

**GAS ANNUAL REPORT
OF**

PEOPLES NATURAL GAS LLC - EQUITABLE DIVISION

225 NORTH SHORE DRIVE, SUITE 300, PITTSBURGH, PENNSYLVANIA 15212

**FOR THE
YEAR ENDED DECEMBER 31, 2015
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 Worcester
Director, Accounting
225 North Shore Drive, Suite 300, Pittsburgh, Pennsylvania 15212
Karen.R.Worcester@peoples-gas.com
412-208-6594**

www.peoples-gas.com

TABLE OF CONTENTS			
Number and Title of Schedule (a)	Page (b)	Number and Title of Schedule (a)	Page (b)
<u>General Information</u>			
- Table of Contents	1	512 Liquefied Petroleum Gas Operations	40
General Instructions	2	515 Gas and Oil Wells	41
General Information	3	516 Gas Lines, Meters and Services	41
Important Changes During Year	4	517 Customers Gas Meters	42
Definitions	5-6	600 Classification of Customers, Units Sold and Operating Revenues by Tariff Schedule	43
100 Voting Powers and Elections	7	605 Number of Employees	44
101 Security Holder Information and Voting Powers	8	610 Territory Served	45
102 Companies Controlled by Respondent	9		
103 Directors	10		
104 Officers	11	Verification	46
<u>Financial and Accounting Data</u>			
200 Comparative Balance Sheet	12-15		
201 Notes to Balance Sheet	15		
205 Utility Plant in Service	16-17		
206 Accumulated Depreciation of Utility Plant	18		
207 Gas Plant Acquisition Adjustment	18		
208 Construction Work in Progress	19		
210 Investments	20		
211 Notes and Other Accounts Receivable	21		
212 Notes Receivable from Associated Companies	21		
213 Accounts Receivable from Associated Companies	22		
215 Plant Materials and Operating Supplies	23		
216 Unamortized Debt Discount, Expense and Unamortized Premium on Debt	24		
217 Extraordinary Property Losses	24		
231 Long Term-Debt	25		
400 Income Statement	26-28		
405 Operation and Maintenance Expenses	29-33		
408 Taxes Other than Income Taxes, Utility Operating Income	34		
409 Income Taxes, Utility Operating Income	34		
410 Calculation of Federal Income Taxes-Current	35		
411 Provision for Deferred Income Taxes-Utility Operating Income	36		
412 Provision for Deferred Income Taxes-Utility Operating Income, Credit	36		
500 Gas Purchased	37		
501 Sales for Resale	37		
505 Gas Account-Natural Gas	38		
510 Underground Storage	39		
511 Manufactured Gas Production Plant	40		

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. Sciuolo - Vice President and Controller
225 North Shore Drive, Suite 300
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 ("PNG Companies"), 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. Effective December 17, 2013, PNG Companies acquired all membership interests of Equitable Gas Company, LLC (EGC) from EQT Corporation (EQT), the parent company of EGC, in exchange for cash and other assets. The EGC assets were split by state 'of operations into separate legal entities for West Virginia and Kentucky, and the Pennsylvania assets were combined into Peoples Natural Gas Company LLC.

The information contained in this annual report pertains only to the income statement of the Pennsylvania division of the former EGC entity. This is referred to as the Equitable Division throughout the report. The Comparative Balance Sheet is presented at the legal entity level for Peoples Natural Gas Company LLC. Select other balance sheet schedules are reported at the division level except where noted as "PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY" above the schedule names.

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. Through 5. None**6. Estimated increase or (decrease) in revenues during 2015 due to rate changes:**

On December 31, 2014, the Company filed a decrease in purchased gas costs, a decrease in Rider D, and a decrease in Rider F effective January 1, 2015 in compliance with the Pennsylvania Public Utility Commission's quarterly gas cost filing regulations.

On March 31, 2015, the Company filed a decrease in purchased gas costs, a decrease in Rider D, and a decrease in Rider F effective April 1, 2015 in compliance with the Pennsylvania Public Utility Commission's quarterly gas cost filing regulations.

On June 30, 2015, the Company filed a decrease in purchased gas costs, a decrease in Rider D, and a decrease in Rider F effective July 1, 2015 in compliance with the Pennsylvania Public Utility Commission's quarterly gas cost filing regulations.

On September 30, 2015, the Company filed a decrease in purchased gas costs, an increase in Rider D, an increase in Rider F for Rate RS and Rate FDS, a decrease in Rider F for Rate GSS and Rate GSL, and a decrease in Rider G effective October 1, 2015 in compliance with the Pennsylvania Public Utility Commission's quarterly gas cost filing regulations. As a result of these rate changes, the net impact on revenues for 2015 was a decrease of approximately \$13.8 million.

7. Important wage scale changes:

EGC USW – A 3-year agreement ending July 7, 2015, was in effect with the United Steel Workers, Local 12050, AFL-CIO-CLO. An extension agreement was ratified on July 8, 2015, through October 31, 2015. As part of contract negotiations which continued through year end 2015, a 2.5% wage increase was granted to hourly personnel beginning December 21, 2015, and was later ratified on April 9, 2016.

Estimated effect on 2015 operating expenses = \$6,621.81

Estimated average annual effect on operating expenses = \$241,696.00

EGC IBEW – An extended 3-year agreement ending January 22, 2016, was in effect with the International Brotherhood of Electrical Workers, Local 1956. A 2.5% wage increase was provided on January 19, 2015.

Estimated effect on 2015 operating expenses = \$31,054.68

Estimated average annual effect on operating expenses = \$32,760.00

8. None**9. None****10. Other important changes:**

In the fourth quarter of 2015, the Company announced a one-time Voluntary Retirement Program (VRP), which was offered to eligible union and salaried employees who had 10 years of service and were at least 55 years of age by April 1, 2016. The union offer was contingent on the ratification of a new collective bargaining agreement, which was subsequently ratified in April 2016. Participants' last day of work will occur as late as October 1, 2016. 26 union and 14 salaried employees elected to participate in this program. The Company recorded a total VRP liability of \$4,021,404 during 2015, which was primarily reflected in Operation Expenses.

Effective May 24, 2015, 6 Customer Service employees transferred to Peoples Service Company LLC.

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 members 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.

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

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

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY
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	N/A	N/A		
2	Total number of security holders						N/A	N/A	N/A		
3	Total votes of security holders listed below						N/A	N/A	N/A		
4	PNG Companies LLC		225 North Shore Drive	Pittsburgh	PA	15212				Membership Interest	
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											

PEOPLES NATURAL GAS COMPANY LLC - TOTAL 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							
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16							0%	

FOOTNOTES

1. Direct control is that which is exercised without interposition of an intermediary.
2. Indirect control is that which is exercised without interposition of an intermediary which exercises direct control.
 Control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.
3. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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		4	None
2	James Mahoney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		4	\$ 33,000
3	Dennis T. Mahoney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		4	None
4	Victor A. Roque	4543 Dogwood Drive	Allison Park	PA	15101	412 392 4400	Feb-10		4	\$ 33,000
5	Morgan K. O'Brien (President & CEO)	225 North Shore Drive, Suite 300	Pittsburgh	PA	15212	412 208 7910	Feb-10		4	None
6	John McGuire	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-12		4	None
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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	225 North Shore Drive, Suite 300	Pittsburgh	PA	15212	412 208 7910	412 208 6580	morgan.obrien@peoples-gas.com
3	Senior Vice President & Chief Information Officer							
4	Ruth M. DeLost	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7920	412 208 6574	ruth.a.delost@peoples-gas.com
5	Senior Vice President & Chief Operations Officer							
6	Kenneth M. Johnston	225 North Shore Drive, Suite 200	Pittsburgh	PA	15212	412 208 7930	412 208 6580	kenneth.m.johnston@peoples-gas.com
7	Vice President & Controller							
8	Gregory A. Sciuлло	225 North Shore Drive, Suite 300	Pittsburgh	PA	15212	412 208 7940	412 208 6580	gregory.a.sciullo@peoples-gas.com
9	Vice President & Treasurer							
10	Preston Poljak	225 North Shore Drive, Suite 300	Pittsburgh	PA	15212	412 208 6563	412 208 6574	preston.poljak@peoples-gas.com
11	Vice President, General Counsel & Secretary							
12	John J. Luke	225 North Shore Drive, Suite 300	Pittsburgh	PA	15212	412 208 7907	412 208 6580	john.luke@peoples-gas.com
13	Vice Presidents:							
14	Joseph A. Gregorini - Rates and Regulatory Affairs	225 North Shore Drive, Suite 300	Pittsburgh	PA	15212	412 208 7905	412 208 6577	joseph.a.gregorini@peoples-gas.com
15	Paul Becker - Construction	225 North Shore Drive, Suite 200	Pittsburgh	PA	15212	412 258 4406	412 208 6580	paul.becker@peoples-gas.com
16	Jeffrey S. Nehr - Business Development	225 North Shore Drive, Suite 200	Pittsburgh	PA	15212	412 244 2588	412 208 6580	jeffrey.s.nehr@peoples-gas.com
17								
18								
19								
20								

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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	\$ 2,169,886,935	\$ 2,278,171,205	\$ 108,284,270
3	101.1 Property Under Capital Leases		\$ 21,031,112	\$ 19,921,812	\$ (1,109,300)
4	102.0 Gas Plant Purchased or Sold		-	-	-
5	103.0 Experimental Gas Plant Unclassified		-	-	-
6	104.0 Gas Plant Leased to Others		-	-	-
7	105.0 Gas Plant Held for Future Use		\$ 4,940	\$ 4,940	\$ -
8	105.1 Production Properties Held For Future Use		-	-	-
9	106.0 Completed Construction Not Classified-Gas		-	-	-
10	107.0 Construction Work in Progress-Gas	208	\$ 18,176,984	\$ 11,468,304	\$ (6,708,680)
11	108.0 Accumulated Provision for Depreciation of Gas Utility Plant	206	\$ (738,027,752)	\$ (772,370,203)	\$ (34,342,451)
12	111.0 Accumulated Prov. For Amortization & Depletion of Gas Utility Pl.	206	\$ (30,620,331)	\$ (39,674,217)	\$ (9,053,886)
13	114.0 Gas Plant Acquisition Adjustments	207	\$ 284,894,602	\$ 284,894,602	\$ -
14	115.0 Accumulated Prov. For Amortization & Depletion of Gas Plant		-	-	-
15	Acquisition Adjustments	206	-	-	-
16	116.0 Other Gas Plant Adjustments		-	-	-
17	117.1 Gas Stored-Base Gas		-	-	-
18	117.2 System Balancing Gas		-	-	-
19	117.3 Gas Stored in Reservoirs and Pipelines-Noncurrent		\$ 2,966	\$ -	\$ (2,966)
20	117.4 Gas Owed to System Gas		-	-	-
21	118.0 Other Utility Plant Adjustments		-	-	-
22	119.0 Accumulated Provision for Depreciation and Amortization of Other		-	-	-
23	Utility Plant	206	-	-	-
24	TOTAL UTILITY PLANT		\$ 1,725,349,456	\$ 1,782,416,443	\$ 57,066,987
25	OTHER PROPERTY AND INVESTMENTS		-	-	-
26	121.0 Non-Utility Property		\$ 17,172	\$ 17,172	\$ -
27	122.0 Accumulated Depreciation & Amortization of Non-Utility Property		\$ (9,322)	\$ (9,322)	\$ -
28	123.0 Investments in Associated Companies	210	-	-	-
29	123.1 Other Investments	210	-	-	-
30	124.0 Other Investments	210	\$ 1,800,002	\$ 2,551,246	\$ 751,244
31	125.0 Sinking Funds		-	-	-
32	126.0 Depreciation Fund		-	-	-
33	128.0 Other Special Funds		\$ 199,500	\$ 229,200	\$ 29,700
34	TOTAL OTHER PROPERTY AND INVESTMENTS		\$ 2,007,352	\$ 2,788,296	\$ 780,944

