

**GAS ANNUAL REPORT
OF**

PEOPLES NATURAL GAS COMPANY LLC - PEOPLES DIVISION

375 NORTH SHORE DRIVE, SUITE 600, PITTSBURGH, PENNSYLVANIA 15212

**FOR THE
YEAR ENDED DECEMBER 31, 2014
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
375 North Shore Drive, Suite 600, 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		
101 Security Holder Information and Voting Powers	8	605 Number of Employees	44
102 Companies Controlled by Respondent	9	610 Territory Served	45
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 24		
217 Extraordinary Property Losses			
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. Sciullo - Vice President and Controller
375 North Shore Drive, Suite 600
Pittsburgh, PA 15212

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

Peoples Natural Gas Company LLC ("Peoples") is a limited liability company organized under the laws of the Commonwealth of Pennsylvania. Peoples is the survivor of a merger dated February 1, 2010, between Peoples and The Peoples Natural Gas Company, which merger effected the acquisition by PNG Companies LLC ("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 former Peoples entity. This is referred to as the Peoples Division throughout the report. The Comparative Balance Sheet information 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. None

2. None

3. None

4. None

5. None

6. Estimated increase or (decrease) in revenues during the year 2014 due to rate changes:

	<u>Date</u>	<u>Included in 2014 Revenues</u>	<u>Annual Impact</u>
Tariff #45, Supplement No. 30	01/01/14	\$360,255	\$1,441,020 Q DSIC
Tariff #45, Supplement Nos. 31, 32, 33	01/01/14	\$21,481,697	\$21,481,697 Q 1307(f)
Tariff #45, Supplement No. 35	04/01/14	(\$2,813,194)	(\$5,306,182) Q 1307(f)
Tariff #45, Supplement No. 36	04/01/14	(\$6,472,601)	(\$10,702,381) Eliminate Rider H
Tariff #45, Supplement No. 39	07/01/14	\$518,652	\$1,037,304 Q DSIC
Tariff #45, Supplement No. 43	10/01/14	\$745,313	\$2,981,252 Q DSIC
Tariff #45, Supplement No. 45	10/01/14	(\$4,926,166)	(\$15,098,424) Q 1307(f)

7. Important wage scale changes:

The 5 year agreement with the Utility Workers Union of America, United Gas Workers, Local 666, AFL, CIO is in effect until October 31, 2015. A 2.5% wage increase was granted to hourly personnel on November 1, 2014.

Estimated effect on 2014 operating expenses - \$104,082

Estimated average annual effect on operating expenses - \$624,490

8. None

9. None

10. None

DEFINITIONS

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

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

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

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

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

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

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

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

DEFINITIONS**(Continued)**

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

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

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

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

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

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

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

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

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

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

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 particular
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 director
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 manager 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 - 1	N/A - 1	N/A - 1		
2	Total number of security holders						N/A - 1	N/A - 1	N/A - 1		
3	Total votes of security holders listed below						N/A - 1	N/A - 1	N/A - 1		
4	PNG Companies LLC		375 North Shore Drive	Pittsburgh	PA	15212				Membership Interest	
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											

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 End (j)	Meetings Attended (k)	Fees Paid (l)
		Street Address (b)	City (c)	Stat (d)	Zip (e)	Telephone (h)				
1	Christopher P. Kinney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	None
2	James Mahoney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	\$33,000
3	Dennis T. Mahoney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	None
4	Victor A. Roque	4543 Dogwood Drive	Allison Park	PA	15101	412 392 4400	Feb-10		5	\$33,000
5	Morgan K. O'Brien (President & CEO)	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7910	Feb-10		5	None
6	John McGuire	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-12		5	None
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

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	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7910	412 208 6580	morgan.obrien@peoples-gas.com
3	Vice President & Controller							
4	Gregory A. Sciullo	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7940	412 208 6580	gregory.a.sciullo@peoples-gas.com
5	Senior Vice President & Chief Information Officer							
6	Ruth M. DeLost	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208-7920	412 208 6574	ruth.a.delost@peoples-gas.com
7	Senior Vice President & Chief Operations Officer							
8	Kenneth M. Johnston	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7930	412 208 6580	kenneth.m.johnston@peoples-gas.com
9	Vice Presidents:							
10	Joseph A. Gregorini - Rates and Regulatory Affairs	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7905	412 208 6577	joseph.a.gregorini@peoples-gas.com
11	Carolyn B. McKinney - Human Resources	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7908	412 208 6576	carolyn.b.mckinney@peoples-gas.com
12	Vice President & Treasurer:							
13	Preston Poljak	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412-208-6563	412 208 6574	preston.poljak@peoples-gas.com
14	Vice President , General Counsel & Secretary:							
15	John J. Luke	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7907	412 208 6580	john.luke@peoples-gas.com
16								
17								
18								
19								
20								
21								
22								
23								
24								

