808	Jun-14
24	Storage	61,447	92,171	Jun-14
25	Transmission	1,229,709	1,844,564	Jun-14
26	Distribution	1,934,527	2,901,791	Jun-14
27	General	35,857	43,028	Jun-14
28	Intangible	102,271	102,271	Jun-14
29				
30				
31	TOTALS	\$13,605,204	\$15,279,633	

210. INVESTMENTS (Accounts 123 - 123.1 - 124 - 136)

1. Report below investments in Accounts 123, Investments in Associated Companies 123.1, Investments in Subsidiary Companies, 124, Other Investments and 136, Temporary Cash Investments.
2. Provide a subheading for each account and list thereunder the information called for, observing the instructions below.
3. Investments in Securities - List and describe each security owned giving name of issuer. For bonds give also principal amount, date of issue, maturity, and interest rate. For capital stock state number of shares, class and series of stock. Minor investments may be grouped by classes.
4. Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are subject to repayment but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. Each note should be listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.
5. For any securities, notes, or accounts that were pledged, designate such securities acquired, designate such fact and in a footnote state the name of pledges and purpose of the pledge.
6. If Commission approval was required for any advance made or security acquired, designate such fact and in a footnote give date of authorization and case or docket number.
7. Interest and dividend revenues from investments should be reported in column (g), including such revenues from securities disposed of during the year.
8. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price therefor, not including any dividend or interest adjustment incredible in column (g).

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Book Costs* Beginning of Year (d)	Principal Amount or No. of Shares (e)	Book Cost End of Year (f)	Revenues For Year (g)	Gain or Loss From Invest Disposed of (h)
1	Account 124 Other Investments							
2								
3	Western PA Development Credit Corp	06/01/87		\$ 1	5,000 shares	\$ 1	\$ -	\$ -
4								
5	PA Development Credit Corp	03/27/64		1	1,500 shares	1		
6								
7	Strategic Investment Fund Partners							
8	Limited Partnership - Class C Partner	05/01/02		300,000	300 units	300,000		
9	Limited Partnership - Class C Partner	05/01/03		300,000	300 units	300,000		
10	Limited Partnership - Class C Partner	05/01/04		300,000	300 units	300,000		
11	Limited Partnership - Class C Partner	05/01/05		300,000	300 units	300,000		
12	Limited Partnership - Class C Partner	05/01/06		300,000	300 units	300,000	27,640	
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26				\$ 1,500,002	0	\$ 1,500,002	\$ 27,640	\$ -

* If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.

211. NOTES AND OTHER ACCOUNTS RECEIVABLE (Accounts 141, and 143)

If interest was derived during year from notes liquidated before the end of the year, include such interest revenue in column (d).

Line No.	Item (a)	Notes Receivable			Other Accounts Receivable	
		1/1/2013 (b)	12/31/2013 (c)	Interest Revenue (d)	1/1/2013 (e)	12/31/2013 (f)
1	State Relocations				\$429,213	\$797,704
2	Pooling and Metering/Production and Gathering				\$4,248,286	\$7,700,855
3	Damages/Relocations				\$1,024,810	\$1,476,263
4	Employee Appliance Purchase Program				\$27,843	\$22,356
5	Miscellaneous				\$1,989,346	\$2,543,305
6						
7	Total	0	0	0	\$7,719,498	\$12,540,483

212. NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (Account 145)

1. Furnish below the particulars indicated concerning notes receivable from associated companies at end of year.
2. If any note was received in satisfaction of an open account indebtedness, state the period covered by such open account.
3. Include in column (f) the amount of any interest revenue during the year on notes that were paid off before the end of year.
4. Give particulars of any notes pledged or discounted. This schedule shall include all transactions during the year with each affiliated interest affecting account 145 and account 233.

Line No.	Name of Associated Company (a)	Date of Issue (b)	Date of Maturity (c)	Amount End of Year (d)	Interest Rate (e)	Amount (f)
1	None					
2						
3						
4						
5						
6						
7						
8						

**213. ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCOUNT 146)
AND ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCOUNT 234)**

1. Furnish below the particulars called for concerning Account Receivables and Payables from Associated Companies.
2. The term "Services Received" set forth on line 21 of this schedule means the Management, Construction, Engineering, Purchasing Legal, Accounting or other similar service which has been rendered to respondent under written, oral or implied contracts.
3. The term "Joint Expenses Transferred" set forth on lines 6 and 22 means Central office and/or other expenses continuously assessed against respondent covering all locations of common operating costs.
4. This schedule shall include all transactions during the year with each affiliated interest affecting Account 146.

Line No.	Item (a)	Entries During Year	
			(b)
1	Debits During Year		
2	Cash Dispensed	\$	52,608,418
3	Materials and Supplies Sold		
4	Services Rendered		3,824,173
5	Joint Expense Transferred		
6	Interest and Dividends Receivable		
7	Rents Receivable		
8	Securities Sold		
9	Other Debits (Specify)		
10	Storage & Pooling Fees		1,627,287
11	Convenience Payments		2,869,690
12			
13	Total Debits During Year	\$	60,929,568
14			
15	Credits During Year		
16	Cash Received	\$	(8,023,390)
17	Gas Purchased		
18	Fuel Purchased		
19	Materials and Supplies Purchased		
20	Services Received		(605,661)
21	Joint Expense Transferred (***)		(11,416,829)
22	Interest and Dividends Payable		(51,637,264)
23	Rents Payable		
24	Securities Purchased		
25	Transferred to Account "145"		
26	Other Credits (Specify)		
27	Convenience Payments		(571,894)
28			
29			
30	Total Credits During Year	\$	(72,255,038)
31	Balance at Beginning of Year	\$	(6,408,204)
32	Balance at End of Year	\$	(17,733,674)

-(***) non-cash item representing interdivisional balancing

215. PLANT MATERIALS AND OPERATING SUPPLIES (Account 154)

1. Summarize below by character of materials and supplies, the balances in account 154 at the beginning and end of the year.
2. Account entries totaling \$300,000 or 1% of gross revenues, (whichever is less), during the year shall be explained, showing the class of materials affected and the various classes of accounts (operating expenses, clearing accounts, plant accounts, etc.) debited or credited.

Line No.	Classification of Materials And Supplies (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase /Decrease (d)
1	Box Curb/Valve/Parts	\$ 10,331	\$ 11,445	\$ 1,114
2	Compressor Station Parts	936,800	766,158	(170,642)
3	Corrosion Protection	11,614	15,362	3,748
4	Gas Measuring Equipment	54,523	61,881	7,358
5	Pipe	285,373	1,303,773	1,018,400
6	Pipe Fittings	794,623	1,662	(792,962)
7	Tubing	191,847	205,226	13,379
8	Valves	202,849	259,205	56,356
9	Misc.	78,908	10,593	(68,315)
10				0
11				0
12				0
13				0
14				0
15				0
16				0
17	Total	\$ 2,566,868	\$ 2,635,304	\$ 68,436

216. UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (Accounts 181, 225)

1. Report under separate subheadings for Unamortized Debt Discount and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parenthesis
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 premium, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than by debit or credit to Surplus.
6. Set out separately and identify amounts applicable to issues which have been redeemed, although those amounts, prior to the effective date of the Uniform System of Accounts may have prior to the effective date of the Uniform System of Accounts may have been combined with the discount and expense on the refunding issue.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt.

Line No.	Designation of Long-Term Debt (a)	PRINCIPAL AMOUNT OF SECURITIES TO WHICH OR PREMIUM RELATES (b)	TOTAL DISCOUNT AND EXPENSE OR NET PREMIUM (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1	Intercompany promissory note payable to PNG Comp	\$ 388,395,000	\$ 10,027,226	2/26/2010	2/26/2020	\$ 5,994,732		\$ 1,416,612	\$ 4,578,120
2									
3	Intercompany revolving credit note payable to PNG C	\$ 300,000,000	\$ 3,207,970	8/10/2011	8/22/2018	\$ 2,091,463	\$ 1,519,373	\$ 584,310	\$ 3,026,526
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15	Total	\$ 688,395,000	\$ 13,235,196			\$ 8,086,195	\$ 1,519,373	\$ 2,000,922	\$ 7,604,646

217. EXTRAORDINARY PROPERTY LOSSES (Account 182)

1. Report below the information indicated concerning this account, grouping the items by departments, and showing totals for each department.
2. Include in the description the date property was abandoned or other extraordinary loss incurred.

Line No.	Description of Property Loss Or Damage (a)	Comm. Auth. No. (b)	Amortization Period (Give Years Only)		Total Amount of Loss (e)	Previously Written off (f)	Written off During Year		Balances At End of Year (i)
			From (c)	To (d)			Account Charged (g)	Amount (h)	
1									
2	None								
3									
4									
5									
6									
7									
8	Total								0

231. LONG-TERM DEBT (Accounts 221,222,224)

(Excluding Advances from Affiliated Companies)

1. Give below the particulars indicated of the long-term debt at end of year represented by unmatured obligations issued or assumed by the respondent, exclusive of advances from affiliated companies.
2. Group entries according to accounts and show the total for each account.
3. For obligations assumed by the respondent show in column (a) the name of the issuing company and the class and series of such obligations.
4. For Receivers' Certificates show the name of the court and date of court order under which such certificates were issued.
5. If respondent has pledged any of its long-term debt securities give particulars in a footnote, including name of the pledge name of the pledge and purpose of pledge.
6. If interest expense was incurred during the year on any obligations retired or reacquired before end of year include such interest expense in column (g).
7. If interest was matured but unpaid on any obligation, state in a footnote the class and series and principal amount of such obligation and the amount of interest matured thereon.