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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		\$ 3,259,448	\$ 2,372,883	\$ (886,565)
3	132.0 Interest Special Deposits		-	-	-
4	133.0 Dividend Special Deposits		-	-	-
5	134.0 Other Special Deposits		\$ 742,515	\$ 892,515	\$ 150,000
6	135.0 Working Funds		-	-	-
7	136.0 Temporary Cash Investments	210	-	-	-
8	141.0 Notes Receivable	211	-	-	-
9	142.0 Customer Accounts Receivable		\$ 99,989,003	\$ 79,843,753	\$ (20,145,250)
10	143.0 Other Accounts Receivable	211	\$ 9,701,703	\$ 5,297,861	\$ (4,403,842)
11	144.0 Accumulated Provision for Uncollectible Accounts-Cr.		\$ (17,887,389)	\$ (15,613,876)	\$ 2,273,513
12	145.0 Notes Receivable from Associated Companies	212	-	-	-
13	146.0 Accounts Receivable for Associated Companies	213	\$ 1,104,086	\$ 1,438,711	\$ 334,625
14	151.0 Fuel Stock		-	-	-
15	152.0 Fuel Stock Expenses Undistributed		-	-	-
16	153.0 Residuals and Extracted Products		-	-	-
17	154.0 Plant Materials and Operating Supplies	215	\$ 2,823,190	\$ 3,007,655	\$ 184,465
18	155.0 Merchandise		-	-	-
19	156.0 Other Materials and Supplies		-	-	-
20	163.0 Stores Expense-Undistributed		-	-	-
21	164.1 Gas Stored-Current		\$ 38,089,261	\$ 18,091,712	\$ (19,997,549)
22	164.2 Liquefied Natural Gas Stored		-	-	-
23	164.3 Liquefied Natural Gas Held for Processing		-	-	-
24	165.0 Prepayments		\$ 10,237,482	\$ 9,626,124	\$ (611,358)
25	166.0 Advances for Gas Exploration, Development and Production		-	-	-
26	167.0 Other Advances for Gas		-	-	-
27	171.0 Interest and Dividends Receivable		-	-	-
28	172.0 Rents Receivable		-	-	-
29	173.0 Accrued Utility Revenues		\$ 53,319,526	\$ 30,498,541	\$ (22,820,985)
30	174.0 Miscellaneous Current and Accrued Assets		\$ 4,509,008	\$ 1,742,643	\$ (2,766,365)
31	TOTAL CURRENT & ACCRUED ASSETS		\$ 205,887,833	\$ 137,198,522	\$ (68,689,311)
32	DEFERRED DEBITS				
33	181.0 Unamortized Debt Expense	216	\$ 7,953,007	\$ 6,282,001	\$ (1,671,006)
34	182.1 Extraordinary Property Losses	217	-	-	-
35	182.2 Unrecovered Plant and Regulatory Study Costs	217	-	-	-
36	182.3 Other Regulatory Assets		\$ 110,598,941	\$ 140,688,376	\$ 30,089,435
37	183.1 Preliminary Natural Gas Survey and Investigation Charges		-	-	-
38	183.2 Other Preliminary Survey and Investigation Charges		-	-	-
39	184.0 Clearing Accounts		-	-	-
40	185.0 Temporary Facilities		-	-	-
41	186.0 Miscellaneous Deferred Debits		\$ 32,090	\$ 62,578	\$ 30,488
42	187.0 Deferred Losses from Disposition of Utility Plant		-	-	-
43	188.0 Research, Development and Demonstration Expenditures		-	-	-
44	189.0 Unamortized Loss on Reacquired Debt		-	-	-
45	190.0 Accumulated Deferred Income Taxes		\$ 74,133,113	\$ 71,769,757	\$ (2,363,356)
46	191.0 Unrecovered Purchased Gas Costs		\$ 15,592,131	\$ (23,213,286)	\$ (38,805,417)
47	TOTAL DEFERRED DEBITS		\$ 208,309,282	\$ 195,589,426	\$ (12,719,856)
48	TOTAL ASSETS & TOTAL DEBITS		\$ 2,141,553,923	\$ 2,117,992,687	\$ (23,561,236)

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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				
13	0.0 Capital Stock				
14	211.0 Miscellaneous Paid-In Capital		\$ 794,774,910	\$ 794,774,910	\$ -
15	212.0 Installments Received on Capital Stock				-
16	213.0 Discount on Capital Stock				-
17	214.0 Capital Stock Expense				-
18	215.0 Appropriated Retained Earnings				-
19	216.0 Unappropriated Retained Earnings		\$ 31,500,941	\$ 30,138,546	\$ (1,362,395)
20	216.1 Unappropriated Undistributed Subsidiary Earnings				-
21	217.0 Reacquired Capital Stock				-
22	TOTAL PROPRIETARY CAPITAL		\$ 826,275,851	\$ 824,913,456	\$ (1,362,395)
23					-
24	LONG-TERM DEBT				-
25	221.0 Bonds	231	-	-	-
26	222.0 Reacquired Bonds	231	-	-	-
27	223.0 Advances from Associated Companies		\$ 787,895,000	\$ 787,895,000	\$ -
28	224.0 Other Long-term Debt	231			-
29	225.0 Unamortized Premium on Long-Term Debt				-
30	226.0 Unamortized Discount on Long-Term Debt-Debit				-
31	TOTAL LONG TERM DEBT		\$ 787,895,000	\$ 787,895,000	\$ -
32					-
33	OTHER NONCURRENT LIABILITIES				-
34	227 Obligation Under Capital Leases-NonCurrent		\$ 18,951,288	\$ 18,522,664	\$ (428,624)
35	228.1 Accumulated Provision for Property Insurance		-	-	-
36	228.2 Accumulated Provision for Injuries and Damages		\$ 814,547	\$ 814,547	\$ -
37	228.3 Accumulated Provision for Pensions and Benefits		\$ 30,346,083	\$ 22,355,459	\$ (7,990,624)
38	228.4 Accumulated Miscellaneous Operating Provisions		\$ 219,634	\$ 171,622	\$ (48,012)
39	229 Accumulated Provision for Rate Refunds		-	-	-
40	230 Asset Retirement Obligations		\$ 38,241,686	\$ 38,312,390	\$ 70,704
41	TOTAL OTHER NONCURRENT LIABILITIES		\$ 88,573,238	\$ 80,176,682	\$ (8,396,556)
42					

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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		\$ 105,971,727	\$ 103,967,542	\$ (2,004,185)
4	233.00 Notes Payable to Associated Companies		\$ 109,726,491	\$ 50,257,830	\$ (59,468,661)
5	234.00 Accounts Payable to Affiliated Companies		\$ 9,065,081	\$ 6,591,349	\$ (2,473,732)
6	235.00 Customers' Deposits-Billing		\$ 4,429,980	\$ 3,832,239	\$ (597,741)
7	236.10 Accrued Taxes, Taxes Other Than Income		\$ 3,260,979	\$ 5,648,498	\$ 2,387,519
8	236.20 Accrued Taxes, Income Taxes		-	-	-
9	237.10 Accrued Interest on Long-term Debt				\$ -
10	237.20 Accrued Interest on Other Liabilities		\$ 131,817	\$ 114,358	\$ (15,724)
11	238.00 Dividends Declared		-	-	-
12	239.00 Matured Long-term Debt		-	-	-
13	240.00 Matured Interest		-	-	-
14	241.00 Tax Collections Payable		\$ 667,358	\$ 75,909	\$ (591,449)
15	242.00 Miscellaneous Current and Accrued Liabilities		\$ 8,222,676	\$ 7,986,325	\$ (236,351)
16	243.00 Obligations Under Capital Leases-Current		\$ 386,392	\$ 428,624	\$ 42,232
18	TOTAL CURRENT AND ACCRUED LIABILITIES		\$ 241,862,501	\$ 178,902,674	\$ (62,959,827)
19					
20	DEFERRED CREDITS				
21	252.00 Customer Advances for Construction		\$ 63,333	\$ 63,333	\$ -
22	253.00 Other Deferred Credits		\$ 17,566,126	\$ 24,269,340	\$ 6,703,214
23	254.00 Other Regulatory Liabilities		\$ 2,240,149	\$ 2,404,428	\$ 164,279
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		\$ 176,331,907	\$ 215,654,851	\$ 39,322,944
29	283.00 Accum. Deferred Income Taxes-Other		\$ 745,818	\$ 3,712,923	\$ 2,967,105
30	TOTAL DEFERRED CREDITS		\$ 196,947,333	\$ 246,104,875	\$ 49,157,542
31					
32	TOTAL LIABILITIES & OTHER CREDITS		\$ 2,141,553,923	\$ 2,117,992,687	\$ (23,561,236)

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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.

Peoples Natural Gas Company LLC - Total Company includes balances of Peoples Natural Gas Company LLC - Peoples Division and Peoples Natural Gas Company LLC - Equitable Division.

Account 216.0 - Unappropriated Retained Earnings

During 2015, Peoples Natural Gas Company LLC declared and paid dividends of \$86,000,000 to its parent, PNG Companies LLC.