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	\$ 2,077,339,163	\$ 2,169,886,935	\$ 92,547,772
3	101.1 Property Under Capital Leases		22,140,412	21,031,112	(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	25,674,292	18,176,984	(7,497,308)
11	108.0 Accumulated Provision for Depreciation of Gas Utility Plant	206	(704,328,264)	(738,027,752)	(33,699,488)
12	111.0 Accumulated Prov. For Amortization & Depletion of Gas Utility Pl.	206	(19,049,814)	(30,620,331)	(11,570,517)
13	114.0 Gas Plant Acquisition Adjustments	207	291,437,055	284,894,602	(6,542,453)
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		6,823	2,966	(3,857)
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		\$ 1,693,224,608	\$ 1,725,349,456	\$ 32,124,848
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	1,500,002	1,800,002	300,000
31	125.0 Sinking Funds				-
32	126.0 Depreciation Fund				-
33	128.0 Other Special Funds		165,000	199,500	34,500
34	TOTAL OTHER PROPERTY AND INVESTMENTS		\$ 1,672,852	\$ 2,007,352	\$ 334,500

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		\$ 2,776,309	\$ 3,259,448	\$ 483,139
3	132.0 Interest Special Deposits				-
4	133.0 Dividend Special Deposits				-
5	134.0 Other Special Deposits		12,241,339	742,515	(11,498,824)
6	135.0 Working Funds				-
7	136.0 Temporary Cash Investments	210			-
8	141.0 Notes Receivable	211			-
9	142.0 Customer Accounts Receivable		97,368,680	99,989,003	2,620,323
10	143.0 Other Accounts Receivable	211	13,419,802	9,701,703	(3,718,099)
11	144.0 Accumulated Provision for Uncollectible Accounts-Cr.		(16,597,719)	(17,887,389)	(1,289,670)
12	145.0 Notes Receivable from Associated Companies	212			-
13	146.0 Accounts Receivable for Associated Companies	213	1,159,588	1,104,086	(55,502)
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	3,071,407	2,823,190	(248,217)
18	155.0 Merchandise				-
19	156.0 Other Materials and Supplies				-
20	163.0 Stores Expense-Undistributed				-
21	164.1 Gas Stored-Current		37,626,465	38,089,261	462,796
22	164.2 Liquefied Natural Gas Stored				-
23	164.3 Liquefied Natural Gas Held for Processing				-
24	165.0 Prepayments		3,707,689	10,237,482	6,529,793
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		54,584,951	53,319,526	(1,265,425)
30	174.0 Miscellaneous Current and Accrued Assets		52,857	4,509,008	4,456,151
31	TOTAL CURRENT & ACCRUED ASSETS		\$ 209,411,368	\$ 205,887,833	\$ (3,523,535)
32	DEFERRED DEBITS				
33	181.0 Unamortized Debt Expense	216	\$ 10,451,085	\$ 7,953,007	\$ (2,498,078)
34	182.1 Extraordinary Property Losses	217			-
35	182.2 Unrecovered Plant and Regulatory Study Costs	217			-
36	182.3 Other Regulatory Assets		88,999,553	110,598,941	21,599,388
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		13,919	32,090	18,171
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		74,704,884	74,133,113	(571,771)
46	191.0 Unrecovered Purchased Gas Costs		20,017,604	15,592,131	(4,425,473)
47	TOTAL DEFERRED DEBITS		\$ 194,187,045	\$ 208,309,282	\$ 14,122,237
48	TOTAL ASSETS & TOTAL DEBITS		\$ 2,098,495,873	\$ 2,141,553,923	\$ 43,058,050