Line No.	Class and Series of Obligations (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Interest For Year		Held By Respondent	
						Rate (f)	Amount (g)	As Reacquired. Lg.-Term Debt (h)	In Sinking & Other Funds (i)
1	None								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
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30									
31									
32									
33									
34									
35	TOTAL			\$ -	\$ -		\$ -	\$ -	\$ -

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

**400. INCOME STATEMENT
REVENUES AND EXPENSES**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance End of Current Year (c)	Balance End of Previous Year (d)	Increase/Decrease (e)
1	SALES OF GAS				
2	480.0 Residential Sales	600	\$ 248,002,681	\$ 206,409,789	\$ 41,592,892
3	481.0 Commercial and Industrial Sales	600	44,300,624	44,242,827	57,797
4	482.0 Other Sales to Public Authorities	600			-
5	Sub Total Sales of Gas		\$ 292,303,305	\$ 250,652,616	\$ 41,650,689
6					
7					
8	REVENUES FROM TRANSPORTATION OF GAS OF OTHERS				
9	489.1 Through Gathering Facilities				-
10	489.2 Through Transmission Facilities				-
11	489.3 Through Distribution Facilities		93,106,743	82,730,305	10,376,438
12	489.4 Revenues from Storing Gas of Others		1,988,635	2,269,408	(280,773)
13	Sub Total Transportation Revenue		\$ 95,095,378	\$ 84,999,713	\$ 10,095,665
14					
15	TOTAL SALES AND TRANSPORTATION REVENUE ¹		\$ 387,398,683	\$ 335,652,329	\$ 51,746,354
16					
17	OTHER OPERATING REVENUES				
18	483.0 Sales for Resale	501	\$ 1,997,449	\$ 688,255	\$ 1,309,194
19	484.0 Interdepartmental Sales	600			-
20	485.0 Intracompany Transfers	600			-
21	487.0 Forfeited Discounts	600	2,159,217	1,680,278	478,939
22	488.0 Miscellaneous Service Revenues	600	1,572,670	1,476,815	95,855
23	490.0 Sales of Products Extracted from Natural Gas				-
24	491.0 Revenues from Natural Gas Processed by Others				-
25	492.0 Incidental Gasoline and Oil Sales				-
26	493.0 Rent from Gas Property	600	1,664,592	1,583,600	80,992
27	494.0 Interdepartmental Rents	600			-
28	495.0 Other Gas Revenues	600	23,881,276	21,831,813	2,049,463
29	496.0 Provision for Rate Refunds				-
30	Sub Total Other Operating Revenues		\$ 31,275,204	\$ 27,260,761	\$ 4,014,443
31					
32	TOTAL REVENUES		\$ 418,673,887	\$ 362,913,090	\$ 55,760,797
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44	¹ This line - Total Sales and Transportation Revenue - is to be reported in Section 2				
45	of the Revised Annual Assessment Report (Form GAO-10).				

**400. INCOME STATEMENT
REVENUES AND EXPENSES**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	OPERATING EXPENSES				
2	401 Operation Expenses		\$ 241,567,654	\$ 214,205,941	\$ 27,361,713
3	402 Maintenance Expenses		29,888,269	25,906,148	3,982,121
4	403 Depreciation Expenses		28,711,213	27,065,290	1,645,923
5	404.0 Amort. Of Intangible Plant		7,332,771	5,407,030	1,925,741
6	404.1 Amort. & Depletion of Prod. Natural Gas Land & Rights				-
7	404.2 Amort. Of Underground Storage Land & Land Rights		(134,415)	58,544	(192,959)
8	404.3 Amort. Of Other Limited-Term Gas Plant				-
9	405.0 Amortization of Other Gas Plant				-
10	406.0 Amortization of Gas Plant Acquisition Adjustments				-
11	407.1 Amort. Of Prop. Losses, Unrec. Plant & Reg. Study C.				-
12	407.2 Amortization of Conversion Expense				-
13	407.3 Regulatory Debits				-
14	407.4 Regulatory Credits				-
15	408.1 Taxes Other Than Income Taxes, Utility Opr. Income	408	6,802,536	6,576,708	225,828
16	409.1 Income Taxes, Utility Operating Income	409	14,264,026		14,264,026
17	410.1 Provision for Deferred Income Taxes, Ut. Opr. Income	411	44,601,441	54,491,457	(9,890,016)
18	411.1 Prov. For Def. Income Taxes-Credit, Ut. Opr. Income	412	(22,604,915)	(33,489,444)	10,884,529
19	411.4 Investment Tax Credit Adjustments, Ut. Operations				-
20	411.6 Gains from Disposition of Utility Plant				-
21	411.7 Losses from Disp. of Utility Plant				-
22	Total Utility Operating Expenses		\$ 350,428,580	\$ 300,221,674	\$ 50,206,906
23	OTHER OPERATING INCOME				
24	412.0 Revenues from Gas Plant Leased to Others				\$ -
25	413.0 Expenses of Gas Plant Leased to Others				-
26	414.0 Other Utility Operating Income				-
27	Total Other Operating Income		\$ -	\$ -	\$ -
28	OTHER INCOME				
29	415.0 Rev. from Merchandising, Jobbing and Contract Work				\$ -
30	416.0 Costs and Exp. of Merchandising Jobbing & Contract Wk				-
31	417.0 Revenue from Non-Utility Operations				-
32	418.0 Non Operating Rental Income				-
33	418.1 Equity in Earnings of Subsidiary Companies				-
34	419.0 Interest & Dividend Income		1,769,280	46,399	1,722,881
35	419.1 Allowance for Other Funds Used During Construction		-	70,577	(70,577)
36	421.0 Miscellaneous Non Operating Income		16,328	107,306	(90,978)
37	421.1 Gain on Disposition of Property, Total Other Income		481	14,854	(14,373)
38	Total Other Income		\$ 1,786,089	\$ 239,136	\$ 1,546,953
39	OTHER INCOME DEDUCTIONS				
40	421.2 Loss on Disposition of Property			\$ (24,172.00)	\$ 24,172
41	425.0 Miscellaneous Amortization				-
42	426.1 Donations		1,672,919	2,250,790	(577,871)
43	426.2 Life Insurance				-
44	426.3 Penalties		392	(47,870)	48,262
45	426.4 Exp. for Certain Civic, Political & Related Activities		138,273	144,664	(6,391)
46	426.5 Other Deductions				-
47	Total Other Income Deductions		\$ 1,811,584	\$ 2,323,412	\$ (511,828)
48	TAXES APPLICABLE TO OTHER INCOME & DED.				
49	408.2 Taxes Other Than Income Taxes, Otr. Income & Ded.		\$ 229,000	\$ 18	\$ 228,982
50	409.2 Income Taxes, Other Income & Deductions				-
51	410.2 Prov. for Deferred Income Taxes, Otr. Income & Ded.				-
52	411.2 Prov. for Def. Income Taxes, Credit, Otr Income & Ded.		(17,666)	(864,846)	847,180
53	411.5 Investment Tax Cr. Adjustments, Nonutility Operations				-
54	420.0 Investment Tax Credits				-
55	Total Taxes on Other Income and Deductions		\$ 211,334	\$ (864,828)	\$ 1,076,162
56	Net Other Income and Deductions		\$ (236,829)	\$ (1,219,448)	\$ 982,619

**400. INCOME STATEMENT
REVENUES AND EXPENSES**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	INTEREST CHARGES				
2	427 Interest on Long-Term Debt		\$ -	\$ -	\$ -
3	428 Amortization of Debt Discount and Expense		2,000,922	1,975,502	25,420
4	428.1 Amortization of Loss on Reacquired Debt				-
5	429 Amortization of Premium on Debt-Credit				-
6	429.1 Amortization of Gain on Reacquired Debt-Credit				-
7	430 Interest on Debt to Associated Companies		21,337,264	20,636,641	700,623
8	431 Other Interest Expense		79,561	523,929	(444,368)
9	432 Allowance for Borrowed Funds Used During Construction-Cr		(359,057)	(339,596)	(19,461)
10	Net Interest Charges		\$ 23,058,690	\$ 22,796,476	\$ 262,214
11	EXTRAORDINARY ITEMS				
12	434 Extraordinary Income		\$ -	\$ -	\$ -
13	435 Extraordinary Deductions				-
14	409.3 Income Taxes-Extraordinary Items				-
15	Net Income		\$ 44,949,788	\$ 38,675,492	\$ 6,274,296
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405. OPERATION AND MAINTENANCE EXPENSES