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	\$ 49,770				\$ 49,770
3	302	Franchises & Consents	-				-
4	303	Other Plant and Miscellaneous Equipment	\$ 15,906,723	\$ 13,053,205	\$ 4,321,792		\$ 24,638,136
5	Total Intangible Plant		\$ 15,956,493	\$ 13,053,205	\$ 4,321,792	\$ -	\$ 24,687,906
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	\$ 63,365				\$ 63,365
26	325.2	Producing Leaseholds	\$ 16,356				\$ 16,356
27	325.3	Gas Rights	\$ 11,865				\$ 11,865
28	325.4	Rights of Way	\$ 283,475				\$ 283,475
29	325.5	Other Land and Land Rights	\$ 9,803				\$ 9,803
30	326	Other Plant and Miscellaneous Equipment	-				-
31	327	Field Compressor Station Structures	\$ 9,095,020				\$ 9,095,020
32	328	Field Measuring & Regulating Station Structures	\$ 16,862				\$ 16,862
33	329	Other Structures	-				-
34	330	Producing Gas Wells-Well Construction	\$ 598,329				\$ 598,329
35	331	Producing Gas Wells-Well Equipment	\$ 228,454				\$ 228,454
36	332	Field Lines	\$ 22,709,334	\$ 422,371	\$ 9,872		\$ 23,121,833
37	333	Field Compressor Station Equipment	\$ 7,809,054	\$ 2,160	\$ -		\$ 7,811,214
38	334	Field Measuring & Regulating Station Equipment	\$ 1,475,572				\$ 1,475,572
39	335	Drilling & Cleaning Equipment	-				-
40	336	Purification Equipment	-				-
41	337	Other Equipment	\$ 3,066				\$ 3,066
42	338	Unsuccessful Exploration & Development Costs	-				-
43	Total Natural Gas Production & Gathering Plant		\$ 42,320,555	\$ 424,531	\$ 9,872	\$ -	\$ 42,735,214
44	PRODUCTS EXTRACTION PLANT		XXX	XXX	XXX	XXX	XXX
45	340	Land and Land Rights					-
46	341	Other Plant and Miscellaneous Equipment					-
47	342	Extraction & Refining Equipment					-
48	343	Pipe Lines					-
49	344	Extracted Product Storage Equipment					-
50	345	Compressor Equipment					-
51	346	Gas Measuring and Regulating Equipment					-
52	347	Other Equipment					-
	Total Products Extraction Plant		-	-	-	-	-
53	NATURAL GAS PRODUCTION & PROCESSING PLANT		XXX	XXX	XXX	XXX	XXX
54	350.1	Land					-
55	350.2	Rights of Way					-
56	351	Structures and Improvements					-
57	352	Wells					-
58	352.1	Storage Leaseholds and Rights					-
59	352.2	Reservoirs					-
60	352.3	Nonrecoverable Natural Gas					-
61	353	Lines					-

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					-
63	355 Measuring and Regulating Equipment					-
64	356 Purification Equipment					-
65	357 Other Equipment					-
66	Total Natural Gas Production and Processing Plant	-	-	-	-	-
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					-
79	TERMINATING AND PROCESSING PLANT	XXX	XXX	XXX	XXX	XXX
80	364.1 Land and Land Rights					-
81	364.2 Structures and Improvements					-
82	364.3 LNG Processing Terminal Equipment					-
83	364.4 LNG Transportation Equipment					-
84	364.5 Measuring and Regulating Equipment					-
85	364.6 Compressor Station Equipment					-
86	364.7 Communication Equipment					-
87	364.8 Other Equipment					-
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	\$ 68,423				\$ 68,423
91	365.2 Rights of Way	\$ 487,582				\$ 487,582
92	366 Structures and Improvements	\$ 1,385,120				\$ 1,385,120
93	367 Mains	\$ 19,516,064	\$ 176,016	\$ 155		\$ 19,691,925
94	368 Compressor Station Equipment	\$ 11,292,577	\$ 90,586	-		\$ 11,383,163
95	369 Measuring and Regulating Station Equipment	\$ 2,448,955	\$ 41,688	\$ 33,915		\$ 2,456,728
96	370 Communication Equipment	-		-		-
97	371 Other Equipment	-		-		-
98	Total Transmission Plant	\$ 35,198,721	\$ 308,290	\$ 34,070	\$ -	\$ 35,472,941
99	DISTRIBUTION PLANT	XXX	XXX	XXX	XXX	XXX
100	374 Land & Land Rights	\$ 2,237,839				\$ 2,237,839
101	375 Structures and Improvements	\$ 2,209,345		\$ 230		\$ 2,209,115
102	376 Mains	\$ 545,891,365	\$ 24,471,239	\$ 1,107,216		\$ 569,255,388
103	377 Compressor Station Equipment					-
104	378 Measuring & Regulating Station Equipment-General	\$ 24,269,374	\$ 622,485	\$ 5,573		\$ 24,886,286
105	379 Measuring & Regulating Station Equipment-City Gate C. St.					-
106	380 Services	\$ 251,440,565	\$ 10,581,743	\$ 18,840		\$ 262,003,468
107	381 Meters	\$ 22,492,167	\$ 1,292,006			\$ 23,784,173
108	382 Meter Installations	\$ 19,096,811	\$ 539,062	\$ 33,558		\$ 19,602,315
109	383 House Regulators					-
110	384 House Regulatory Installations					-
111	385 Industrial Measuring and Regulating Station Equipment	\$ 353,402	\$ 18,096			\$ 371,498
112	386 Other Property on Customers' Premises	\$ 14,566,813				\$ 14,566,813
113	387 Other Equipment	\$ 363,175	\$ 128,860	\$ 140,227		\$ 351,808
114	388 Asset Retirement Costs for Distribution Plant	\$ 231,467			\$ 18,826	\$ 250,293
115	Total Distribution Plant	\$ 883,152,323	\$ 37,653,491	\$ 1,305,644	\$ 18,826	\$ 919,518,996
116	GENERAL PLANT	XXX	XXX	XXX	XXX	XXX
117	389 Land & Land Rights	\$ 74,604				\$ 74,604
118	390 Structures and Improvements	\$ 7,242,490	\$ 1,850,649			\$ 9,093,139
119	391 Office Furniture & Equipment	\$ 4,203,348	\$ 1,536,996	\$ 134,909		\$ 5,605,435
120	392 Transportation Equipment	\$ 11,724,806	\$ 1,006,417	\$ 439,924		\$ 12,291,299
121	393 Stores Equipment					\$ -
122	394 Tools & Garage Equipment	\$ 4,958,907				\$ 4,958,907
123	395 Laboratory Equipment					\$ -
124	396 Power Operated Equipment	\$ 1,960,207		\$ 80,269		\$ 1,879,938
125	397 Communication Equipment	\$ 854,922	\$ 55,567	\$ 12,502		\$ 897,987
126	398 Miscellaneous Equipment					\$ -
127	399 Other Tangible Property	\$ (25,913,153)				\$ (25,913,153)
128	Total General Plant	\$ 5,106,131	\$ 4,449,629	\$ 667,604	-	\$ 8,888,156
129	Total Plant	\$ 981,734,223	\$ 55,889,146	\$ 6,338,982	\$ 18,826	\$ 1,031,303,213

**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	\$ 334,293,008	\$ 334,293,008			
2	Credits During Year	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
3	Depreciation Provisions charged to:	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
4	403. Depreciation	\$ 19,726,909	\$ 19,726,909			
5	413. Income from Utility Plant Leased to Others	\$ 4,475,008	\$ 4,475,008			
6	404. Amortization & Depletion	-	-			
7	184. Clearing Accounts	-	-			
8						
9						
10	Total Depreciation Provisions	\$ 24,201,917	\$ 24,201,917	-	-	-
11	Recoveries from Insurance	-	-			
12	Salvage Realized from Retirements	\$ 102,702	\$ 102,702			
13	Other Credits (Describe)	-	-			
14	Transfers - NonUtility	\$ 704,428	\$ 704,428			
15						
16						
17						
18	Total Credits During Year	\$ 807,130	\$ 807,130	-	-	-
19	Total Credits	\$ 25,009,047	\$ 25,009,047	-	-	-
20	Debits During Year	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
21	Retirement of Utility Plant	\$ 6,338,982	\$ 6,338,982			
22	Cost of Removal	\$ 2,745,179	\$ 2,745,179			
23	Other Debits (Describe)					
24	RWIP Balance	\$ 1,109,300	\$ 1,109,300			
25	Accum Trfr to Non Utility Property					
26	ARO Adjustment					
27						
28	Total Debits During Year	\$ 10,193,461	\$ 10,193,461	-	-	-
29	Balance at End of Year	\$ 349,108,594	\$ 349,108,594	-	-	-

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	177,361,265				177,361,265
7						
8						

206. ACCUMULATED DEPRECIATION OF UTILITY PLANT - (Continued)**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, 2013. 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.

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	Project Number Project Description			
3				
4				
5				
6				
7	Remaining Projects:			
8	Distribution Plant	\$ 278,291	\$ 417,437	Jun-16
9	General Plant	\$ 98,821	\$ 148,232	Jun-16
10	Intangible Plant	\$ 1,027	\$ 1,541	Jun-16
11	Production Plant	\$ 31,759	\$ 47,639	Jun-16
12	Transmission Plant	\$ 296,051	\$ 444,077	Jun-16
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	TOTALS	\$ 705,949	\$ 1,058,926	

PEOPLES NATURAL GAS COMPANY, LLC - TOTAL COMPANY**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	6/1/1987		\$ 1	5,000 shares	\$ 1		
4								
5	PA Development Credit Corp	3/27/1964		\$ 1	1,500 shares	\$ 1		
6								
7	Strategic Investment Fund Partners							
8	Limited Partnership - Class C Partner	5/1/2002		\$ 300,000	300 units	\$ 300,000		
9	Limited Partnership - Class C Partner	5/1/2003		\$ 300,000	300 units	\$ 300,000		
10	Limited Partnership - Class C Partner	5/1/2004		\$ 300,000	300 units	\$ 300,000		
11	Limited Partnership - Class C Partner	5/1/2005		\$ 300,000	300 units	\$ 300,000		
12	Limited Partnership - Class C Partner	5/1/2006		\$ 300,000	300 units	\$ 300,000	\$ 23,138	
13								
14	Power of 32 Site Development Fund Partners, LP							
15	Limited Partnership - Class A Partner	6/14/2014		\$ 300,000	300 units	\$ 300,000		
16	Limited Partnership - Class A Partner	5/11/2015			263 units	\$ 263,353		
17	Limited Partnership - Class A Partner	11/17/2015			487 units	\$ 487,891		
18								
19								
20								
21								
22								
23								
24								
25								
26				\$ 1,800,002		\$ 2,551,246	\$ 23,138	0

* 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	
		1/1/2015 (b)	12/31/2015 (c)	Interest Revenue (d)	1/1/2015 (e)	12/31/2015 (f)
1	Accounts Receivable - Estimates				\$ 398,810	\$ 1,136,566
2	A/R - Other-Accident/Property Claims				403,315	310,125
3	Accounts Receivable - Other				19,744	235
4						
5						
6						
7	Total	0		0	\$ 821,869	\$ 1,446,926

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**212. NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (Account 145)**

- Furnish below the particulars indicated concerning notes receivable from associated companies at end of year.
- If any note was received in satisfaction of an open account indebtedness, state the period covered by such open account.
- Include in column (f) the amount of any interest revenue during the year on notes that were paid off before the end of year.
- 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	PNG Companies LLC - Sweep Borrowings	1/1/2015	1/31/2015	\$ 81,788,433	1.90%	\$ 134,211.95
2	PNG Companies LLC - Sweep Borrowings	2/1/2015	2/28/2015	\$ 62,000,306	1.67%	\$ 86,035.16
3	PNG Companies LLC - Sweep Borrowings	3/1/2015	3/31/2015	\$ 28,087,550	1.68%	\$ 36,943.78
4	PNG Companies LLC - Sweep Borrowings	4/1/2015	4/30/2015	\$ (23,467,054)	1.68%	\$ (16,251.59)
5	PNG Companies LLC - Sweep Borrowings	5/1/2015	5/31/2015	\$ (46,265,327)	1.69%	\$ (60,427.78)
6	PNG Companies LLC - Sweep Borrowings	6/1/2015	6/30/2015	\$ (11,648,374)	1.69%	\$ (47,293.83)
7	PNG Companies LLC - Sweep Borrowings	7/1/2015	7/31/2015	\$ (14,137,856)	1.69%	\$ (25,274.38)
8	PNG Companies LLC - Sweep Borrowings	8/1/2015	8/31/2015	\$ (7,275,892)	1.70%	\$ (23,692.89)
9	PNG Companies LLC - Sweep Borrowings	9/1/2015	9/30/2015	\$ 2,187,770	1.69%	\$ (6,592.99)
10	PNG Companies LLC - Sweep Borrowings	10/1/2015	10/31/2015	\$ 7,785,640	1.69%	\$ 7,355.48
11	PNG Companies LLC - Sweep Borrowings	11/1/2015	11/30/2015	\$ 1,635,935	1.73%	\$ 1,373.21
12	PNG Companies LLC - Sweep Borrowings	12/1/2015	12/31/2015	\$ 50,257,830	1.87%	\$ 29,338.17

Values represent balance of Account 233 - Notes Payable to Associated Companies.