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 Capital Stock				-
13	Capital Stock				
14	211.0 Miscellaneous Paid-In Capital		801,319,204	794,774,910	(6,544,294)
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		24,021,121	31,500,941	7,479,820
20	216.1 Unappropriated Undistributed Subsidiary Earnings				-
21	217.0 Reacquired Capital Stock				-
22	219.0 Accumulated Other Comprehensive Income		94,565	-	(94,565)
23	TOTAL PROPRIETARY CAPITAL		\$ 825,434,890	\$ 826,275,851	\$ 840,961
24					
25	LONG-TERM DEBT				
26	221.0 Bonds	231	\$ -	\$ -	\$ -
27	222.0 Reacquired Bonds	231			-
28	223.0 Advances from Associated Companies		787,895,000	787,895,000	-
29	224.0 Other Long-term Debt	231			-
30	225.0 Unamortized Premium on Long-Term Debt				-
31	226.0 Unamortized Discount on Long-Term Debt-Debit				-
32	TOTAL LONG TERM DEBT		\$ 787,895,000	\$ 787,895,000	\$ -
33					
34	OTHER NONCURRENT LIABILITIES				
35	227 Obligation Under Capital Leases-NonCurrent		\$ 19,337,680	\$ 18,951,288	\$ (386,392)
36	228.1 Accumulated Provision for Property Insurance		-		-
37	228.2 Accumulated Provision for Injuries and Damages		814,547	814,547	-
38	228.3 Accumulated Provision for Pensions and Benefits		12,750,895	30,346,083	17,595,188
39	228.4 Accumulated Miscellaneous Operating Provisions		303,429	219,634	(83,795)
40	229 Accumulated Provision for Rate Refunds		-		-
41	230 Asset Retirement Obligations		39,347,088	38,241,686	(1,105,402)
42	TOTAL OTHER NONCURRENT LIABILITIES		\$ 72,553,639	\$ 88,573,238	\$ 16,019,599
43					

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		\$ 114,935,435	\$ 105,971,727	\$ (8,963,708)
4	233.00 Notes Payable to Associated Companies		100,214,947	109,726,491	9,511,544
5	234.00 Accounts Payable to Affiliated Companies		7,921,103	9,065,081	1,143,978
6	235.00 Customers' Deposits-Billing		3,509,588	4,429,980	920,392
7	236.10 Accrued Taxes, Taxes Other Than Income		4,002,756	3,260,979	(741,777)
8	236.20 Accrued Taxes, Income Taxes				-
9	237.10 Accrued Interest on Long-term Debt		587,999	86,861	(501,138)
10	237.20 Accrued Interest on Other Liabilities		35,014	44,957	9,943
11	238.00 Dividends Declared				-
12	239.00 Matured Long-term Debt				-
13	240.00 Matured Interest				-
14	241.00 Tax Collections Payable		714,453	667,358	(47,095)
15	242.00 Miscellaneous Current and Accrued Liabilities		5,783,673	8,222,676	2,439,003
	243.00 Obligations Under Capital Leases-Current		2,848,320	386,392	(2,461,928)
16	244.00 Derivative Instrument Liabilities - Current Portion		503,307	-	(503,307)
17	TOTAL CURRENT AND ACCRUED LIABILITIES		\$ 241,056,595	\$ 241,862,501	\$ 805,906
18					
19	DEFERRED CREDITS				
20	252.00 Customer Advances for Construction		\$ 63,333	\$ 63,333	\$ -
21	253.00 Other Deferred Credits		18,022,883	17,566,126	(456,757)
22	254.00 Other Regulatory Liabilities		8,024,853	2,240,149	(5,784,704)
23	255.00 Accumulated Deferred Investment Tax Credits				-
24	256.00 Deferred Gains from Disposition of Utility Plant				-
25	257.00 Unamortized Gain on Reacquired Debt				-
26	281.00 Accum. Deferred Income Taxes-Assume. Amortization Property				-
27	282.00 Accum. Deferred Income Taxes-Other Property		142,515,573	176,331,907	33,816,334
28	283.00 Accum. Deferred Income Taxes-Other		2,929,107	745,818	(2,183,289)
26	TOTAL DEFERRED CREDITS		\$ 171,555,749	\$ 196,947,333	\$ 25,391,584
27					
28	TOTAL LIABILITIES & OTHER CREDITS		\$ 2,098,495,873	\$ 2,141,553,923	\$ 43,058,050