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	MANUFACTURED GAS PRODUCTION EXPENSES		XXX	XXX	XXX
2	Steam Production Expenses				
3	Operation				
4	700.0 Operation Supervision and Engineering		\$0	\$0	\$0
5	701.0 Operating Labor				-
6	702.0 Boiler Fuel				-
7	703.0 Miscellaneous Steam Expenses				-
8	Total Steam Production Operation Expenses		\$0	\$0	\$0
9	Maintenance				
10	704.0 Steam Transferred-Credit		\$0	\$0	\$0
11	705.0 Maintenance, Supervision and Engineering				-
12	706.0 Maintenance of Structures and Improvements				-
13	707.0 Maintenance of Boiler Plant Improvement				-
14	708.0 Maintenance of Other Steam Production Plant				-
15	Total Steam Production Maintenance Expenses		\$0	\$0	\$0
16	Manufactured Gas Production				
17	710.0 Operation Supervision and Engineering				\$0
18	Production Labor and Expenses				
19	711.0 Steam Expenses		\$0	\$0	\$0
20	712.0 Other Power Expenses				-
21	713.0 Coke Oven Expenses				-
22	714.0 Producer Gas Expenses				-
23	715.0 Water Gas Generating Expenses				-
24	716.0 Oil Gas Generating Expenses				-
25	717.0 Liquefied Petroleum Gas Expenses				-
26	718.0 Other Process Production Expenses				-
27	Total Production Labor and Expenses		\$0	\$0	\$0
28	Gas Fuels				
29	719.0 Fuel Under Coke Ovens		\$0	\$0	\$0
30	720.0 Producer Gas Fuel				-
31	721.0 Water Gas Generator Fuel				-
32	722.0 Fuel for Oil Gas				-
33	723.0 Fuel for Liquefied Petroleum Gas Process				-
34	724.0 Other Gas Fuels				-
35	Total Gas Fuels Expenses		\$0	\$0	\$0
36	Gas Raw Materials				
37	725.0 Coal Carbonized in Coke Ovens		\$0	\$0	\$0
38	726.0 Oil for Water Gas				-
39	727.0 Oil for Oil Gas				-
40	728.0 Liquefied Petroleum Gas Expenses				-
41	729.0 Raw Materials for Other Gas Processes				-
42	730.0 Residuals Expenses				-
43	731.0 Residuals Produced-Credit				-
44	732.0 Purification Expenses				-
45	733.0 Gas Mixing Expenses				-
46	734.0 Duplicate Charges-Credit				-
47	735.0 Miscellaneous Production Expenses				-
48	736.0 Rents				-
49	Total Gas Raw Materials Expenses		\$0	\$0	\$0
50	Maintenance				
51	740.0 Maintenance Supervision and Engineering		\$0	\$0	\$0
52	741.0 Maintenance of Structures and Improvements				-
53	742.0 Maintenance of Production Equipment				-
54	Total Maintenance Expenses		\$0	\$0	\$0
55	Total Manufactured Gas Production Expenses		\$0	\$0	\$0
56	NATURAL GAS PRODUCTION EXPENSES		XXX	XXX	XXX
57	Production and Gathering				
58	Operation				
59	750.0 Operating Supervision and Engineering		\$0	\$0	\$0
60	751.0 Production Maps and Records		36,257	35,942	315
61	752.0 Gas Wells Expenses				-

405. OPERATION AND MAINTENANCE EXPENSES (Continue)

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	753.0 Field Lines Expenses		360,374	346,202	14,172
2	754.0 Field Compressor Station Expenses		1,520,497	1,402,823	117,674
3	755.0 Field Compressor Station Fuel and Power		3,102,210	3,069,007	33,203
4	756.0 Field Measuring and Regulating Station Expenses		86,575	490,654	(404,079)
5	757.0 Purification Expenses				-
6	758.0 Gas Well Royalties				-
7	759.0 Other Expenses		366,007	378,767	(12,760)
8	760.0 Rents		13,303	12,361	942
9	Total Production & Gathering Operation Expenses		\$5,485,223	\$5,735,756	(\$250,533)
10	Maintenance				
11	761.0 Maintenance Supervision and Engineering		\$0	\$0	\$0
12	762.0 Maintenance of Structures and Improvements		2,609	1,692	917
13	763.0 Maintenance of Producing Gas Wells				-
14	764.0 Maintenance of Field Lines		1,008,793	873,183	135,610
15	765.0 Maintenance of Field Compressor Station Equipment		893,350	985,744	(92,394)
16	766.0 Maintenance of Field Measuring and Reg. Station Equip.		152,186	132,445	19,741
17	767.0 Maintenance of Purification Equipment				-
18	768.0 Maintenance of Drilling and Cleaning Equipment				-
19	769.0 Maintenance of Other Equipment				-
20	Total Production & Gathering Maintenance Expenses		\$2,056,938	\$1,993,064	\$63,874
21	Products Extraction				
22	Operation				
23	770.0 Operation Supervision and Engineering		\$0	\$0	\$0
24	771.0 Operating Labor				-
25	772.0 Gas Shrinkage				-
26	773.0 Fuel				-
27	774.0 Power				-
28	775.0 Materials				-
29	776.0 Operation Supplies and Expenses				-
30	777.0 Gas Processed by Others				-
31	778.0 Royalties on Products Extracted				-
32	779.0 Marketing Expenses				-
33	780.0 Products Purchased for Resale				-
34	781.0 Variation in Products Inventory				-
35	782.0 Extracted Products Used by the Utility-Credit				-
36	783.0 Rents				-
37	Total Products Extraction Operation Expenses		\$0	\$0	\$0
38	Maintenance				
39	784.0 Maintenance Supervision and Engineering		\$0	\$0	\$0
40	785.0 Maintenance of Structures and Improvements				-
41	786.0 Maintenance of Extraction and Refining Equipment				-
42	787.0 Maintenance of Pipe Lines				-
43	788.0 Maintenance of Extracted Products Storage Equipment				-
44	789.0 Maintenance of Compressor Equipment				-
45	790.0 Maintenance of Gas Measuring & Regulating Equipment				-
46	791.0 Maintenance of Other Equipment				-
47	Total Products Extraction Maintenance Expenses		\$0	\$0	\$0
48	Total Natural Gas Production Expenses		\$7,542,161	\$7,728,820	(\$186,659)
49	EXPLORATION AND DEVELOPMENT EXPENSES		XXX	XXX	XXX
50	Operation				
51	795.0 Delay Rentals		\$0	\$0	\$0
52	796.0 Nonproductive Well Drilling				-
53	797.0 Abandoned Leases				-
54	798.0 Other Exploration				-
55	Total Exploration and Development Operation Exp.		\$0	\$0	\$0
56	OTHER GAS SUPPLY EXPENSES		XXX	XXX	XXX
57	Operation				
58	800.0 Natural Gas Well Head Purchases		\$0	\$0	\$0
59	801.0 Natural Gas Well Head Purchases, Intercompany Trans.		41,830,608	36,798,155	5,032,453
60	802.0 Natural Gas Gasoline Plant Outlet Purchases				-
61	803.0 Natural Gas Transmission Line Purchases		91,563,851	58,056,217	33,507,634
62	804.0 Natural Gas City Gate Purchases		154,732	545,606	(390,874)

405. OPERATION AND MAINTENANCE EXPENSES (Continued)

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	804.1 Liquefied Natural Gas Purchases		\$0	\$0	\$0
2	805.0 Other Gas Purchases				-
3	805.1 Purchases Gas Cost Adjustments		7,058,543	2,390,603	4,667,940
4	806.0 Exchange Gas		(97,975)	51,944	(149,919)
5	807.0 Purchased Gas Expenses				-
6	808.1 Gas Withdrawn from Storage-Debit		40,456,449	60,991,910	(20,535,461)
7	808.2 Gas Delivered to Storage-Credit		(38,397,213)	(41,272,634)	2,875,421
8	809.1 Withdrawals of Liquefied Nat. Gas Held for Processing				-
9	809.2 Deliveries of Natural Gas for Processing				-
10	810.0 Gas Used for Compressor Station Fuel-Credit		(4,525,308)	(4,329,463)	(195,845)
11	811.0 Gas Used for Products Extraction-Credit				-
12	812.0 Gas Used for Other Utility Operations-Credit		(1,377,179)	(1,586,299)	209,120
13	813.0 Other Gas Supply Expenses		437,206	422,567	14,639
14	Total Gas Supply Operation Expenses		\$137,103,714	\$112,068,606	\$25,035,108
15	Natural Gas Storage, Terminating & Processing Exp.				
16	Underground Storage Expenses				
17	814.0 Operation Supervision and Engineering		\$0	\$0	\$0
18	815.0 Maps and Records				-
19	816.0 Wells Expenses		15,716	29,820	(14,104)
20	817.0 Lines Expenses		98,348	68,714	29,634
21	818.0 Compressor Station Expenses		37,650	(20,996)	58,646
22	819.0 Compressor Station Fuel and Power		1,423,099	1,260,456	162,643
23	820.0 Measuring and Regulating Station Expenses		1,264,458	1,323,891	(59,433)
24	821.0 Purification Expenses				-
25	822.0 Exploration and Development				-
26	823.0 Gas Losses		1,054,254	1,350,754	(296,500)
27	824.0 Other Expenses		383,489	440,204	(56,715)
28	825.0 Storage Well Royalties		52,992	59,982	(6,990)
29	826.0 Rents				-
30	Total Underground Storage Expenses		\$4,330,006	\$4,512,825	(\$182,819)
31	Maintenance				0
32	830.0 Maintenance Supervision and Engineering		\$0	\$0	
33	831.0 Maintenance of Structures and Improvements			-	-
34	832.0 Maintenance of Reservoirs and Wells		262,839	288,464	(25,625)
35	833.0 Maintenance of Lines		105,026	80,950	24,076
36	834.0 Maintenance of Compressor Station Equipment		42,878	(484)	43,362
37	835.0 Maintenance of Measuring & Regulating Station Equip.		1,276,896	1,509,182	(232,286)
38	836.0 Maintenance of Purification Equipment				-
39	837.0 Maintenance of Other Equipment				-
40	Total Maintenance Expenses		\$1,687,639	\$1,878,112	(\$190,473)
41	Other Storage Expenses				0
42	Operation				
43	840.0 Operating Supervision and Engineering		\$0	\$0	\$0
44	841.0 Operation Labor and Expenses				-
45	842.0 Rents				-
46	842.1 Fuel				-
47	842.2 Power				-
48	842.3 Gas Losses				-
49	Total Operation Expenses		\$0	\$0	\$0
50	Maintenance				
51	843.1 Maintenance Supervision and Engineering		\$0	\$0	\$0
52	843.2 Maintenance of Structures and Improvements				-
53	843.3 Maintenance of Gas Holders				-
54	843.4 Maintenance of Purification Equipment				-
55	843.5 Maintenance of Liquefaction Equipment				-
56	843.6 Maintenance of Vaporizing Equipment				-
57	843.7 Maintenance of Compressor Equipment				-
58	843.8 Maintenance of Measuring and Regulatory Equipment				-
59	843.9 Maintenance of Other Equipment				-
60	Total Maintenance Expenses		\$0	\$0	\$0