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY
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	\$	151,277,436
3	Materials and Supplies Sold	\$	36,504
4	Services Rendered	\$	4,395,230
5	Joint Expense Transferred		-
6	Interest and Dividends Receivable		-
7	Rents Receivable		-
8	Securities Sold		-
9	Other Debits (Specify)		-
10	Gas Sold	\$	571,743
11	Convenience payments	\$	7,793,812
12			-
13	Total Debits During Year	\$	164,074,725
14			-
15	Credits During Year		
16	Cash Received	\$	(29,587,442)
17	Gas Purchased	\$	(1,660,915)
18	Fuel Purchased		-
19	Materials and Supplies Purchased	\$	(26,013)
20	Services Received	\$	(12,354,684)
21	Joint Expense Transferred		-
22	Interest and Dividends Payable	\$	(117,262,542)
23	Rents Payable		-
24	Securities Purchased		-
25	Transferred to Account "145"		-
26	Other Credits (Specify)		-
27	Convenience payments	\$	(374,772)
28			-
29			-
30	Total Credits During Year	\$	(161,266,368)
31	Balance at End of Year	\$	(5,152,638)

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	General Supplies	\$ 786	\$ 2,273	\$ 1,488
2	Box Curb/Valve/Parts	\$ 8,322	\$ 13,144	\$ 4,822
3	Corrosion Protection	\$ 41	\$ 206	\$ 165
4	Gas Measuring Equipment	\$ 23,866	\$ 46,216	\$ 22,350
5	Pipe	\$ 27,910	\$ 32,984	\$ 5,074
6	Pipe Fittings	\$ 139,509	\$ 246,905	\$ 107,396
7	Tubing	\$ 30,675	\$ 65,206	\$ 34,531
8	Valves	\$ 20,300	\$ 101,138	\$ 80,837
9	Regulators	\$ 46,372	\$ 98,716	\$ 52,344
10	Miscellaneous	-	-	-
11				
12				
13				
14				
15				
16				
17	Total	\$ 297,782	\$ 606,788	\$ 309,006

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

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									
2	Intercompany promissory note payable to PNG Companies LLC	\$ 388,395,000	\$ 10,027,226	2/26/2010	2/26/2020	\$ 3,161,510	\$ 433,067	\$ 1,022,607	\$ 2,571,970
3									
4	Intercompany revolving credit note payable to PNG Companies LLC	\$ 300,000	\$ 3,240,273	8/10/2011	8/22/2018	\$ 2,374,013		\$ 652,511	\$ 1,721,502
5									
6	Intercompany promissory note payable to PNG Companies LLC - EGC Division	\$ 399,500,000	\$ 2,968,274	12/19/2013	12/18/2025	\$ 2,417,484		\$ 428,955	\$ 1,988,529
7									
8									
9									
10									
11									
12									
13									
14									
15	Total	\$ 788,195,000	\$ 16,235,773			\$ 7,953,007	\$ 433,067	\$ 2,104,073	\$ 6,282,001

PEOPLES NATURAL GAS COMPANY, LLC - TOTAL COMPANY

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	None								
2									
3									
4									
5									
6									
7									
8	Total								\$ -

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

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									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28	TOTAL			0	0		0	0	0

*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 Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	OPERATING EXPENSES				
2	401 Operation Expenses		\$ 168,516,931	\$ 222,056,835	\$ (53,539,904)
3	402 Maintenance Expenses		\$ 13,725,682	\$ 15,049,872	\$ (1,324,190)
4	403 Depreciation Expenses		\$ 19,726,909	\$ 20,724,163	\$ (997,254)
5	404.0 Amort. & Depletion of Utility Plant		\$ 4,474,974	\$ 2,915,170	\$ 1,559,804
6	404.1 Amort. & Depletion of Prod. Natural Gas Land & Rights				-
7	404.2 Amort. Of Underground Storage Land & Land Rights		\$ 34	\$ 945	\$ (911)
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	\$ 4,517,082	\$ 4,504,151	\$ 12,931
16	409.1 Income Taxes, Utility Operating Income	409	\$ 9,490,769	\$ 7,371,893	\$ 2,118,876
17	410.1 Provision for Deferred Income Taxes, Ut. Opr. Income	411	\$ 28,578,967	\$ 34,184,539	\$ (5,605,572)
18	411.1 Prov. For Def. Income Taxes-Credit, Ut. Opr. Income	412	\$ (12,059,791)	\$ (11,441,192)	\$ (618,599)
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		\$ 236,971,557	\$ 295,366,376	\$ (58,394,819)
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		\$ 2,163,204	\$ 2,150,471	\$ 12,733
32	417.1 (Less) Expenses of Nonutility Operations		\$ (2,140,523)	\$ (2,091,847)	\$ (48,676)
33	418.0 Non Operating Rental Income				-
34	418.1 Equity in Earnings of Subsidiary Companies		-	-	-
35	419.0 Interest & Dividend Income		\$ 822,053	\$ 498,351	\$ 323,702
36	419.1 Allowance for Other Funds Used During Construction		-	-	-
37	421.0 Miscellaneous Non Operating Income		\$ 10,058	\$ 20	\$ 10,038
38	421.1 Gain on Disposition of Property, Total Other Income		-	-	-
39	Total Other Income		\$ 854,792	\$ 556,995	\$ 297,797
40	OTHER INCOME DEDUCTIONS				
41	421.2 Loss on Disposition of Property				-
42	425.0 Miscellaneous Amortization				-
43	426.1 Donations		\$ 273,137	\$ 287,060	\$ (13,923)
44	426.2 Life Insurance		-	-	-
45	426.3 Penalties		-	-	-
46	426.4 Exp. for Certain Civic, Political & Related Activities		\$ 7,566	\$ 4,707	\$ 2,859
47	426.5 Other Deductions		-	-	-
48	Total Other Income Deductions		\$ 280,703	\$ 291,767	\$ (11,064)
49	TAXES APPLICABLE TO OTHER INCOME & DED.				
50	408.2 Taxes Other Than Income Taxes, Otr. Income & Ded.		300,000.00	\$ 500,000	\$ (200,000)
51	409.2 Income Taxes, Other Income & Deductions		354,683.00	\$ 231,117	\$ 123,566
52	410.2 Prov. for Deferred Income Taxes, Otr. Income & Ded.		-	-	-
53	411.2 Prov. for Def. Income Taxes, Credit, Otr Income & Ded.		(237,815.00)	\$ (326,579)	\$ 88,764
54	411.5 Investment Tax Cr. Adjustments, Nonutility Operations				-
55	420.0 Investment Tax Credits		-	-	-
56	Total Taxes on Other Income and Deductions		416,868.00	\$ 404,538	\$ 12,330
57	Net Other Income and Deductions		\$ 157,221	\$ (139,310)	\$ 296,531

**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		\$ 495,808	\$ 495,808	-
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		\$ 14,476,659	\$ 14,353,593	\$ 123,066
8	431 Other Interest Expense		\$ 2,331,764	\$ 2,222,854	\$ 108,910
9	432 Allowance for Borrowed Funds Used During Construction-Cr		-	-	-
10	Net Interest Charges		\$ 17,304,231	\$ 17,072,255	\$ 231,976
11	EXTRAORDINARY ITEMS				
12	434 Extraordinary Income		-	-	-
13	435 Extraordinary Deductions				-
14	409.3 Income Taxes-Extraordinary Items				-
15	Net Income		\$ 43,204,081	\$ 50,698,013	\$ (7,493,932)
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					

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				-
5	701.0 Operating Labor				-
6	702.0 Boiler Fuel				-
7	703.0 Miscellaneous Steam Expenses				-
8	Total Steam Production Operation Expenses		-	-	-
9	Maintenance				
10	704.0 Steam Transferred-Credit				-
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				-
	Total Steam Production Maintenance Expenses		-	-	-
15	Manufactured Gas Production				
16	710.0 Operation Supervision and Engineering				-
17	Production Labor and Expenses				
18	711.0 Steam Expenses				-
19	712.0 Other Power Expenses				-
20	713.0 Coke Oven Expenses				-
21	714.0 Producer Gas Expenses				-
22	715.0 Water Gas Generating Expenses				-
23	716.0 Oil Gas Generating Expenses				-
24	717.0 Liquefied Petroleum Gas Expenses				-
25	718.0 Other Process Production Expenses				-
	Total Production Labor and Expenses		-	-	-
26	Gas Fuels				
27	719.0 Fuel Under Coke Ovens				-
28	720.0 Producer Gas Fuel				-
29	721.0 Water Gas Generator Fuel				-
30	722.0 Fuel for Oil Gas				-
31	723.0 Fuel for Liquefied Petroleum Gas Process				-
32	724.0 Other Gas Fuels				-
	Total Gas Fuels Expenses		-	-	-
33	Gas Raw Materials				
34	725.0 Coal Carbonized in Coke Ovens				-
35	726.0 Oil for Water Gas				-
36	727.0 Oil for Oil Gas				-
37	728.0 Liquefied Petroleum Gas Expenses				-
38	729.0 Raw Materials for Other Gas Processes				-
39	730.0 Residuals Expenses				-
40	731.0 Residuals Produced-Credit				-
41	732.0 Purification Expenses				-
42	733.0 Gas Mixing Expenses				-
43	734.0 Duplicate Charges-Credit				-
44	735.0 Miscellaneous Production Expenses				-
45	736.0 Rents				-
	Total Gas Raw Materials Expenses		-	-	-
46	Maintenance				
47	740.0 Maintenance Supervision and Engineering				-
48	741.0 Maintenance of Structures and Improvements				-
49	742.0 Maintenance of Production Equipment				-
	Total Maintenance Expenses		-	-	-
	Total Manufactured Gas Production Expenses		-	-	-
50	NATURAL GAS PRODUCTION EXPENSES		XXX	XXX	XXX
51	Production and Gathering				
52	Operation				
53	750.0 Operating Supervision and Engineering				-
53	751.0 Production Maps and Records				-
54	752.0 Gas Wells Expenses		\$ 167	\$ 315	\$ (148)