201. NOTES TO BALANCE SHEET**PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**

- 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 2014, Peoples Natural Gas Company LLC declared and paid dividends of \$77,500,000 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	\$ -				\$ -
3	302 Franchises & Consents	-				-
4	303 Other Plant and Miscellaneous Equipment	58,600,222	7,210,181			65,810,403
5	Total Intangible Plant	\$ 58,600,222	\$ 7,210,181	\$ -	\$ -	\$ 65,810,403
6	MANUFACTURED GAS PRODUCTION PLANT	XXX	XXX	XXX	XXX	XXX
7	304 Land and Land Rights	-				-
8	305 Structures and Improvements	-				-
9	306 Boiler Plant Equipment	-				-
10	307 Other Power Equipment	-				-
11	308 Coke Ovens	-				-
12	309 Infiltration Galleries and Tunnels	-				-
13	310 Producer Gas Equipment	-				-
14	311 Liquefied Petroleum Gas Equipment	-				-
15	312 Oil Gas Generating Equipment	-				-
16	313 Generating Equipment-Other Processes	-				-
17	314 Coal, Coke and Ash Handling Equipment	-				-
18	315 Catalytic Cracking Equipment	-				-
19	316 Other Reforming Equipment	-				-
20	317 Purification Equipment	-				-
21	318 Residential Refining Equipment	-				-
22	319 Gas Mixing Equipment	-				-
23	320 Other Equipment	-				-
23	Total Gas Manufacturing Plant	\$ -	\$ -	\$ -	\$ -	\$ -
24	NATURAL GAS PRODUCTION & GATHERING PLANT	XXX	XXX	XXX	XXX	XXX
25	325.1 Producing Lands	75,600				75,600
26	325.2 Producing Leaseholds	18,564		8,548		10,016
27	325.3 Gas Rights	10,223		1,103		9,120
28	325.4 Rights of Way	1,344,959				1,344,959
29	325.5 Other Land and Land Rights	35,303	2,200	212		37,291
30	326 Other Plant and Miscellaneous Equipment	-				-
31	327 Field Compressor Station Structures	1,967,151	38,380			2,005,531
32	328 Field Measuring & Regulating Station Structures	45,916				45,916
33	329 Other Structures	1,840,509	247,017			2,087,526
34	330 Producing Gas Wells-Well Construction	9,221				9,221
35	331 Producing Gas Wells-Well Equipment	2,984				2,984
36	332 Field Lines	33,230,504	1,309,649	75,632		34,464,521
37	333 Field Compressor Station Equipment	27,406,304	147,716	40,417		27,513,603
38	334 Field Measuring & Regulating Station Equipment	1,596,930				1,596,930
39	335 Drilling & Cleaning Equipment	18,642				18,642
40	336 Purification Equipment	-				-
41	337 Other Equipment	124,470				124,470
42	338 Unsuccessful Exploration & Development Costs	-				-
43	339 Production Equipment Held under Asset Retirement Obligation	648,294				648,294
43	Total Natural Gas Production & Gathering Plant	\$ 68,375,574	\$ 1,744,962	\$ 125,912	\$ -	\$ 69,994,624
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	\$ 16,824				\$ 16,824
55	350.2 Rights of Way	46,800				46,800
56	351 Structures and Improvements	1,657,837	83,202			1,741,039
57	352 Wells	1,020,221	34,846	7,773		1,047,294
58	352.1 Storage Leaseholds and Rights	185,992		3,321		182,671
59	352.2 Reservoirs	433,138				433,138
60	352.3 Nonrecoverable Natural Gas	205,251				205,251
61	353 Lines	2,204,087				2,204,087