405. OPERATION AND MAINTENANCE EXPENSES (Continued)

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1					
2	LIQUEFIED NATURAL GAS TERMINATING AND				
3	PROCESSING EXPENSES		XXX	XXX	XXX
4	Operation				
5	844.1 Operation Supervision and Engineering		\$0	\$0	\$0
6	844.2 LNG Processing Terminal Labor and Expenses				-
7	844.3 Liquefaction Processing Labor and Expenses				-
8	844.4 LNG Transportation Labor and Expenses				-
9	844.5 Measuring and Regulating Labor and Expenses				-
10	844.6 Compressor Station Labor and Expenses				-
11	844.7 Communication System Expenses				-
12	844.8 System Control and Load Dispatching				-
13	845.1 Fuel				-
14	845.2 Power				-
15	845.3 Rents				-
16	845.4 Demurrage Charges				-
17	845.5 Warfare Receipts-Credit				-
18	845.6 Processing Liquefied or Vaporized Gas by Others				-
19	846.1 Gas Losses				-
20	846.2 Other Expenses				-
21	Total Liq. N.G. Term & Proc. Operation Expenses		\$0	\$0	\$0
22	Maintenance				
23	847.1 Maintenance Supervision and Engineering		\$0	\$0	\$0
24	847.2 Maintenance of Structures and Improvements				-
25	847.3 Maintenance of LNG Processing Terminal Equipment				-
26	847.4 Maintenance of LNG Transportation Equipment				-
27	847.5 Maintenance of Measuring and Regulating Equipment				-
28	847.6 Maintenance of Compressor Station Equipment				-
29	847.7 Maintenance of Communication Equipment				-
30	847.8 Maintenance of Other Equipment				-
31	Total Liq. N.G. Term. Proc. Maintenance Expenses		\$0	\$0	\$0
32	TRANSMISSION EXPENSES		XXX	XXX	XXX
33	Operation				
34	850.0 Operating Supervision and Engineering		\$1,232,012	\$1,176,085	\$55,927
35	851.0 System Control and Load Dispatching				-
36	852.0 Communication System Expenses				-
37	853.0 Compressor Station Labor and Expenses		6,149	6,404	(255)
38	854.0 Gas for Compressor Station Fuel				-
39	855.0 Other Fuel and Power for Compressor Stations				-
40	856.0 Mains Expenses		525,446	572,052	(46,606)
41	857.0 Measuring and Regulating Station Expenses		113,392	122,790	(9,398)
42	858.0 Transmission and Compression of gas by Others		14,018,047	12,146,218	1,871,829
43	859.0 Other Expenses		837	2,285	(1,448)
44	860.0 Rents		47,326	27,580	19,746
45	Total Transmission Operation Expenses		\$15,943,209	\$14,053,414	\$1,889,795
46	Maintenance				
47	861.0 Maintenance Supervision and Engineering		\$0	\$0	\$0
48	862.0 Maintenance of Structures and Improvements				-
49	863.0 Maintenance of Mains		1,283,301	1,377,291	(93,990)
50	864.0 Maintenance of Compressor Station Equipment		100,105	123,963	(23,858)
51	865.0 Maintenance of Measuring and Regulating Station Equip.		397,923	414,671	(16,748)
52	866.0 Maintenance of Communication Equipment		24,756	12344	12,412
53	867.0 Maintenance of Other Equipment				-
54	Total Transmission Maintenance Expenses		\$1,806,085	\$1,928,269	(\$122,184)
55	DISTRIBUTION EXPENSES		XXX	XXX	XXX
56	Operation				
57	870.0 Operation Supervision and Engineering		\$8,126	\$7,975	\$151
58	871.0 Distribution Load Dispatching		6,757	6,714	43
59	872.0 Compressor Station Labor and Expenses				-
60	873.0 Compressor Station Fuel and Power (Major Only)				-
61	874.0 Mains and Services Expenses		6,092,760	6,253,622	(160,862)
62	875.0 Measuring and Regulating Station Expenses-General		1,681,088	1,460,407	220,681

405. OPERATION AND MAINTENANCE EXPENSES (Continued)

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	876.0 Measuring and Regulating Station Expenses-Industrial		\$0	\$0	\$0
2	877.0 Measuring and Regulating Station Expenses-City Gate				-
3	878.0 Meter and House Regulator Expenses		3,630,883	3,600,103	30,780
4	879.0 Customer Installations Expenses		849,184	823,765	25,419
5	880.0 Other Expenses		4,295,032	4,141,544	153,488
6	881.0 Rents		65,190	60,081	5,109
7	Total Distribution Operation Expenses		\$16,629,020	\$16,354,211	\$274,809
7	Maintenance				
8	885.0 Maintenance Supervision and Engineering		\$0	\$0	\$0
9	886.0 Maintenance of Structures and Improvements		2,240,980	1,960,445	280,535
10	887.0 Maintenance of Mains		12,429,021	10,343,147	2,085,874
11	888.0 Maintenance of Compressor Station Equipment		232,403	199,634	32,769
12	889.0 Maintenance of Measuring & Reg. Station Equip.-Genl.		767,437	666,238	101,199
13	890.0 Maintenance of Measuring & Reg. Station Equip.-Indtrl.		6,757	6,714	43
14	891.0 Maintenance of Measuring & Reg. Station Equip.-City G				-
15	892.0 Maintenance of Services		7,936,210	6,352,547	1,583,663
16	893.0 Maintenance of Meters & House Regulators		6,757	6,714	43
17	894.0 Maintenance of Other Equipment		534,497	416,467	118,030
18	Total Maintenance Expenses		\$24,154,062	\$19,951,906	\$4,202,156
19	CUSTOMER ACCOUNTS EXPENSES		XXX	XXX	XXX
20	Operations				
21	901.0 Supervision		\$576,021	\$572,750	\$3,271
22	902.0 Meter Reading Expenses		3,323,030	3,224,280	98,750
23	903.0 Customer Records & Collection Expenses		7,123,207	6,404,638	718,569
24	904.0 Uncollectable Accounts		10,952,980	5,687,732	5,265,248
25	905.0 Miscellaneous Customer Accounts Expenses				-
26	Total Customer Account Operations Expenses		\$21,975,238	\$15,889,400	\$6,085,838
27	CUSTOMER SERVICE & INFORM. EXPENSES		XXX	XXX	XXX
28	Operations				
29	907.0 Supervision		\$239,442	\$217,871	\$21,571
30	908.0 Customer Assistance Expenses		1,265,719	1,824,147	(558,428)
31	909.0 Informational & Instructional Advertising Expenses		597,492	1,877,578	(1,280,086)
32	910.0 Miscellaneous Customer Service & Informational Exp.		49,251	75,001	(25,750)
33	Total Cust. Service & Inform. Operations Expenses		\$2,151,904	\$3,994,597	(\$1,842,693)
34	SALES EXPENSES		XXX	XXX	XXX
35	Operation				
36	911.0 Supervision		\$0	\$0	\$0
37	912.0 Demonstrating and Selling Expenses		783,476	858,436	(74,960)
38	913.0 Advertising Expenses		830	32,974	(32,144)
39	914.0 (Reserved)				-
40	915.0 (Reserved)				-
41	916.0 Miscellaneous Sales Expenses				-
42	Total Operation Sales Expenses		\$784,306	\$891,410	(\$107,104)
43	ADMINISTRATIVE AND GENERAL EXPENSES		XXX	XXX	XXX
44	Operation				
45	920.0 Administrative and General Salaries		\$15,219,560	\$14,826,681	\$392,879
46	921.0 Office Supplies and Expenses		5,291,295	4,754,829	536,466
47	922.0 Administrative Expenses Transferred-Credit		(13,784,723)	(9,469,909)	(4,314,814)
48	923.0 Outside Service Employed		6,711,455	6,053,934	657,521
49	924.0 Property Insurance		313,512	289,920	23,592
50	925.0 Injuries and Damages		3,572,437	3,702,563	(130,126)
51	926.0 Employee Pensions and Benefits		15,179,615	17,542,983	(2,363,368)
52	927.0 Franchise Requirements				-
53	928.0 Regulatory Commission Expenses		89,691	815,631	(725,940)
54	929.0 Duplicate Charges-Credit				-
55	930.1 General Advertising Expenses		2,714,705	275,009	2,439,696
56	930.2 Miscellaneous General Expenses		691,311	814,555	(123,244)
57	931.0 Rents		1,166,176	1,099,526	66,650
58	Total Administrative and General Operation Expenses		\$37,165,034	\$40,705,722	(\$3,540,688)
59	Maintenance				
60	932.0 Maintenance of General Plant		\$183,545	\$154,797	\$28,748
61	Total Administrative and General Maintenance Expenses		\$183,545	\$154,797	\$28,748
62					
63	Total Gas Operation and Maintenance Expenses		\$271,455,923	\$240,112,089	\$31,343,834
64					
65	Total Gas Operation Expenses		\$241,567,654	\$214,205,941	\$27,361,713
66	Total Maintenance Expenses		\$29,888,269	\$25,906,148	\$3,982,121