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		\$ 61,098	\$ 207,570	\$ (146,471)
2	754.0 Field Compressor Station Expenses		\$ 630,141	\$ 451,609	\$ 178,532
3	755.0 Field Compressor Station Fuel and Power		-	-	-
4	756.0 Field Measuring and Regulating Station Expenses		\$ 8,543	\$ 14,173	\$ (5,631)
5	757.0 Purification Expenses				
6	758.0 Gas Well Royalties		\$ 3,402	\$ 2,839	\$ 563
7	759.0 Other Expenses				
8	760.0 Rents				
	Total Production & Gathering Operation Expenses		\$ 703,350	\$ 676,505	\$ 26,845
9	Maintenance				
10	761.0 Maintenance Supervision and Engineering				
11	762.0 Maintenance of Structures and Improvements		\$ 8,552	\$ 21,516	\$ (12,964)
12	763.0 Maintenance of Producing Gas Wells		\$ 31,813	\$ 30,252	\$ 1,561
13	764.0 Maintenance of Field Lines		\$ 234,940	\$ 587,261	\$ (352,321)
14	765.0 Maintenance of Field Compressor Station Equipment		\$ 412,270	\$ 418,617	\$ (6,347)
15	766.0 Maintenance of Field Measuring and Reg. Station Equip.		\$ 9,784	\$ 14,756	\$ (4,973)
16	767.0 Maintenance of Purification Equipment				
17	768.0 Maintenance of Drilling and Cleaning Equipment				
18	769.0 Maintenance of Other Equipment				
	Total Production & Gathering Maintenance Expenses		\$ 697,359	\$ 1,072,403	\$ (375,044)
19	Products Extraction				
20	Operation				
21	770.0 Operation Supervision and Engineering				-
22	771.0 Operating Labor				-
23	772.0 Gas Shrinkage				-
24	773.0 Fuel				-
25	774.0 Power				-
26	775.0 Materials				-
27	776.0 Operation Supplies and Expenses				-
28	777.0 Gas Processed by Others				-
29	778.0 Royalties on Products Extracted				-
30	779.0 Marketing Expenses				-
31	780.0 Products Purchased for Resale				-
32	781.0 Variation in Products Inventory				-
33	782.0 Extracted Products Used by the Utility-Credit				-
34	783.0 Rents				-
	Total Products Extraction Operation Expenses		-	-	-
35	Maintenance				
36	784.0 Maintenance Supervision and Engineering				-
37	785.0 Maintenance of Structures and Improvements				-
38	786.0 Maintenance of Extraction and Refining Equipment				-
39	787.0 Maintenance of Pipe Lines				-
40	788.0 Maintenance of Extracted Products Storage Equipment				-
41	789.0 Maintenance of Compressor Equipment				-
42	790.0 Maintenance of Gas Measuring & Regulating Equipment				-
43	791.0 Maintenance of Other Equipment				-
	Total Products Extraction Maintenance Expenses		-	-	-
	Total Natural Gas Production Expenses		-	-	-
44	EXPLORATION AND DEVELOPMENT EXPENSES		XXX	XXX	XXX
45	Operation				
46	795.0 Delay Rentals				-
47	796.0 Nonproductive Well Drilling				-
48	797.0 Abandoned Leases				-
49	798.0 Other Exploration				-
	Total Exploration and Development Operation Exp.		-	-	-
50	OTHER GAS SUPPLY EXPENSES		XXX	XXX	XXX
51	Operation				
52	800.0 Natural Gas Well Head Purchases				-
52	800.1 Natural Gas Well Head Purchases - Segment Gas Costs		\$ 20,968,939	\$ -	\$ 20,968,939
53	801.0 Natural Gas Well Head Purchases, Intercompany Trans.		\$ 1,446,199	\$ 7,022,405	\$ (5,576,206)
54	802.0 Natural Gas Gasoline Plant Outlet Purchases				-
54	803.0 Natural Gas Transmission Line Purchases		\$ 49,274,996	\$ 126,442,299	\$ (77,167,303)
55	804.0 Natural Gas City Gate Purchases		\$ 713,852	\$ 935,166	\$ (221,315)

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				
2	805.0 Other Gas Purchases				
3	805.1 Purchases Gas Cost Adjustments		\$ 2,643,732	\$ (1,397,642)	\$ 4,041,374
4	806.0 Exchange Gas		\$ (486,491)	\$ 171,113	\$ (657,604)
5	807.0 Purchased Gas Expenses		-	-	-
6	808.1 Gas Withdrawn from Storage-Debit		\$ 38,848,861	\$ 45,543,141	\$ (6,694,281)
7	808.2 Gas Delivered to Storage-Credit		\$ (20,779,125)	\$ (45,091,013)	\$ 24,311,888
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				-
11	811.0 Gas Used for Products Extraction-Credit				-
12	812.0 Gas Used for Other Utility Operations-Credit				-
13	813.0 Other Gas Supply Expenses		\$ 7,819	\$ 16,787	\$ (8,969)
	Total Gas Supply Operation Expenses		\$ 92,638,781	\$ 133,642,257	\$ (41,003,476)
14	Natural Gas Storage, Terminating & Processing Exp.				
15	Underground Storage Expenses				
16	814.0 Operation Supervision and Engineering		-	-	-
17	815.0 Maps and Records				-
18	816.0 Wells Expenses				-
19	817.0 Lines Expenses				-
20	818.0 Compressor Station Expenses				-
21	819.0 Compressor Station Fuel and Power				-
22	820.0 Measuring and Regulating Station Expenses				-
23	821.0 Purification Expenses				-
24	822.0 Exploration and Development				-
25	823.0 Gas Losses				-
26	824.0 Other Expenses				-
27	825.0 Storage Well Royalties				-
28	826.0 Rents				-
	Total Underground Storage Expenses		-	-	-
29	Maintenance				
30	830.0 Maintenance Supervision and Engineering				-
31	831.0 Maintenance of Structures and Improvements				-
32	832.0 Maintenance of Reservoirs and Wells				-
33	833.0 Maintenance of Lines		\$ -	\$ 141	\$ (141)
34	834.0 Maintenance of Compressor Station Equipment				\$ -
35	835.0 Maintenance of Measuring & Regulating Station Equip.		\$ -	\$ 608	\$ (608)
36	836.0 Maintenance of Purification Equipment				-
37	837.0 Maintenance of Other Equipment				-
	Total Maintenance Expenses		\$ -	\$ 749	\$ (749)
38	Other Storage Expenses				
39	Operation				
40	840.0 Operating Supervision and Engineering				-
41	841.0 Operation Labor and Expenses				-
42	842.0 Rents				-
43	842.1 Fuel				-
44	842.2 Power				-
45	842.3 Gas Losses				-
	Total Operation Expenses		-	-	-
46	Maintenance				
47	843.1 Maintenance Supervision and Engineering				-
48	843.2 Maintenance of Structures and Improvements				-
49	843.3 Maintenance of Gas Holders				-
50	843.4 Maintenance of Purification Equipment				-
51	843.5 Maintenance of Liquefaction Equipment				-
52	843.6 Maintenance of Vaporizing Equipment				-
53	843.7 Maintenance of Compressor Equipment				-
54	843.8 Maintenance of Measuring and Regulatory Equipment				-
55	843.9 Maintenance of Other Equipment				-
	Total Maintenance Expenses		-	-	-

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				-
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				-
	Total Liq. N.G. Term & Proc. Operation Expenses		-	-	-
21	Maintenance				
22	847.1 Maintenance Supervision and Engineering				-
23	847.2 Maintenance of Structures and Improvements				-
24	847.3 Maintenance of LNG Processing Terminal Equipment				-
25	847.4 Maintenance of LNG Transportation Equipment				-
26	847.5 Maintenance of Measuring and Regulating Equipment				-
27	847.6 Maintenance of Compressor Station Equipment				-
28	847.7 Maintenance of Communication Equipment				-
29	847.8 Maintenance of Other Equipment				-
	Total Liq. N.G. Term. Proc. Maintenance Expenses		-	-	-
30	TRANSMISSION EXPENSES		XXX	XXX	XXX
31	Operation				
32	850.0 Operating Supervision and Engineering		-	-	-
33	851.0 System Control and Load Dispatching				-
34	852.0 Communication System Expenses				-
35	853.0 Compressor Station Labor and Expenses		\$ 298,589	\$ 134,050	\$ 164,539
36	854.0 Gas for Compressor Station Fuel				-
37	855.0 Other Fuel and Power for Compressor Stations				-
38	856.0 Mains Expenses		\$ 43,257	\$ 67,027	\$ (23,770)
39	857.0 Measuring and Regulating Station Expenses		\$ 5,809	\$ 3	\$ 5,805
40	858.0 Transmission and Compression of gas by Others		\$ 34,717,714	\$ 44,710,220	\$ (9,992,506)
41	859.0 Other Expenses				-
42	860.0 Rents				-
	Total Transmission Operation Expenses		\$ 35,065,368	\$ 44,911,300	\$ (9,845,932)
43	Maintenance				
44	861.0 Maintenance Supervision and Engineering				-
45	862.0 Maintenance of Structures and Improvements		\$ 3,081	\$ 7,507	\$ (4,426)
46	863.0 Maintenance of Mains		\$ 241,697	\$ 379,263	\$ (137,565)
47	864.0 Maintenance of Compressor Station Equipment		\$ 101,027	\$ 65,694	\$ 35,333
48	865.0 Maintenance of Measuring and Regulating Station Equip.		\$ 4,819	\$ 2,504	\$ 2,316
49	866.0 Maintenance of Communication Equipment		\$ 26,575	\$ 73,323	\$ (46,748)
50	867.0 Maintenance of Other Equipment				-
51	Total Transmission Maintenance Expenses		\$ 377,201	\$ 528,291	\$ (151,091)
52	DISTRIBUTION EXPENSES		XXX	XXX	XXX
53	Operation				
54	870.0 Operation Supervision and Engineering		-	-	-
55	871.0 Distribution Load Dispatching		-	\$ 3	\$ (3)
56	872.0 Compressor Station Labor and Expenses				-
57	873.0 Compressor Station Fuel and Power (Major Only)		-	-	-
58	874.0 Mains and Services Expenses		\$ 3,439,108	\$ 5,693,685	\$ (2,254,577)
59	875.0 Measuring and Regulating Station Expenses-General		\$ 1,049,518	\$ 859,019	\$ 190,500