205. UTILITY PLANT IN SERVICE - Account No. 101.0

Line No.	Account Number and Title (a)	Balance Previous Year (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Balance End of Year (f)
62	354 Compressor Station Equipment	5,239,367	3,154,244	940,119	-	7,453,492
63	355 Measuring and Regulating Equipment	75,749			-	75,749
64	356 Purification Equipment	-			-	-
65	357 Other Equipment	30,184			-	30,184
66	358 Underground Storage Equipment Held under Asset Retirement Obligation	18,455			-	18,455
67	Total Natural Gas Production and Processing Plant	\$ 11,133,905	\$ 3,272,292	\$ 951,213	\$ -	\$ 13,454,984
68	OTHER STORAGE PLANT	XXX	XXX	XXX	XXX	XXX
69	360 Land & Land Rights	-			-	-
70	361 Structures and Improvements	-			-	-
71	362 Gas Holders	-			-	-
72	363 Purification Equipment	-			-	-
73	363.1 Liquefaction Equipment	-			-	-
74	363.2 Vaporizing Equipment	-			-	-
75	363.3 Compressor Equipment	-			-	-
76	363.4 Measuring and Regulating Equipment	-			-	-
77	363.5 Other Equipment	-			-	-
78	Total Other Storage Plant	\$ -	\$ -	\$ -	\$ -	\$ -
79	BASE LOAD LIQUEFIED NATURAL GAS					
80	TERMINATING AND PROCESSING PLANT	XXX	XXX	XXX	XXX	XXX
81	364.1 Land and Land Rights	-			-	-
82	364.2 Structures and Improvements	-			-	-
83	364.3 LNG Processing Terminal Equipment	-			-	-
84	364.4 LNG Transportation Equipment	-			-	-
85	364.5 Measuring and Regulating Equipment	-			-	-
86	364.6 Compressor Station Equipment	-			-	-
87	364.7 Communication Equipment	-			-	-
88	364.8 Other Equipment	-			-	-
89	Total Base Load Liquefied Natural Gas Term. & Proc. Plant	\$ -	\$ -	\$ -	\$ -	\$ -
90	TRANSMISSION PLANT	XXX	XXX	XXX	XXX	XXX
91	365.1 Land and Land Rights	192,966				192,966
92	365.2 Rights of Way	2,096,341	27,775			2,124,116
93	366 Structures and Improvements	1,191,979	182,695			1,374,674
94	367 Mains	95,946,951	2,958,129	46,828		98,858,252
95	368 Compressor Station Equipment	-				-
96	369 Measuring and Regulating Station Equipment	12,713,767	1,119,741	20,043		13,813,465
97	370 Communication Equipment	-				-
98	371 Other Equipment	781,902	54,671	23,755		859,328
99	372 Transmission Equipment Held under Asset Retirement Obligation	653,478				653,478
100	Total Transmission Plant	\$ 113,577,384	\$ 4,343,011	\$ 90,626	\$ -	\$ 117,829,769
101	DISTRIBUTION PLANT	XXX	XXX	XXX	XXX	XXX
102	374 Land & Land Rights	4,247,776	362	663		4,247,475
103	375 Structures and Improvements	21,110,390	151,195	16,168		21,245,417
104	376 Mains	488,920,378	23,451,569	550,065		511,821,882
105	377 Compressor Station Equipment	-				-
106	378 Measuring & Regulating Station Equipment-General	26,033,229	785,248	84,354		26,734,123
107	379 Measuring & Regulating Station Equipment-City Gate C. St.	-				-
108	380 Services	196,400,574	8,309,453	497,455		204,212,572
109	381 Meters	28,356,189	1,414,044			29,770,233
110	382 Meter Installations	51,011,171	1,570,724	554,561		52,027,334
111	383 House Regulators	-				-
112	384 House Regulatory Installations	-				-
113	385 Industrial Measuring and Regulating Station Equipment	7,112,239	185,624	3,797		7,294,066
114	386 Other Property on Customers' Premises	77,720				77,720
115	387 Other Equipment	4,808,953	422,887	135,816		5,096,024
116	388 Distribution Equipment Held under Asset Retirement Obligation	3,503,033			(120,208)	3,382,825
117	Total Distribution Plant	\$ 831,581,652	\$ 36,291,106	\$ 1,842,879	\$ (120,208)	\$ 865,909,671
118	GENERAL PLANT	XXX	XXX	XXX	XXX	XXX
119	389 Land & Land Rights	84,885			-	84,885
120	390 Structures and Improvements	1,932,964	62,635			1,995,599
121	391 Office Furniture & Equipment	8,619,836	4,695,121	348,509		12,966,448
122	392 Transportation Equipment	20,957,686	2,043,769	310,962		22,690,493
123	393 Stores Equipment	7,200				7,200
124	394 Tools & Garage Equipment	1,740,171	135,909	1,080,761		795,319
125	395 Laboratory Equipment	-				-
126	396 Power Operated Equipment	6,603,425	460,573	311,448		6,752,550
127	397 Communication Equipment	9,319,482	586,542	509,043		9,396,981
128	398 Miscellaneous Equipment	577,381		113,595		463,786
129	399 Other Tangible Property	-				-
130	Total General Plant	\$ 49,843,030	\$ 7,984,549	\$ 2,674,318	\$ -	\$ 55,153,261
131	Total Plant	\$ 1,133,111,767	\$ 60,846,101	\$ 5,684,948	\$ (120,208)	\$ 1,188,152,712

**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	\$ 407,348,660	\$ 407,348,660			
2	Credits During Year	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
3	Depreciation Provisions charged to:	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
4	403. Depreciation	25,682,284	25,682,284			
5	404. Amortization	9,432,072	9,432,072			
6	413. Income from Utility Plant Leased to Others	-	-			
7		-	-			
8		-	-			
9		-	-			
10	Total Depreciation Provisions	\$ 35,114,356	\$ 35,114,356	-	-	-
11	Recoveries from Insurance	-	-			
12	Salvage Realized from Retirements	263,697	263,697			
13	Other Credits (Describe)					
14		-	-			
15		-	-			
16		-	-			
17		-	-			
18	Total Credits During Year	\$ 263,697	\$ 263,697	-	-	-
19	Total Credits	\$ 35,378,053	\$ 35,378,053	-	-	-
20	Debits During Year	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
21	Retirement of Utility Plant	5,684,736	5,684,736			
22	Cost of Removal	2,747,408	2,747,408			
23	Other Debits (Describe)					
24	ARO Adjustment	(60,506)	(60,506)			
25		-	-			
26		-	-			
27		-	-			
28	Total Debits During Year	\$ 8,371,638	\$ 8,371,638	-	-	-
29	Balance at End of Year	\$ 434,355,075	\$ 434,355,075	-	-	-