408. TAXES OTHER THAN INCOME TAXES, UTILITY OPERATING INCOME (Account 408.1)

This schedule shall include a breakdown of the various tax expenses that constitute the ending balance in Account No. 408.1-Taxes Other Than Income Taxes Utility Operating Income. The information should also reflect related entries to Account No. 165-Prepayments; and Account No. 236-Taxes Accrued.

Line No.	Type of Tax (a)	Account 165 Prepayments (b)	Account 236 Taxes Accrued (c)	Account 408.1 Taxes Other Than Income (d)
1	Social Security			
2	Federal Unemployment			
3	Pennsylvania Unemployment			
4	Utility Regulatory Assessment		(\$1,376,509)	\$1,376,509
5	Local Property Taxes		(27,568)	27,568
6	Public Utility Realty Tax		(636,019)	636,019
7	State Capital Stock Tax		(308,265)	308,265
8	Other Taxes (specify) Payroll Tax		(3,445,274)	3,445,274
9	Use Tax		(1,000,282)	1,000,282
10	Miscellaneous Tax		(8,619)	8,619
11	TOTAL	\$0	(\$6,802,536)	\$6,802,536

409. INCOME TAXES, UTILITY OPERATING INCOME (Account 409.1)

This schedule shall include a breakdown of the various tax expenses that constitute the ending balance in Account No. 409.1-Income Taxes, Ut. Operating Income. The information should also reflect related entries to Account No. 165-Prepayments; Account No. 190-Accumulated Deferred Income Taxes and Account No. 236-Accrued Utility Operating Income.

Line No.	Type of Tax (a)	Account 165 Prepayments (b)	Account 190 Accumulated Def. Income Taxes (c)	Account 236 Accrued Taxes (d)	Account 409.1 Income Taxes Opr Income (e)
1	Federal Income Taxes			(\$10,579,493)	\$10,579,493
2	State Income Taxes			(3,684,533)	3,684,533
3	Local Income Taxes				
4					
5					
6					
7					
8	Other Taxes (specify)				
9					
10					
11	TOTAL	\$0	\$0	(\$14,264,026)	\$14,264,026

410. CALCULATION OF FEDERAL INCOME TAXES - CURRENT PERIOD

1. The totals as reported on this schedule should conform with amounts reported on corresponding Schedules.

Line No.	Item (a)	Total (b)	Current (c)	Deferred Property Related (d)	Deferred Other (e)
1	Operating Revenues		\$ 418,673,887		
2	Operating Expenses		307,365,493		
3	Operating Taxes (Non-Income)		6,802,536		
4	Interest & Other Expense		23,058,690		
5	Pre-Tax Operating Income				
	Total Line 1 Minus Lines 2-3-4	-	81,447,168	-	-
6	Other Income (Expense)		(254,495)		
7	Pre Tax Book Income				
	Total Lines 5+6	-	81,192,673	-	-
8	Permanent and Flow-Through Differ.		473,452		
9	Temporary Differences		(39,260,540)		
10	State Only Differences		(2,523,376)		
11	Subtotal	-	39,882,209	-	-
12	State Tax at Current Rate		3,984,233		2,518,516
13	Adjustments to State Tax		(299,700)		
14	Adjustments for St. Tax Rate Changes				
15	State Tax Accrual				
	Total Lines 12+13+14	-	3,684,533	-	2,518,516
16	Federal Taxable Income				
	Total Line 11 Minus Lines 12-13	-	36,197,676	-	(2,518,516)
17	Federal Tax at Current Rate		12,670,813	11,227,596	8,232,748
18	ITC Authorization				
19	Adjustment for Fed. Tax Rate Changes				
20	R & D Credits				
21	IRS Audit Settlement				
22	Tax Rate Change on Extraord. Activity				
23	Other		(2,091,320)		
24	Federal Tax Accrual				
	Total Lines 17 through 23	-	10,579,493	11,227,596	8,232,748

**411. PROVISION FOR DEFERRED INCOME TAXES,
UTILITY OPERATING INCOME (Account 410.1)**

This schedule shall include a breakdown of the various tax expenses that constitute the ending balance in Account No. 410.1-Provision for Deferred Income Taxes, Utility Operating Income. The information should also reflect related entries to Account No. 165-Prepayments; Account No. 190-Accumulated Deferred Income Taxes & Account No. 236-Accrued Taxes, Utility Operating Income.

Line No.	DEBITS Type of Tax (a)	Account 190 Accumulated Deferred Income Tax (b)	Account 282 Accumulated Deferred Income Taxes (c)	Account 283 Accumulated Deferred Income Taxes (d)	Account 410.1 Provision for Deferred Income Taxes (e)
1	Federal		\$ (22,471,842)	\$ (16,871,238)	\$ 39,343,080
2	State			(5,258,361)	5,258,361
3	Other				
4					
5					
6					
7	Total	\$ -	\$ (22,471,842)	\$ (22,129,599)	\$ 44,601,441

**412. PROVISION FOR DEFERRED INCOME TAXES
UTILITY OPR. INCOME, CREDIT (Account 411.1)**

This schedule shall include a breakdown of the various tax expenses that constitute the ending balance in Account No. 411.1-Provision for Deferred Income Taxes-Credit. The information should also reflect related entries to Account No. 165-Prepayments; Account No. 190-Accumulated Deferred Income Taxes & Account No. 236-Accrued Taxes.

Line No.	DEBITS Type of Tax (a)	Account 190 Accumulated Deferred Income Tax (b)	Account 282 Accumulated Deferred Income Taxes (c)	Account 283 Accumulated Deferred Income Taxes (d)	Account 411.1 Provision for Deferred Income Taxes (e)
1	Federal		\$ 11,244,246	\$ 8,625,469	\$ (19,869,715)
2	State			2,735,200	(2,735,200)
3	Other				
4					
5					
6					
7	Total	\$ -	\$ 11,244,246	\$ 11,360,669	\$ (22,604,915)

500. GAS PURCHASED

1. Report below the information called for concerning gas purchased for resale during year.
2. Purchases from independent natural gas producers shall be grouped on one line and columns (a), (d), (g) and (h) only shall be reported with respect to such purchase.
3. The quantities reported should be those shown by the bills rendered by the vendor. Indicate MCF, CCF or Therms
4. Report separately non-interruptible and interruptible purchases from the same company. Designate purchases from affiliated interest by an asterisk following the name in column (d).

Line No.	Purchased From (a)	Point of Delivery (b)	B.T.U. Per Cu. Ft. (c)	MCF CCF or Therms (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Cost Per Unit (h)
1	801 Field Line Purchases			12,022,294	\$ 41,830,608	n/a	\$ 41,830,608	\$ 3.48
2								
3	Dominion Transmission Company	Allegheny, Beaver, Butler, Westmoreland			\$ 6,916,856	See Note	\$ 6,916,856	
4		Washington, Clarion, Erie, Potter						
5	Equitrans LP	Allegheny, Washington			\$ 1,712,194	See Note	\$ 1,712,194	
6	National Fuel Gas Supply	Butler, Mercer, Venango			\$ 755,302	See Note	\$ 755,302	
7	Tennessee Gas Pipeline	Beaver, Mercer, Allegheny			\$ -	See Note	\$ -	
8	Texas Eastern Transmission	Blair, Cambria, Somerset			\$ 922,952	See Note	\$ 922,952	
9	Pipeline Transport Estimate				\$ (157)	See Note	\$ (157)	
10	Released Gas for Pool Operators				\$ 3,710,901		\$ 3,710,901	
11	Spot Market Purchases			21,557,970	\$ 91,563,851		\$ 91,563,851	\$ 4.25
12	Total Pipeline Purchases			21,557,970	\$ 105,581,898		\$ 105,581,898	\$ 4.90
13								
14	804 City Gate Purchases			58,556	\$ 154,732		\$ 154,732	\$ 2.64
15								
16	805 Purchased Gas Cost Adjustments			n/a	\$ 7,058,543		\$ 7,058,543	
17								
	Totals			33,638,820	\$ 154,625,781		\$ 154,625,781	\$ 4.60

Note: Included in Commodity Charges is \$14,018,047 recorded as Transmission and Compression of Gas by Others.