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		-	-	-
2	877.0 Measuring and Regulating Station Expenses-City Gate		\$ 1,684	\$ -	\$ 1,684
3	878.0 Meter and House Regulator Expenses		\$ 1,890,858	\$ 2,019,645	\$ (128,787)
4	879.0 Customer Installations Expenses		\$ 1,808,743	\$ 1,947,777	\$ (139,034)
5	880.0 Other Expenses		\$ 1,399,615	\$ 1,571,108	\$ (171,493)
6	881.0 Rents		\$ 317,592	\$ 454,812	\$ (137,220)
7	Total Distribution Operation Expenses		\$ 9,907,117	\$ 12,546,048	\$ (2,638,931)
8	Maintenance				
9	885.0 Maintenance Supervision and Engineering		-	-	-
10	886.0 Maintenance of Structures and Improvements		\$ 2,090,651	\$ 839,676	\$ 1,250,975
11	887.0 Maintenance of Mains		\$ 8,907,531	\$ 10,955,564	\$ (2,048,033)
12	888.0 Maintenance of Compressor Station Equipment		-	-	-
13	889.0 Maintenance of Measuring & Reg. Station Equip.-Genl.		\$ 561,774	\$ 505,078	\$ 56,695
14	890.0 Maintenance of Measuring & Reg. Station Equip.-Indtrl.		\$ 349	\$ 93	\$ 256
15	891.0 Maintenance of Measuring & Reg. Station Equip.-City G		-	-	-
16	892.0 Maintenance of Services		\$ 600,218	\$ 674,491	\$ (74,273)
17	893.0 Maintenance of Meters & House Regulators		\$ 19,447	\$ 74,516	\$ (55,069)
18	894.0 Maintenance of Other Equipment		\$ 200,302	\$ 235,142	\$ (34,840)
19	Total Maintenance Expenses		\$ 12,380,272	\$ 13,284,560	\$ (904,288)
20	CUSTOMER ACCOUNTS EXPENSES		XXX	XXX	XXX
21	Operations				
22	901.0 Supervision		\$ -	\$ 541	\$ (541)
23	902.0 Meter Reading Expenses		\$ 539,528	\$ 588,704	\$ (49,176)
24	903.0 Customer Records & Collection Expenses		\$ 5,917,722	\$ 6,458,511	\$ (540,789)
25	904.0 Uncollectable Accounts		\$ 1,315,587	\$ 4,779,233	\$ (3,463,646)
26	905.0 Miscellaneous Customer Accounts Expenses		-	-	-
27	Total Customer Account Operations Expenses		\$ 7,772,837	\$ 11,826,989	\$ (4,054,152)
28	CUSTOMER SERVICE & INFORM. EXPENSES		XXX	XXX	XXX
29	Operations				
30	907.0 Supervision		\$ 344,569	\$ 339,918	\$ 4,651
31	908.0 Customer Assistance Expenses		\$ (1,679,214)	\$ 174,673	\$ (1,853,887)
32	909.0 Informational & Instructional Advertising Expenses		\$ 25,368	\$ 43,711	\$ (18,342)
33	910.0 Miscellaneous Customer Service & Informational Exp.		-	-	-
34	Total Cust. Service & Inform. Operations Expenses		\$ (1,309,277)	\$ 558,302	\$ (1,867,579)
35	SALES EXPENSES		XXX	XXX	XXX
36	Operation				
37	911.0 Supervision				
38	912.0 Demonstrating and Selling Expenses		\$ (3,779)	\$ 47,903	\$ (51,683)
39	913.0 Advertising Expenses				
40	914.0 (Reserved)				
41	915.0 (Reserved)				
42	916.0 Miscellaneous Sales Expenses				
43	Total Operation Sales Expenses		\$ (3,779)	\$ 47,903	\$ (51,683)
44	ADMINISTRATIVE AND GENERAL EXPENSES		XXX	XXX	XXX
45	Operation				
46	920.0 Administrative and General Salaries		\$ 14,320,348	\$ 10,025,846	\$ 4,294,502
47	921.0 Office Supplies and Expenses		\$ 1,781,558	\$ 2,354,374	\$ (572,816)
48	922.0 Administrative Expenses Transferred-Credit		\$ (7,055,246)	\$ (6,459,871)	\$ (595,375)
49	923.0 Outside Service Employed		\$ 5,238,173	\$ 3,763,901	\$ 1,474,272
50	924.0 Property Insurance		\$ 138,341	\$ 80,213	\$ 58,129
51	925.0 Injuries and Damages		\$ 2,257,791	\$ 1,944,982	\$ 312,809
52	926.0 Employee Pensions and Benefits		\$ 6,886,392	\$ 4,124,748	\$ 2,761,644
53	927.0 Franchise Requirements				
54	928.0 Regulatory Commission Expenses		\$ 16,045	\$ 52,340	\$ (36,296)
55	929.0 Duplicate Charges-Credit				
56	930.1 General Advertising Expenses		\$ 661	\$ 15,181	\$ (14,520)
57	930.2 Miscellaneous General Expenses		\$ 155,842	\$ 413,811	\$ (257,969)
58	931.0 Rents		\$ 2,629	\$ 1,532,006	\$ (1,529,377)
59	Total Administrative and General Operation Expenses		\$ 23,742,534	\$ 17,847,530	\$ 5,895,003
60	Maintenance				
61	932.0 Maintenance of General Plant		\$ 270,850	\$ 163,868	\$ 106,982
62	Total Gas Operation and Maintenance Expenses		\$ 24,013,384	\$ 18,011,399	\$ 6,001,985
63					
64	Total Gas Operation Expenses		\$ 168,516,931	\$ 222,056,835	\$ (53,539,904)
65	Total Maintenance Expenses		\$ 13,725,682	\$ 15,049,872	\$ (1,324,190)

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	-	\$ (1,446,638)	\$ 1,446,638
5	Local Property Taxes	-	\$ (165,127)	\$ 165,127
6	Public Utility Realty Tax	-	\$ (63,725)	\$ 63,725
7	State Capital Stock Tax	-	\$ (144,568)	\$ 144,568
8	Other Taxes (specify) Payroll Tax	-	\$ (2,301,377)	\$ 2,301,377
9	Use Tax	-	\$ (393,152)	\$ 393,152
10	Miscellaneous Tax	-	\$ (2,495)	\$ 2,495
11	TOTAL	-	\$ (4,517,082)	\$ 4,517,082

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 Taxes, Income Taxes

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	-	-	\$ (7,183,147)	\$ 7,183,147
2	State Income Taxes	-	-	\$ (2,307,622)	\$ 2,307,622
3	Local Income Taxes	-	-	-	-
4	0	-	-	-	-
5	0	-	-	-	-
6	0	\$ -	-	-	-
7	0	-	-	-	-
8	Other Taxes (specify)	-	-	-	-
9	0	-	-	-	-
10	0	-	-	-	-
11	TOTAL	\$ -	-	\$ (9,490,769)	\$ 9,490,769

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	\$ 297,322,648	\$ 297,322,648	-	-
2	Operating Expenses	\$ 206,444,530	\$ 206,444,530	-	-
3	Operating Taxes (Non-Income)	\$ 4,517,082	\$ 4,517,082	-	-
4	Interest & Other Expense	\$ 17,304,231	\$ 17,304,231	-	-
5	Pre-Tax Operating Income	-	-	-	-
	Total Line 1 Minus Lines 2-3-4	\$ 69,056,804	\$ 69,056,804	-	-
6	Other Income (Expense)	\$ 274,089	\$ 274,089	-	-
7	Pre Tax Book Income	-	-	-	-
	Total Lines 5+6	\$ 69,330,893	\$ 69,330,893	-	-
8	Permanent and Flow-Through Differ.	\$ 16,081	\$ 16,081	-	-
9	Temporary Differences	\$ (41,839,504)	\$ (41,839,504)	-	-
10	State Only Differences - Bonus/NOL	-	-	-	-
11	Subtotal	\$ 27,507,470	\$ 27,507,470	-	-
		-	-	-	-
12	State Tax at Current Rate	\$ 3,783,581	\$ 2,747,997	-	\$ 1,035,584
13	Adjustments to State Tax	\$ (354,981)	\$ (354,981)	-	-
14	Adjustments for St. Tax Rate Changes	-	-	-	-
15	State Tax Accrual	-	-	-	-
	Total Lines 12+13+14	\$ 3,428,600	\$ 2,393,016	-	\$ 1,035,584
16	Federal Taxable Income	-	-	-	-
	Total Line 11 Minus Lines 10-12-13	\$ 24,078,870	\$ 25,114,454	-	\$ (1,035,584)
17	Federal Tax at Current Rate	\$ 24,035,836	\$ 8,790,059	\$ 12,156,546	\$ 3,089,231
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	\$ (1,337,623)	\$ (1,337,623)	-	-
		-	-	-	-
24	Federal Tax Accrual	-	-	-	-
	Total Lines 17 through 23	\$ 22,698,213	\$ 7,452,436	\$ 12,156,546	\$ 3,089,231

**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. 190, 282 & 283 - Accumulated Deferred Income Tax.

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	-	\$ (20,745,238)	\$ (5,947,677)	\$ 26,692,915
2	State	-	-	\$ (1,886,052)	\$ 1,886,052
3	Other	-	-	-	-
4	-	-	-	-	-
5	-	-	-	-	-
6	-	-	-	-	-
7	Total	-	\$ (20,745,238)	\$ (7,833,729)	\$ 28,578,967

**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. 190, 282 & 283 - Accumulated Deferred Income Tax.

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	-	\$ 8,588,692	\$ 2,677,887	\$ (11,266,579)
2	State	-	-	\$ 793,212	\$ (793,212)
3	Other	-	-	-	-
4	-	-	-	-	-
5	-	-	-	-	-
6	-	-	-	-	-
7	Total	-	\$ 8,588,692	\$ 3,471,099	\$ (12,059,791)

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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 (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Cost Per Unit (h)
1	801 Field Line Purchases			10,706,884	\$ 16,282,265	n/a	\$ 16,282,265	\$ 1.52
2								
3	Dominion Transmission Company	Allegheny, Beaver, Butler, Westmoreland			\$ 4,316,576	See Note	\$ 4,316,576	
4		Washington, Clarion, Erie, Potter						
5	Equitrans LP	Allegheny, Washington			\$ 61,173,998	See Note	\$ 61,173,998	
6	National Fuel Gas Supply	Butler, Mercer, Venango			\$ 751,997	See Note	\$ 751,997	
7	Dominion Field Services	Various Locations			\$ 43,870	See Note	\$ 43,870	
8	EDF Trading	Fixed Demand Charge (N/A)			\$ 3,660	See Note	\$ 3,660	
9	EQT Energy	Fixed Demand Charge (N/A)			\$ 10,984,416	See Note	\$ 10,984,416	
10	Equitable Gas Company	Various Locations			\$ 8,773,901	See Note	\$ 8,773,901	
11	South Jersey Resources	Fixed Demand Charge (N/A)			\$ 31,720	See Note	\$ 31,720	
12	Peoples TWP Slease Farm	Various Locations			\$ 1,705,227	See Note	\$ 1,705,227	
13	Texas Eastern Transmission	Blair, Cambria, Somerset			\$ 943,111	See Note	\$ 943,111	
14	Spot Market Purchases			58,220,175	\$ 142,268,398		\$ 142,268,398	\$ 2.44
15	Total Pipeline Purchases			58,220,175	\$ 230,996,874		\$ 230,996,874	\$ 3.97
16								
17	804 City Gate Purchases			1,347,612	\$ 1,507,354		\$ 1,507,354	\$ 1.12
18								
19	805 Purchased Gas Cost Adjustments			n/a	\$ 39,789,276		\$ 39,789,276	
20								
	Totals			70,274,671	\$ 288,575,768		\$ 288,575,768	\$ 4.11