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					
2	PUC Difference (Ratemaking)					
3	Less Contributions (Net)					
4	Net Utility Plant Acquired					
5	Purchase Price					
6	Acquisition Adjustment	\$ 107,533,338				\$ 107,533,338
7						
8						

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

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

Annual accrual rates were developed in a depreciation study made by Gannett Fleming Valuation and Rates Consultants, Inc., based on the plant-in-service balance at December 31, 2012. The annual depreciation is based on the remaining-life method using (1) remaining lives consistent with the average service-life procedure for plant installed prior to 1983 and (2) remaining lives consistent with the equal-life group procedure for plant installed in 1983 and subsequent years.

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

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

<u>Plant Acct. Number</u>	<u>Annual Accrual Rate Current Year</u>	<u>Plant Acct. Number</u>	<u>Annual Accrual Rate Current Year</u>
<u>Production System</u>		<u>Transmission System</u>	
32541001	1.09	36521001	1.10
32701001	2.55	36601001	0.00
32803001	1.11	36602001	2.24
32901001	2.59	36603001	0.75
33101001	9.89	36701001	1.39
33102001	9.89	36901001	2.65
33201001	1.52	36902001	2.65
33301001	2.48	36903001	2.65
33401101	16.10	37101001	2.46
33401201	5.11		
33404101	0.00	<u>Distribution System</u>	
33404201	2.81	37404001	1.36
33406101	0.71	37501001	1.47
33406201	0.15	37502001	1.78
33502001	0.00	37503201	3.33
33701001	5.36	37601001	1.36
33703001	5.36	37602001	1.36
33001001	Depl	37801001	2.01
32521001	2.14	37802001	2.01
32511001	1.46	38001001	1.89
		38003001	1.89
		38101001	3.33
<u>Storage System</u>		38201001	2.33
35011001	9.86	38203001	2.33
35021001	1.71	38501001	1.68
35102001	1.59	38502001	1.68
35103001	1.59	38503001	1.68
35104001	1.59	38601001	4.35
35201001	2.42	38701001	*
35202001	1.68		
35211001	1.57	<u>General System</u>	
35212001	4.11	38903001	0.97
35221001	2.30	39005001	1.72
35231001	0.00	39101001	*
35301001	2.48	39102001	*
35401001	2.32	39103001	*
35501001	2.09	39104001	*
35502001	2.09	39201101	20.95
35701001	1.31	39202101	8.53
		39202201	0.00
		39203101	7.47
		39205101	3.97
		39205201	0.00
		39205301	0.00

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

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

<u>Plant Acct. Number</u>	<u>Annual Accrual Rate Current Year</u>
<u>General System (Continued)</u>	
39205301	0.00
39205401	0.00
39205501	0.00
39301001	*
39401001	*
39402001	*
39403001	*
39601301	6.93
39701001	*
39702001	*
39704001	*
39705001	*
39801001	*

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

208. CONSTRUCTION WORK IN PROGRESS - Account No. 107

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

Line No.	Description of Work (a)	Balance End of Year (b)	Estimate Total Cost of Construction (c)	Projected In-Service Date (d)
1	Projects greater than \$300,000.00:			
2	<i>Project Number</i> <i>Project Description</i>			
3	SW.PNG.OPS INTG.2 SOFTWARE-OPS INTEGRATION - IN-HOUSE	\$2,226,972	\$3,500,000	Jul-15
4	55070.1.2 XS47 REVISE STATION	\$402,378	\$450,000	Jun-15
5	55527.1.1 TP7220 INST CATHODIC PROTECTIO	\$403,078	\$444,000	Jun-15
6	55537.1.2 XS242 INST M&R EQUIPMENT	\$373,306	\$450,000	Jun-15
7	55541.1.1 TP7800 INST PIPE AND VALVES-PA	\$370,543	\$405,000	Mar-15
8	55547.1.2 LS3389 INST M&R EQUIPMENT	\$379,987	\$400,000	Jun-15
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19	SUBTOTAL	\$ 4,156,263	\$ 5,649,000	
20				
21	Remaining Projects:			
22	Production	\$273,057	\$409,585	Jun-15
23	Storage	\$233	\$350	Jun-15
24	Transmission	\$2,472,848	\$3,709,272	Jun-15
25	Distribution	\$2,737,826	\$4,106,739	Jun-15
26	General	\$376,934	\$565,401	Jun-15
27	Intangible	\$226,208	\$339,312	Jun-15
28				
29				
30	TOTALS	\$ 10,243,369	\$ 14,779,659	