Transmission and Compression Costs are included in the determination of Purchased Gas Cost Adjustments.

501. SALES FOR RESALE

1. Report below the information called for concerning gas sold during year to other gas utilities or to public authorities for resale.
2. The quantities shown should be those shown by the bills rendered to the purchasers. Indicate MCF, CCF or Therms.
3. Report separately non-interruptible and interruptible sales to the same company. Designate sales to affiliated interest by an asterisk following the name in column (a)
4. Designate any sales which are other than firm sales.

Line No.	Sold To (a)	Point of Delivery (b)	BTU Per Cu. Ft. (c)	MCF (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Revenue Per Unit (h)
1	Ambit Northeast, LLC	Imbalance Sales	1,030	3,266	\$ 18,457		\$ 18,457	\$ 5.65
2	Compass Energy Gas Services LLC	Imbalance Sales	1,030	15,450	\$ 89,139		\$ 89,139	\$ 5.77
3	Constellation New Energy-Gas Division	Imbalance Sales	1,030	11,334	\$ 55,451		\$ 55,451	\$ 4.89
4	Equitable Energy	Imbalance Sales	1,030	48,019	\$ 263,049		\$ 263,049	\$ 5.48
5	Glacial Natural Gas, Inc.	Imbalance Sales	1,030	7,433	\$ 69,100		\$ 69,100	\$ 9.30
6	Hess Corporation	Imbalance Sales	1,030	70,089	\$ 376,746		\$ 376,746	\$ 5.38
7	Interstate Gas Marketing, Inc.	Imbalance Sales	1,030	9,402	\$ 50,540		\$ 50,540	\$ 5.38
8	Interstate Gas Supply, Inc.	Imbalance Sales	1,030	29	\$ 168		\$ 168	\$ 5.78
9	PA Gas Marketing LLC*	Imbalance Sales	1,030	102	\$ 544		\$ 544	\$ 5.33
10	Snyder Brothers, Inc.	Imbalance Sales	1,030	64,524	\$ 354,980		\$ 354,980	\$ 5.50
11	Sprague Operating Resources LLC	Imbalance Sales	1,030	4,747	\$ 27,525		\$ 27,525	\$ 5.80
12	Stand Energy Corporation	Imbalance Sales	1,030	190	\$ 1,007		\$ 1,007	\$ 5.30
13	U.S. Gas & Electric, Inc.	Imbalance Sales	1,030	3,980	\$ 19,933		\$ 19,933	\$ 5.01
14	UGI Energy Services, Inc. - 410	Imbalance Sales	1,030	2,917	\$ 15,504		\$ 15,504	\$ 5.32
15	UGI Energy Services, Inc. - 477	Imbalance Sales	1,030	20,948	\$ 104,283		\$ 104,283	\$ 4.98
16	Volunteer Energy Services, Inc.	Imbalance Sales	1,030	30,479	\$ 174,845		\$ 174,845	\$ 5.74
17	Agway Energy Services LLC	Gas Sale In Place	1,030	7,255	\$ 23,852		\$ 23,852	\$ 3.29
18	Ambit Northeast, LLC	Gas Sale In Place	1,030	31,633	\$ 115,666		\$ 115,666	\$ 3.66
19	Interstate Gas Supply, Inc	Gas Sale In Place	1,030	47,341	\$ 165,311		\$ 165,311	\$ 3.49
20	Snyder Brothers, Inc.	Gas Sale In Place	1,030	4,008	\$ 14,519		\$ 14,519	\$ 3.62
21	U.S. Gas & Electric, Inc.	Gas Sale In Place	1,030	14,360	\$ 52,385		\$ 52,385	\$ 3.65
22	Xoom Energy Pennsylvania, LLC	Gas Sale In Place	1,030	1,219	\$ 4,446		\$ 4,446	\$ 3.65
	Totals			398,725	\$ 1,997,449		\$ 1,997,449	

505. GAS ACCOUNT-NATURAL GAS

- 1 The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent adjusted for any differences in pressure bases used in measuring MCF of natural gas received and delivered.
- 2 If the respondent operates two or more systems which are not interconnected, separate schedules should be submitted. Insert pages should be used for this purpose.

No.	Item (a)	MCF as Reported (b)
1	GAS RECEIVED	
2	Natural Gas Produced	0
3	L.P.G. Gas Produced and Mixed with Natural Gas	0
4	Manufactured Gas Produced and Mixed with Natural Gas	0
5	Purchased Gas	35,739,959
6	Gas of Others Received for Transportation	39,534,891
7	Receipts of Respondent's Gas Transported or Compressed by Others	
8	Exchange Gas Received	684,814
9	Gas Received from Underground Storage	11,509,481
10	Other Receipts	
11		
12		
13		
14	Total Receipts:	87,469,145
15	GAS DELIVERED	
16	Natural Gas Sales:	
17	Local Distribution by Respondent	29,332,234
18	Main Line Industrial Sales	
19	Sales for Resale	398,725
20	Interdepartmental Sales	
21		
21		
22	Total Sales	29,730,959
23	Deliveries of Gas Transported or Compressed for Others	37,778,672
24	Deliveries of Respondent's Gas for Trans. Or Compressed by Others	
25	Exchange Gas Delivered	724,230
26	Natural Gas used by Respondent	1,065,074
27	Natural Gas Delivered to Storage	10,108,395
28	Natural Gas for Franchise Requirements	
29	Other Deliveries: Specify: Off-System Deliveries	4,238,720
30	Total Deliveries	83,646,050
31	UNACCOUNTED FOR	
32	Production System Losses	
33	Storage Losses	237,000
34	Transmission System Losses	
35	Distribution System Losses	3,561,978
36	Other Losses: Gas Lost during Construction, Pigging, etc.	24,117
37		
38	Total Unaccounted For	3,823,095
39	Total Deliveries and Unaccounted For	87,469,145

510. UNDERGROUND GAS STORAGE

1. Report particulars for each underground gas storage project.
2. Give particulars of any gas stored for the benefit of another company under a gas exchange arrangement or on a basis of purchase and resale to another company. Designate if other company is an associated company.
3. Pressure base of gas volumes reported below.

Line No.	Month (a)	All Volumes @ 14.73 PSIA						
		Total (b)	Murrysville (c)	Gamble Hayden * (d)	Colvin ** (e)	Webster * (f)	Truittsburg * (g)	Rager Mountain * (h)
1	Storage Operations	MCF	MCF	MCF	MCF	MCF	MCF	MCF
2	Gas Delivered to Storage							
1	January	19,436	13,818	5,618	0	0	0	0
2	February	3	0	3	0	0	0	0
3	March	3	0	0	0	3	0	0
4	April	568,553	224,833	29,648	0	208,845	105,227	0
5	May	923,938	214,084	2,303	0	132,276	242,189	333,086
6	June	1,174,116	154,073	1,145	0	62,947	254,681	701,270
7	July	1,911,832	100,045	31,765	0	14,709	389,315	1,375,998
8	August	2,609,000	247,078	107,583	0	45,036	405,979	1,803,324
9	September	2,249,964	233,198	125,577	0	0	165,860	1,725,329
10	October	562,255	87,963	39,687	0	27,845	92,963	313,797
11	November	80,011	43,936	0	0	12,401	23,674	0
12	December	9,284	4,058	0	0	0	5,226	0
13	Totals	10,108,395	1,323,086	343,329	0	504,062	1,685,114	6,252,804
14	Gas Withdrawn From Storage							
15	January	2,642,731	389,323	129,617	0	89,003	396,816	1,637,972
16	February	2,872,498	302,096	86,260	0	108,146	404,939	1,971,057
17	March	2,175,226	176,453	164,566	0	46,387	254,851	1,532,969
18	April	638,503	67,482	231,691	0	12,939	30,376	296,015
19	May	95,754	61,378	483	0	1,318	17,431	15,144
20	June	40,772	5,218	544	0	6	20,004	15,000
21	July	26,852	9,781	1,778	0	5	287	15,001
22	August	30,469	5,000	5,381	0	0	5,088	15,000
23	September	28,098	5,002	3	0	2,428	5,665	15,000
24	October	190,023	83,685	8,162	0	15,828	67,025	15,323
25	November	1,445,869	158,172	57,036	0	23,812	243,465	963,384
26	December	10,656,675	77,328	480,093	0	429,333	1,536,063	8,133,858
27	Totals	20,843,470	1,340,918	1,165,614	0	729,205	2,982,010	14,625,723
28	Stored Gas End of Year-MCF	2,966,389	2,731,012	0	235,377	0	0	0
29	Est. Native Gas in Storage Reservoir-MCF	83,640	83,640	0	0	0	0	0
30	Total Gas in Reservoir-MCF (Lines 28 plus 29)	3,050,029	2,814,652	0	235,377	0	0	0
31	Storage Capacity (Escl. Native Gas)-MCF	3,162,000	3,162,000	0	0	0	0	0
32	Reservoir Pressure at which Storage Cap.-Computed		950#	0	0	0	0	0
33	Number of Storage Wells in Project	3,162,000	8	0	0	0	0	0
34	Number of Acres of Storage Area	3,162,000	737	0	0	0	0	0
35	Maximum Day's Withdrawal from Storage	6,324,000	42,468	12,957	0	10,190	36,781	159,038
36	Date of Maximum Day's Withdrawal		1/23/2013	1/3/2013	0	12/10/2013	1/17/2013	1/22/2013
37	Year Storage Operations Commenced		1939	1943	1943	1945	1949	1971

* Peoples transferred these storage pools to EQT as of 12/17/13.