Note: Included in Commodity Charges is \$88,728,476.05 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 CCF or Therms (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Revenue Per Unit (h)
1	UGI			295,731			\$ 1,284,415.69	\$ 4.34
2	Dominion			119,185			\$ 544,299.28	\$ 4.57
3	Snyder			43,051			\$ 210,837.68	\$ 4.90
4	Direct			17,268			\$ 83,427.37	\$ 4.83
5	Interstate Gas Marketing			13,139			\$ 61,830.61	\$ 4.71
6	Sprague			10,094			\$ 40,197.45	\$ 3.98
7	Glacial			4,507			\$ 19,739.70	\$ 4.38
8	Stand			2,838			\$ 13,917.59	\$ 4.90
9	SJR			262			\$ 970.08	\$ 3.70
10	South Jersey			93			\$ 205.52	\$ 2.21
	Totals			506,168			\$ 2,259,841	\$ 4.46

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

- 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	
3	L.P.G. Gas Produced and Mixed with Natural Gas	
4	Manufactured Gas Produced and Mixed with Natural Gas	
5	Purchased Gas	60,645,527
6	Gas of Others Received for Transportation	62,032,377
7	Receipts of Respondent's Gas Transported or Compressed by Others	-
8	Exchange Gas Received	2,490,375
9	Gas Received from Underground Storage	1,592,593
10	Other Receipts	-
11		-
12		-
13		-
14	Total Receipts:	126,760,872
15		
16	GAS DELIVERED	-
17	Natural Gas Sales:	-
18	Local Distribution by Respondent	52,694,112
19	Main Line Industrial Sales	-
20	Sales for Resale	-
21	Interdepartmental Sales	-
22		-
23		-
24	Total Sales	52,694,112
25	Deliveries of Gas Transported or Compressed for Others	62,032,377
26	Deliveries of Respondent's Gas for Trans. Or Compressed by Others	-
27	Exchange Gas Delivered	2,367,477
28	Natural Gas used by Respondent	1,036,913
29	Natural Gas Delivered to Storage	1,544,219
30	Natural Gas for Franchise Requirements	-
31	Other Deliveries: Offsystem	2,520,750
32	Total Deliveries	122,195,848
33		
34	UNACCOUNTED FOR	-
35	Production System Losses	-
36	Storage Losses	60,000
37	Transmission System Losses	-
38	Distribution System Losses	3,847,407
39	Other Losses:	657,617
40		-
41	Total Unaccounted For	4,565,024
42		
43	Total Deliveries and Unaccounted For	126,760,872

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY
510. UNDERGROUND GAS STORAGE

- Report particulars for each underground gas storage project.
- 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.

Line No.	Month (a)	Peoples Division Storage All Volumes @ 14.73 PSIA							Equitable Division Storage All Volumes @ 14.73 PSIA			Total Peoples Natural Gas Company LLC Storage	
		Total Peoples Division On System	Murrysville	Colvin **	Total Peoples Division Off System	Equitrans ***	Dominion	National Fuel	Total Peoples Division Storage	Total Equitable Division Off System	Equitrans		Dominion
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
		MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF
1	Storage Operations												
2	Gas Delivered to Storage												
1	January	47,245	47,245	0	0	0	0	0	47,245	0	0	0	47,245
2	February	14,072	14,072	0	0	0	0	0	14,072	0	0	0	14,072
3	March	108,743	108,743	0	0	0	0	0	108,743	0	0	0	108,743
4	April	169,253	169,253	0	(105,036)	(131,364)	0	26,328	64,217	1,585,023	1,237,927	347,096	1,649,240
5	May	68,936	68,936	0	302,992	200,482	0	102,510	371,928	1,877,179	1,644,090	233,088	2,249,107
6	June	14,142	14,142	0	440,294	327,076	0	113,218	454,436	1,558,430	1,339,934	218,496	2,012,866
7	July	107,976	107,976	0	457,353	189,513	161,617	106,223	565,329	1,072,858	816,674	256,184	1,638,187
8	August	284,512	284,512	0	1,086,733	814,853	181,621	90,259	1,371,245	1,565,732	1,344,565	221,167	2,936,977
9	September	195,598	195,598	0	858,938	570,257	170,218	118,463	1,054,536	1,740,774	1,536,159	204,616	2,795,310
10	October	190,795	190,795	0	97,947	(131,363)	180,247	49,063	288,742	1,860,580	1,601,157	259,422	2,149,322
11	November	240,128	240,128	0	625,858	625,858	0	0	865,986	0	0	0	865,986
12	December	102,819	102,819	0	0	0	0	0	102,819	0	0	0	102,819
13	Totals	1,544,219	1,544,219	0	3,765,079	2,465,312	693,703	606,064	5,309,298	11,260,576	9,520,506	1,740,070	16,569,874
14	Gas Withdrawn From Storage												
15	January	237,162	237,162	0	1,780,320	1,415,745	176,999	187,576	2,017,482	2,882,836	2,288,534	594,303	4,900,318
16	February	444,050	444,050	0	2,021,509	1,695,500	171,294	154,715	2,465,559	2,975,864	2,640,060	335,804	5,441,423
17	March	166,709	166,709	0	1,818,609	1,533,270	173,704	111,635	1,985,318	2,143,075	1,855,263	287,812	4,128,393
18	April	189,713	189,713	0	151,008	146,645	4,363	0	340,721	0	0	0	340,721
19	May	218,562	218,562	0	38,594	0	38,594	0	257,156	0	0	0	257,156
20	June	76,629	76,629	0	17,016	0	17,016	0	93,645	0	0	0	93,645
21	July	13,625	13,625	0	0	0	0	0	13,625	0	0	0	13,625
22	August	5,156	5,156	0	0	0	0	0	5,156	0	0	0	5,156
23	September	6,138	6,138	0	0	0	0	0	6,138	0	0	0	6,138
24	October	154,589	154,589	0	103,669	103,669	0	0	258,258	0	0	0	258,258
25	November	5,264	5,264	0	508,378	453,319	17,833	37,226	513,642	1,376,310	1,361,193	15,118	1,889,952
26	December	74,996	74,996	0	4,133	(258,464)	142,999	119,598	79,129	3,866,346	3,314,409	551,937	3,945,475
27	Totals	1,592,593	1,592,593	0	6,443,236	5,089,684	742,802	610,750	8,035,829	13,244,432	11,459,459	1,784,973	21,280,261
28	Stored Gas End of Year-MCF	3,206,016	2,970,639	235,377	4,798,679	3,408,757	853,131	536,791	8,004,695	7,544,450	5,946,952	1,597,498	15,549,146
29	Est. Native Gas in Storage Reservoir-MCF	83,640	83,640	0	0	0	0	0	83,640	0	0	0	83,640
30	Total Gas in Reservoir-MCF (Lines 28 plus 29)	3,289,656	3,054,279	235,377	4,798,679	3,408,757	853,131	536,791	8,088,335	7,544,450	5,946,952	1,597,498	15,632,786
31	Storage Capacity (Escl. Native Gas)-MCF	3,162,000	3,162,000	0	6,693,500	4,922,800	1,053,640	717,060	9,855,500	13,261,680	10,991,210	2,270,470	23,117,180
32	Reservoir Pressure at which Storage Cap.-Computed		950#	0									
33	Number of Storage Wells in Project	8	8	0									
34	Number of Acres of Storage Area	737	737	0									
35	Maximum Day's Withdrawal from Storage	39,263	39,263	0									
36	Date of Maximum Day's Withdrawal		Feb 19, 2015	0									
37	Year Storage Operations Commenced		1943	1943									

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

*** Net of BB&A Storage

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.						
1	GAS WELLS					
2	Productive Wells at Beginning of Year		44			
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					
7	Wells Sold During the Year					
8						
9	Productive Wells at End of Year		44			
10	Number of Wells Drilled Deeper During the Year					
11	Dry Holes Drilled During the Year					
12						
13	NATURAL GAS ACREAGE		Operative	Non Operative		
14	Number of Acres Owned at End of Year					
15	Number of Acres Leased at End of Year					
16						
17	OIL WELLS					
18	Productive Wells at Beginning of Year		NONE			
19	Productive Wells Drilled During the Year					
20	Wells Abandoned and Sold During the Year					
21						
22	Productive Wells at End of Year					
23						
24						
25						
516. GAS LINES, METERS AND SERVICES						
26	Size of Pipe	Field Lines	Prod. Ext. Lines	Storage Lines	Distr. Mains	Transmission
27	Inches	M. Ft.	M. Ft.	M. Ft.	M. Ft.	M. Ft.
28	01"	0			0	0
29	02"	128			3,305	0
30	03"	211			4,279	1
31	04"	220			4,250	7
32	05"	31			74	0
33	06"	443			2,921	0
34	08"	554			1,685	99
35	10"	421			261	151
36	12"	150			656	234
37	14"	0			1	0
38	16"	48			392	120
39	20"	17			361	51
40	24"	0			197	0
41	30"	0			88	0
42	36"	0			25	0

Meters in Service at End of Year 273,006 Services at end of year, company owned 253,428

Meters in Stock or Shop at End of Year 3,038 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					
2						
3						
4						
5						
6						
7						
8						
9						
10	Total in residential use					
11	In commercial use					
12						
13						
14						
15						
16						
17						
18						
19						
20	Total in commercial use					
21	In industrial use					
22						
23						
24						
25						
26						
27						
28						
29						
30	Total in industrial use					
31	In public (municipal or government) use					
32						
33						
34						
35						
36						
37						
38						
39						
40	Total in public (municipal or government) use					
41	Total in use		272,036	4,443	3,473	273,006
42	In Stock		1,076	5,435	3,473	3,038
43			-	-	-	-
44			-	-	-	-
45			-	-	-	-
46			-	-	-	-
47			-	-	-	-
48			-	-	-	-
49			-	-	-	-
50	Total in stock		1,076	5,435	3,473	3,038
51	Total all meters		273,112	9,878	6,946	276,044

METERS TESTED BY SIZES

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

*See page 42 (a)