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

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

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Book Costs* Beginning of Year (d)	Principal Amount or No. of Shares (e)	Book Cost End of Year (f)	Revenues For Year (g)	Gain or Loss From Invest Disposed of (h)
1	Account 124 Other Investments							
2								
3	Western PA Development Credit Corp	06/01/87		\$ 1	5,000 shares	\$ 1		
4								
5	PA Development Credit Corp	03/27/64		1	1,500 shares	1		
6								
7	Strategic Investment Fund Partners							
8	Limited Partnership - Class C Partner	05/01/02		300,000	300 units	300,000		
9	Limited Partnership - Class C Partner	05/01/03		300,000	300 units	300,000		
10	Limited Partnership - Class C Partner	05/01/04		300,000	300 units	300,000		
11	Limited Partnership - Class C Partner	05/01/05		300,000	300 units	300,000		
12	Limited Partnership - Class C Partner	05/01/06		300,000	300 units	300,000	\$ 27,640	
13								
14	Power of 32 Site Development Fund Partners, LP							
15	Limited Partnership - Class A Partner	06/14/14			300 units	300,000		
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26				\$ 1,500,002	0	\$ 1,800,002	\$ 27,640	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	
		1/1/2014 (b)	12/31/2014 (c)	Interest Revenue (d)	1/1/2014 (e)	12/31/2014 (f)
1	State Relocations				\$797,704	\$434,290
2	Pooling and Metering/Production and Gathering				\$7,700,855	\$6,164,903
3	Damages/Relocations				\$1,476,263	\$2,129,776
4	Employee Appliance Purchase Program				\$22,356	\$3,570
5	Miscellaneous				\$2,543,305	\$147,295
6						
7	Total	0	0	0	\$12,540,483	\$8,879,834

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

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

Line No.	Name of Associated Company (a)	Date of Issue (b)	Date of Maturity (c)	Amount End of Year (d)	Interest Rate (e)	Amount (f)
1	PNG Companies LLC - Sweep Borrowings	1/1/2014	1/31/2014	\$ 72,199,142	1.90%	\$ 144,877.72
2	PNG Companies LLC - Sweep Borrowings	2/1/2014	2/28/2014	\$ 59,085,271	1.88%	\$ 74,805.45
3	PNG Companies LLC - Sweep Borrowings	3/1/2014	3/31/2014	\$ 57,422,524	1.94%	\$ 64,155.68
4	PNG Companies LLC - Sweep Borrowings	4/1/2014	4/30/2014	\$ 10,388,436	1.71%	\$ 36,343.42
5	PNG Companies LLC - Sweep Borrowings	5/1/2014	5/31/2014	\$ (10,578,406)	1.65%	\$ (7,995.15)
6	PNG Companies LLC - Sweep Borrowings	6/1/2014	6/30/2014	\$ 25,847,844	1.65%	\$ 12,415.89
7	PNG Companies LLC - Sweep Borrowings	7/1/2014	7/31/2014	\$ 26,074,975	1.78%	\$ 36,541.06
8	PNG Companies LLC - Sweep Borrowings	8/1/2014	8/31/2014	\$ 40,049,499	1.71%	\$ 39,508.01
9	PNG Companies LLC - Sweep Borrowings	9/1/2014	9/30/2014	\$ 56,380,110	1.73%	\$ 71,251.20
10	PNG Companies LLC - Sweep Borrowings	10/1/2014	10/31/2014	\$ 64,777,553	1.68%	\$ 84,012.65
11	PNG Companies LLC - Sweep Borrowings	11/1/2014	11/30/2014	\$ 65,723,491	1.70%	\$ 84,773.82
12	PNG Companies LLC - Sweep Borrowings	12/1/2014	12/31/2014	\$ 109,726,491	1.68%	\$ 119,032.21

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 Dispersed	\$	124,180,556
3	Materials and Supplies Sold		
4	Services Rendered		4,473,835
5	Joint Expense Transferred		
6	Interest and Dividends Receivable		
7	Rents Receivable		
8	Securities Sold		
9	Other Debits (Specify)		
10	Gas Sold		2,646,895
11	Convenience payments		7,786,372
12			
13	Total Debits During Year	\$	139,087,658
14			
15	Credits During Year		
16	Cash Received	\$	(14,962,604)
17	Gas Purchased		
18	Fuel Purchased		(2,445,080)
19	Materials and Supplies Purchased		
20	Services Received		(6,946,123)
21	Joint Expense Transferred		
22	Interest and Dividends Payable		(112,331,389)
23	Rents Payable		
24	Securities Purchased		
25	Transferred to Account "145"		
26	Other Credits (Specify)		
27	Convenience payments		(3,601,942)
28			
29	Total Credits During Year	\$	(140,287,138)
30			
31	Balance at End of Year	\$	(1,199,480)