** Peoples discontinued operation of the Colvin storage facility in 2003.

511. MANUFACTURED GAS PRODUCTION PLANT

- 1 Kind or Type of Plant _____ Location _____
- 2 Maximum Daily Capacity of Plant _____ MCF _____
- 3 Maximum Daily MCF of Gas Produced During Year _____ Date _____
- 4 Maximum Daily MCF of Gas Produced During Life of Plant _____ Date _____
- 5 Number of Days Plant was Commercially Operated During Year _____
- 6 Date Plant was last Commercially Operated _____
- 7 MCF of Gas Produced During the Year _____
- 8 Average BTU Content of Gas Produced _____
- 0

NONE

512. LIQUEFIED PETROLEUM GAS OPERATIONS

- 1 Location of Plant _____
- 2 MCF of Gas Produced During Year _____
- 3 Gallons of L.P.G. Used During Year _____
- 4 Function of Plant _____
- 5 Storage Capacity for L.P.G. (Gallons) _____

NONE

515. GAS AND OIL WELLS	
Line No.	
GAS WELLS	
1	
2	Productive Wells at Beginning of Year 1
3	Productive Wells Drilled During the Year
4	Oil Wells Restored to Productive Basis During Year
5	Wells Purchased During the Year
6	Wells Abandoned During the Year 0
7	Wells Sold During the Year
8	
9	Productive Wells at End of Year 1
10	Number of Wells Drilled Deeper During the Year
11	Dry Holes Drilled During the Year
12	
NATURAL GAS ACREAGE	
	Operative
	Non Operative
14	Number of Acres Owned at End of Year 3 1
15	Number of Acres Leased at End of Year 10,541 1,964
16	
OIL WELLS	
18	Productive Wells at Beginning of Year
19	Productive Wells Drilled During the Year
20	Wells Abandoned and Sold During the Year
21	
22	Productive Wells at End of Year

516. GAS LINES, METERS AND SERVICES						
Line No.	Size of Pipe Inches	Field Lines M. Ft.	Prod. Ext. Lines M. Ft.	Storage Lines M. Ft.	Distr. Mains M. Ft.	Transmission M. Ft.
27						
28	2"	1,165			11	7,104
29	3"	943			17	6,203
30	4"	987			5	10,951
31	5"	114			2	576
32	6"	962			16	5,823
33	7"	15			1	43
34	8"	915			5	2,547
35	9"	0			0	3
36	10"	177			0	630
37	11"	19			0	0
38	12"	203			8	569
39	13"	0			0	0
40	14"	0			0	57
41	16"	12			0	132
42	18"	0			0	1
43	19"	0			0	0
44	20"	7			0	92
45	24"	0			0	15
46	30"	0			0	1
47						
48		5,520			66	34,747

Meters in Service at End of Year	374,961	Services at end of year, company owned	352,942
Meters in Stock or Shop at End of Year	5,974	Services at End of Year, Customer Owned	None

517. CUSTOMER GAS METERS

Line No.	(a)	Size (b)	Number of Meters			
			First of Year (c)	Added During Year (d)	Removed Or Disconnected During Year (e)	End of Year (e)
1	In residential use					0
2						0
3						0
4						0
5						0
6						0
7						0
8						0
9						0
10	Total in residential use		0	0	0	0
11	In commercial use					0
12						0
13						0
14						0
15						0
16						0
17						0
18						0
19						0
20	Total in commercial use		0	0	0	0
21	In industrial use					0
22						0
23						0
24						0
25						0
26						0
27						0
28						0
29						0
30	Total in industrial use		0	0	0	0
31	In public (municipal or government) use					0
32						0
33						0
34						0
35						0
36						0
37						0
38						0
39						0
40	Total in public (municipal or government) use		0	0	0	0
41	Total in use		375,095	1,897	2,031	374,961
42	In Stock		7,743	2,472	4,241	5,974
43						0
44						0
45						0
46						0
47						0
48						0
49						0
50	Total in stock		7,743	2,472	4,241	5,974
51	Total all meters		382,838	4,369	6,272	380,935

METERS TESTED BY SIZES

	(a)	(a)	1/2 (a)	5/8 (b)	3/4 (c)	1 (d)	(e)	(f)	(g)	Total (h)
52	Number	Number tested during the year								

* See pages 42 (a) and (b)

Peoples Natural Gas 2013 Meter Test and Replacement Plan

CLASS "A" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN	192,826	315	2702	4.80%
ROCKWELL	123,077	200	1524	8.70%
SPRAGUE	5,595	80	88	14.70%
LANCASTER	19,499	125	510	19.60%
ACTARIS	387	13	33	6.00%
All 400 Class	6,480	80	110	7.20%

CLASS "B" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN				
ROCKWELL				
SPRAGUE				
Combined Population Total	2,952	50	107	11.20%

METER REMOVAL PROGRESS

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
IDENTIFIED 2007	9,676	9,676	43	
IDENTIFIED 2009	3,160	1,053	100	
IDENTIFIED 2010	468	117		

* 33 Meters identified in 2007 and 41 meters identified in 2009 remain in service. Will continue to target the removal of these meters.

2013 Sampling Plan

7 Meter Families Family Breakdown By Manufacturer 250 All Manufacturer 400 All B Meters			Condemned Meters		
	Population	Change		Population	Change
American 250	192,826	315	Family 507	76	76
Rockwell 250	123,077	200	Family 509	141	141
Sprague 250	5,539	80	B Meters - Family 510	26	26
Lancaster 250	19,499	125			
Actaris	387	13			
All Manufacturer 400	6,480	80			
B Meters	2,952	50			
Total Sampling Changes		863	Total Condemned Changes		243
Total Sampling Meter Population - 350,760			Total Sampling & Condemned		1,106

600. CLASSIFICATION OF CUSTOMERS, UNITS SOLD AND OPERATING REVENUES BY TARIFF SCHEDULE

1. Report below the details called for concerning Customers, MCF, CCF or Therms (Indicate Unit Used) Sold, and Opr. Revenues by Tariff Schedule.
2. Customers should be reported on the basis of number of meters, plus number of unmetered accounts, except that where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added.
3. Quantities of gas sold to flat-rate customers shown in column (e), should explain in a footnote the basis upon which quantities were determined.
4. Respondent should use additional sheets if necessary.

Line No.	Account (a)	Number of Customers			Sales During Year			Revenues	
		Beginning of Year (b)	End of Year (c)	Average During Year (d)	Total MCF/CCF Therms (e)	Total Operating Revenue (f)	MCF/CCF Therm Per Customer (g)	Per Customer (h)	Per Unit (i)
2	Metered Sales by Tariff Schedule								
3	Residential								
4	Heating	246,000	245,168	245,107	23,981,216	\$246,215,431	98	\$ 1,004.27	\$ 10.27
5	Non-Heating	2,379	2,197	2,285	79,886	1,117,179	36	\$ 508.50	\$ 13.98
6	Unbilled				(30,073)	670,071			\$ (22.28)
7									
8	Transportation								
9	Billed	80,807	83,393	82,079	7,945,641	48,690,268	95	\$ 583.87	\$ 6.13
10	Unbilled				(4,553)	32,007			\$ (7.03)
11									
12	Transportation								
13	Total Residential Metered Sales	329,186	330,758	329,471	31,972,117	\$296,724,956	97	\$ 897.11	\$ 9.28
14	Commercial								
15	Heating	20,974	20,202	19,919	5,575,828	\$ 45,154,503	276	\$ 2,235.15	\$ 8.10
16	Non-Heating	668	606	669	207,741	1,733,468	343	\$ 2,860.51	\$ 8.34
17	Unbilled				(622,046)	(3,929,865)			\$ 6.32
18									
19	Transportation								
20	Billed	8,062	8,192	8,126	11,310,980	\$ 29,638,738	1,381	\$ 3,618.01	\$ 2.62
21	Unbilled				10,543	28,949			\$ 2.75
22									
23	Transportation								
24	Total Commercial Metered Sales	29,704	29,000	28,714	16,483,046	\$ 72,625,793	568	\$ 2,504.34	\$ 4.41
25	Industrial								
26	Retail - Billed	32	34	34	194,636	\$ 1,342,518	5,725	\$ 39,485.82	\$ 6.90
27									
28	Transportation- Billed	165	165	163	21,285,609	14,716,781	129,004	\$ 89,192.61	\$ 0.69
29									
30									
31	Transportation								
32	Total Industrial Metered Sales	197	199	197	21,480,245	\$ 16,059,299			
33	Public								
34	Interdepartmental								
35	Other- Sales for Resale	2	5	5	398,725	\$ 1,997,449			
36	Total Metered Sales	359,089	359,962	358,387	70,334,133	\$387,407,497			
37	Unmetered Sales-All Categories								
38	Other								
39	Total Unmetered Sales	-	-	-	-	\$ -			
40	Total Sales of Gas	359,089	359,962	358,387	70,334,133	\$387,407,497			
41	Other Gas Revenues:								
42	Rent from Gas Property					1,664,592			
43	Interdepartmental Rents								
44	Operating Revenue Other Than Gas Sales					23,881,276			
45	Allowance to Customers								
46	Gas Storage Revenues					1,988,635			
47	Customers Forfeited Discounts & Penalties					2,159,217			
48	Miscellaneous Gas Revenues					1,572,670			
49	Total Other Gas Revenues	-	-	-	-	\$ 31,266,390			
50	Total Gas Operating Revenues	359,089	359,962	358,387	70,334,133	\$418,673,887			