Peoples Equitable Gas 2015 Meter Test and Replacement Plan**CLASS "A" METER PROGRAM - STATISTICAL SAMPLING**

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN	133,113	200	1291	9.00%
ROCKWELL	85,918	200	1263	7.60%
SPRAGUE	13,242	125	150	12.20%
LANCASTER	14,792	125	397	6.50%
All 400 Class	4,039	80	144	17.20%

CLASS "B" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN				
ROCKWELL				
SPRAGUE				
Combined Population Total	3,215	50	228	6.50%

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 (e)	Total Operating Revenue (f)	MCF Per Customer (g)	Per Customer (h)	Per Unit (i)
2	Metered Sales by Tariff Schedule								
3	Residential								
4	PA Retail - billed	228,470	230,550	227,345	20,831,205	\$ 210,615,054	92	\$ 926	\$ 10.11
5	-unbilled				(591,885)	\$ (9,762,100)			
6									
7									
8									
9									
10									
11									
12	Transportation	16,221	17,810	17,763	1,641,282	\$ 8,551,034	92	\$ 481	\$ 5.21
13	-unbilled				(40,971)	\$ (51,596)			
14	Total Residential Metered Sales	244,691	248,360	245,108	21,839,630	\$ 209,352,391	89	\$ 854	\$ 9.59
15	Commercial								
16	PA Retail - billed	14,227	12,086	13,970	3,963,718	\$ 34,881,148	284	\$ 2,497	\$ 8.80
17	-unbilled				(91,342)	\$ (1,448,671)			
18									
19									
20									
21									
22									
23									
24	Transportation	3,620	3,679	3,697	8,768,258	\$ 26,777,729	2,372	\$ 7,243	\$ 3.05
25	-unbilled				(65,152)	\$ (238,546)			
26	Total Commercial Metered Sales	17,847	15,765	17,667	12,575,481	\$ 59,971,659	712	\$ 3,395	\$ 4.77
27	Industrial								
28	PA Retail - billed	48	49	47	142,900	\$ 639,636	3,051	\$ 13,658	\$ 4.48
29	-unbilled				(1,074)	\$ (19,454)			
30									
31									
32									
33	Transportation	88	102	96	10,122,536	\$ 5,923,278	105,718	\$ 61,862	\$ 0.59
34	Total Industrial Metered Sales	136	151	143	10,264,361	\$ 6,543,461	71,989	\$ 45,892	\$ 0.64
35	Public								
36	Through Gathering Facilities	10	13	12	17,133,350	\$ 13,735,617			
37	Sales for Resale	11	10	11	506,168	\$ 2,259,841			
38	Other								
39									
40	Total Metered Sales	262,695	264,299	262,940	62,318,990	\$ 291,862,969	237	\$ 1,110	\$ 4.68
41	Unmetered Sales-All Categories								
42	Other								
43	Total Unmetered Sales	-	-	-	-	-			
44	Total Sales of Gas	262,695	264,299	262,940	62,318,990	\$ 291,862,969	237	\$ 1,110	\$ 4.68
45	Other Gas Revenues:								
46	Rent from Gas Property					\$ 253,090			
47	Interdepartmental Rents								
48	Operating Revenue Other Than Gas Sales					\$ 1,454,010			
49	Allowance to Customers								
50	Customers Forfeited Discounts & Penalties					\$ 1,681,272			
51	Miscellaneous Gas Revenues					\$ 2,071,307			
52	Total Other Gas Revenues	-	-	-	-	\$ 5,459,679			
53	Total Gas Operating Revenues	262,695	264,299	262,940	62,318,990	\$ 297,322,648			

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY
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	8
2	Total Professional and Semiprofessional Employees	118
3	Total Business Office, Sales And Professional Employees	168
4	Total Clerical Employees	64
5	Total Operators	42
6	Total Construction, Installation and Maintenance Employees	548
7	Total Building, Supplies and Motor Vehicle Employees	
8	All Other Employees Not Elsewhere Classified	
9	Total All Employees	948

*Includes Union Employees

Peoples Division 400

Equitable Division 178

Count includes the impact of employees who transferred to Peoples Service Company LLC effective May 24, 2015.

610. Territory Served - PENNSYLVANIA

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 <u>Pennsylvania</u> County (c)	Number Of Customers At End Of Year (d)	Average Number Of Customers During Year (e)
01	X	Adams	1	1
02	X	Allegheny	231,828	230,552
03	X	Armstrong	2,756	2,760
04		Beaver		
05		Bedford		
06		Berks		
07		Blair		
08		Bradford		
09		Bucks		
10	X	Butler	2,373	2,358
11		Cambria		
12		Cameron		
13		Carbon		
14		Centre		
15		Chester		
16	X	Clarion	226	230
17		Clearfield		
18		Clinton		
19		Columbia		
20		Crawford		
21		Cumberland		
22		Dauphin		
23		Delaware		
24		Elk		
25		Erie		
26	X	Fayette	32	32
27		Forest		
28		Franklin		
29		Fulton		
30	X	Greene	4,891	4,898
31		Huntingdon		
32	X	Indiana	56	58
33	X	Jefferson	44	45
34		Juniata		
35		Lackawanna		
36		Lancaster		
37		Lawrence		
38		Lebanon		
39		Lehigh		
40		Luzerne		
41		Lycoming		
42		McKean		
43		Mercer		
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		Somerset		
57		Sullivan		
58		Susquehanna		
59		Tioga		
60		Union		
61		Venango		
62		Warren		
63	X	Washington	14,946	14,867
64		Wayne		
65	X	Westmoreland	7,123	7,116
66		Wyoming		
67		York		
Totals			264,276	262,917
Total Population of Territory Served (Estimated)			2,392,587	

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 is Vice President and Controller (Name of affiant) (Official title of affiant)

of Peoples Natural Gas Company LLC (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 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, 2015 to and including, December 31, 2015.

Subscribed and sworn to and before me, a NOTARY PUBLIC

Gregory A. Sciallo (Signature of affiant)

in and for the State and County above-named, this 29th day of APRIL, 2016

My commission expires 8/20/2017 (Signature of officer authorized to administer oaths)

COMMONWEALTH OF PENNSYLVANIA Notarial Seal Andrew Weisner, Notary Public Hampton Twp., Allegheny County My Commission Expires Aug. 20, 2017 MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

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 is President & Chief Executive Officer (Name of affiant) (Official title of affiant)

of Peoples Natural Gas Company LLC

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, 2015 to and including December 31, 2015.

Subscribed and sworn to before me, a NOTARY PUBLIC

Morgan K. O'Brien (Signature of affiant)

in and for the State and County above-named, this 29th day of APRIL, 2016

My commission expires 8/20/2017 (Signature of officer authorized to administer oaths)

COMMONWEALTH OF PENNSYLVANIA Notarial Seal Andrew Weisner, Notary Public Hampton Twp., Allegheny County My Commission Expires Aug. 20, 2017 MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

	A	B	C	D	E	F	G
1	COMPANY	CLASS	YEAREND	PLT_SVC	GAS_PLT	DEPR_AMORT	CWIP
2	PEOPLES NATURAL GAS LLC - EQUITABLE DIVISION	A	2,015	2,278,171,205	2,309,566,261	(527,149,818)	11,468,304

	H	I	J	K	L	M	N	O	P
1	PLT_AQ_ADJ	PLT_HLD_FU	MAT_SUPP	DEP_AM_RES	NET_BOOK	CIAC	PLAT_MTLS_OPR_SUPP	OP_REV	OP-EXP
2	284,894,602	0	3,007,655	(772,370,203)	1,505,801,002	63,333	3,007,655	297,322,648	168,516,931

	Q	R	S	T	U	V
1	MAIN_EXP	DEP_EXP	AMORT_LTD_GAS_PLT	AMORT_OTR_GAS_PLT	AMORT_PL_AQ	TAXES_OTR_THAN_INC
2	13,725,682	19,726,909	0	0	0	4,517,082

	W	X	Y	Z	AA	AB	AC	AD
1	INC_TAXES_OPR_INC	TTL_TAXES	TTL_OP_EXP	OP_INCOME	OTHER_INC	OTH_DED	NET_INCOME	TTL_MFG_GAS_PROD_EXP
2	9,490,769	30,527,027	236,971,557	60,351,091	854,792	280,703	43,204,081	0

	AE	AF	AG	AH
1	TTL_NAT_GAS_PROD_EXP	TTL_EXPL_DEV_OPR_EXP	TTL_PROD_GATH_OPR_EXP	TTL_PROD_GATH_MAINT_EXP
2	0	0	703,350	697,359

	AI	AJ	AK	AL	AM
1	SUPP_OPR_EX_PUR_GAS	SUPP_MAINT_EX_PUR_GAS_EXP	GAS_UTILITY_OPR	OTR_GAS_SUPP_EXP	UNDERGRD_STOR_EXP
2	50,234,703	20,713,468	0	7,819	0

	AN	AO	AP	AQ	AR	AS
1	NAT_GAS_MAINT_EXP	TRANS_EXP_OPR	TRANS_EXP_MAINT	DISTR_EXP_OPR	DISTR_EXP_MAINT	CUST_ACCTS_EXP
2	0	35,065,368	377,201	9,907,117	12,380,272	7,772,837

	AT	AU	AV	AW	AX	AY
1	CUST_SVE_INFO_EXP	SALES_EXP	ADM_GENL_EXP_OPR	ADM_GENL_EXP_MAINT	TTL_RECEIPTS_MCF	UNACCT_GAS_MCF
2	(1,309,277)	(3,779)	23,742,534	24,013,384	126,760,872	4,565,024

	AZ	BA	BB	BC	BD	BE
1	TRANSPORTATION	DISTR_MAINS_M-FT	TRANS_MAINS_M_FT	SERV_EOY_CO_OWNED	RES_MET_CUST	COMM_MET_CUST
2	62,032,377	88	0	253,428	248,360	15,765

	BF	BG	BH	BI	BJ	BK
1	IND_MET_CUST	OTR_MET_CUST	TOTAL_MET_CUST	TOTAL_UNMET_CUST	TOTAL_TRANS_CUST	TOTAL_CUST
2	151	23	0	0	21,591	0

	BL	BM	BN	BO	BP	BQ	BR
1	TTL_RES_REV	RES_MCF_MET	AVG_RES_CUST	TTL_COMM_REV	COMM_MCF_MET	AVG_COMM_CUST	TTL_IND_REV
2	209,352,391	21,839,630	245,108	59,971,659	12,575,481	17,667	6,543,461

	BS	BT	BU	BV	BW	BX	BY
1	IND_MCF_MET	AVG_IND_CUST	TTL_TRANS_REV	AVG_TRANS_CUST	TTL_OTHER_REV	AVG_OTHER_CUST	RES_REV_MET
2	10,264,361	143	41,200,445	21,556	15,995,458	22	209,352,391

	BZ	CA	CB	CC
1	TOTAL_REV_UNMET	AV_RES_USE	AV_RES_BILL	TTL_ALL_EMPLOYEES
2	0	88	10	948