605. NUMBER OF EMPLOYEES

Report the requested information concerning the number of employees on respondent's payrolls at end of year.

Line No.	Classification According to Occupation (a)	Number at Year End (b)
1	Total Officials and Senior Manager Employees	
2	Total Professional and Semiprofessional Employees	97
3	Total Business Office, Sales And Professional Employees	154
4	Total Clerical Employees	65
5	Total Operators	32
6	Total Construction, Installation and Maintenance Employees	
7	Total Building, Supplies and Motor Vehicle Employees	413
8	All Other Employees Not Elsewhere Classified	
9	Total All Employees	761

610. Territory Served				
Report below the number of customers at the end of the year in respondent's distribution system in which service is furnished setting forth by counties the number of customers and the average number of customers during the year. Respondent should place an X in the box in column (b) if that county is served and supply related customer information in columns (d) and (e).				
County Code (a)	Serves County (b)	Name of Pennsylvania County (c)	Number Of Customers At End Of Year (d)	*Average Number Of Customers During Year (e)
01		Adams		
02	X	Allegheny	148,901	148,753
03	X	Armstrong	12,369	12,391
04	X	Beaver	18,462	18,426
05		Bedford		
06		Berks		
07	X	Blair	32,847	32,818
08		Bradford		
09		Bucks		
10	X	Butler	13,581	13,507
11	X	Cambria	28,616	28,681
12		Cameron		
13		Carbon		
14		Centre		
15		Chester		
16	X	Clarion	50	52
17		Clearfield		
18		Clinton		
19		Columbia		
20		Crawford		
21		Cumberland		
22		Dauphin		
23		Delaware		
24		Elk		
25		Erie		
26	X	Fayette	3,280	3,288
27		Forest		
28		Franklin		
29		Fulton		
30	X	Greene	532	528
31		Huntingdon		
32	X	Indiana	12,599	12,585
33		Jefferson		
34		Juniata		
35		Lackawanna		
36		Lancaster		
37	X	Lawrence	4,282	4,283
38		Lebanon		
39		Lehigh		
40		Luzerne		
41		Lycoming		
42		McKean		
43	X	Mercer	4,844	4,842
44		Mifflin		
45		Monroe		
46		Montgomery		
47		Montour		
48		Northampton		
49		Northumberland		
50		Perry		
51		Philadelphia		
52		Pike		
53		Potter		
54		Schuylkill		
55		Snyder		
56	X	Somerset	1,630	1,621
57		Sullivan		
58		Susquehanna		
59		Tioga		
60		Union		
61	X	Venango	83	80
62		Warren		
63	X	Washington	5,235	5,189
64		Wayne		
65	X	Westmoreland	72,646	72,483
66		Wyoming		
67		York		
Totals			359,957	359,527
Total Population of Territory Served (Estimated)			3.1 Million	

Note: Simple average of the number of customers at the beginning of the year and end of year.

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondent. It shall be verified, also, by the oath of the president or other chief officer of the respondent. The oaths required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

(To be made by the officer having control of the accounting of the respondent)

Commonwealth of Pennsylvania

as:

County of Allegheny

Gregory A. Sciallo makes oath and says that he/she is Vice President and Controller
(Name of affiant) (Official title of affiant)

of Peoples Natural Gas LLC - Peoples Division
(Exact legal title or name of the respondent)

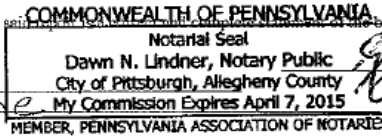
The signed officer has reviewed the report.

Based on the officer's knowledge, the report does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

Based on such officer's knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of the issuer as of, and for, the periods presented in the report.

He/she believes that all other statements contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including January 1, 2013 to and including December 31, 2013.

Subscribed and sworn to and before me, a Notary Public
in and for the State and County above-named, this 27 day of June



Gregory A. Sciallo
(Signature of affiant)

My commission expires Dawn Lindner
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

Commonwealth of Pennsylvania

as:

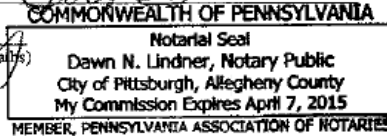
County of Allegheny

Morgan K. O'Brien makes oath and says that he/she is Chief Executive Officer & President
(Name of affiant) (Official title of affiant)

of Peoples Natural Gas Company LLC - Peoples Division

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above named respondent during the period of time from and including January 1, 2013, to and including December 31, 2013.

Subscribed and sworn to before me, a Notary Public
in and for the State and County above-named, this 27 day of June



Morgan K. O'Brien
(Signature of affiant)

My commission expires Dawn Lindner
(Signature of officer authorized to administer oaths)

Data

COMPANY	YEAREN	PLT_SVC	GAS_PLT	DEPR_AMOR	CWIP	PLT_AQ_ADJ	PLT_HLD	MAT_SUPP	DEP_AM
Peoples Natur	2012	#####	#####	(299,815,322)	#####	107,533,338	0	2,635,304	#####
*This sheet is for PUC use only.									

Data

NET_BOOK	CIAC	PLAT_MTLS_OPR_SUPP	OP_REV	OP-EXP	MAIN_EX	DEP_EXP	AMORT_LTD_GAS_PLT
741,708,779	0	2635304	#####	#####	29888269	28711213	0

Data

AMORT_OTR_GAS_PLT	AMORT_PL_AQ	TAXES_OTR_THAN_INC	INC_TAXES_OPR_INC	TTL_TAXES	TTL_OP_EXP
0	0	6802536	14264026	43063088	350428580

Data

OP_INCOME	OTHER_INC	OTH_DED	NET_INCOME	TTL_MFG_GAS_PROD_EXP
68245307	1786089	1811584	44949788	0

Data

TTL_NAT_GAS_PROD_EXP	TTL_EXPL_DEV_OPR_EXP	TTL_PROD_GATH_OPR_EXP	TTL_PROD_GATH_MAINT_EXP
7542161	0	5485223	2056938

Data

SUPP_OPR_EX_PUR_GAS	SUPP_MAINT_EX_PUR_GAS_EXP	GAS_UTILITY_OPR	OTR_GAS_SUPP_EXP
133451216	9117779	-1377179	437206

Data

UNDERGRD_STOR_EXP	NAT_GAS_MAINT_EXP	TRANS_EXP_OPR	TRANS_EXP_MAINT	DISTR_EXP_OPR
4330006	1687639	15943209	1806085	16629020

Data

DISTR_EXP_MAINT	CUST_ACCTS_EXP	CUST_SVE_INFO_EXP	SALES_EXP	ADM_GENL_EXP_OPR
24154062	21975238	2151904	784306	37165034

Data

ADM_GENL_EXP_MAINT	TTL_RECEIPTS_MCF	UNACCT_GAS_MCF	TRANSPORTATION	DISTR_MAINS_M-FT
183545	87469145	3823095	37778672	34747

Data

TRANS_MAINS_M_FT	SERV_EOY_CO_OWNED	RES_MET_CUST	COMM_MET_CUST	IND_MET_CUST
4540	0	330758	29000	199

Data

OTR_MET_CUST	TOTAL_MET_CUST	TOTAL_UNMET_CUST	TOTAL_TRANS_CUST	TOTAL_CUST	TTL_RES_REV
5	359962	0	0	359962	296724956

Data

RES_MCF_MET	AVG_RES_CUST	TTL_COMM_REV	COMM_MCF_MET	AVG_COMM_CUST	TTL_IND_REV
31972117	329471	72625793	16483046	28714	16059299

Data

IND_MCF_MET	AVG_IND_CUST	TTL_TRANS_REV	AVG_TRANS_CUST	TTL_OTHER_REV
21480245	197	0	0	1997449

Data

AVG_OTHER_CUST	RES_REV_MET	TOTAL_REV_UNM	AV_RES_USE	AV_RES_BILL	TTL_ALL_EMPLOYEES
5	296724956	0	96.66	897.11	761