215. PLANT MATERIALS AND OPERATING SUPPLIES (Account 154)

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

Line No.	Classification of Materials And Supplies (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase /Decrease (d)
1	Box Curb/Valve/Parts	\$ 11,445	\$ 9,339	\$ (2,106)
2	Compressor Station Parts	766,158	783,686	17,529
3	Corrosion Protection	15,362	20,994	5,632
4	Gas Measuring Equipment	61,881	67,284	5,403
5	Pipe	1,303,773	1,247,989	(55,785)
6	Pipe Fittings	1,662	-	(1,662)
7	Tubing	205,226	190,150	(15,077)
8	Valves	259,205	193,296	(65,908)
9	Misc.	10,593	4,548	(6,046)
10	Regulators	-	8123	8123
11				0
12				0
13				0
14				0
15				0
16				0
17	Total	\$ 2,635,304	\$ 2,525,408	\$ (109,896)

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	\$ 4,578,120		\$ 1,416,612	\$ 3,161,510
3									
4	Intercompany revolving credit note payable to PNG Companies LLC	300,000	3,240,273	8/10/2011	8/22/2018	3,026,526		652,511	2,374,013
5									
6	Intercompany promissory note payable to PNG Companies LLC - EGC Division	399,500,000	2,968,274	12/19/2013	12/18/2025	2,846,439		428,955	2,417,484
7									
8									
9									
10									
11									
12									
13									
14									
15	Total	\$ 788,195,000	\$ 16,235,773			\$ 10,451,085	0	\$ 2,498,078	\$ 7,953,007

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								0

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									
29									
30									
31									
32									
33									
34									
35	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 End of Current Year (c)	Balance End of Previous Year (d)	Increase/Decrease (e)
1	SALES OF GAS				
2	480.0 Residential Sales	600	\$ 266,458,603	\$ 248,002,681	\$ 18,455,922
3	481.0 Commercial and Industrial Sales	600	53,637,922	44,300,624	9,337,298
4	482.0 Other Sales to Public Authorities	600			-
5	Sub Total Sales of Gas		\$ 320,096,525	\$ 292,303,305	\$ 27,793,220
6					
7					
8	REVENUES FROM TRANSPORTATION OF GAS OF OTHERS				
9	489.1 Through Gathering Facilities		\$ -	\$ -	\$ -
10	489.2 Through Transmission Facilities				-
11	489.3 Through Distribution Facilities		103,900,060	93,106,743	10,793,317
12	489.4 Revenues from Storing Gas of Others		(65,068)	1,988,635	(2,053,703)
13	Sub Total Transportation Revenue		\$ 103,834,992	\$ 95,095,378	\$ 8,739,614
14					
15	TOTAL SALES AND TRANSPORTATION REVENUE ¹		\$ 423,931,517	\$ 387,398,683	\$ 36,532,834
16					
17	OTHER OPERATING REVENUES				
18	483.0 Sales for Resale	501	\$ 5,164,355	\$ 1,997,449	\$ 3,166,906
19	484.0 Interdepartmental Sales	600			-
20	485.0 Intracompany Transfers	600			-
21	487.0 Forfeited Discounts	600	4,147,108	2,159,217	1,987,891
22	488.0 Miscellaneous Service Revenues	600	1,604,382	1,572,670	31,712
23	490.0 Sales of Products Extracted from Natural Gas				-
24	491.0 Revenues from Natural Gas Processed by Others				-
25	492.0 Incidental Gasoline and Oil Sales				-
26	493.0 Rent from Gas Property	600	35,588	1,664,592	(1,629,004)
27	494.0 Interdepartmental Rents	600			-
28	495.0 Other Gas Revenues	600	37,329,971	23,881,276	13,448,695
29	496.0 Provision for Rate Refunds				-
30	Sub Total Other Operating Revenues		\$ 48,281,404	\$ 31,275,204	\$ 17,006,200
31					
32	TOTAL REVENUES		\$ 472,212,921	\$ 418,673,887	\$ 53,539,034
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44	¹ This line - Total Sales and Transportation Revenue - is to be reported in Section 2				
45	of the Revised Annual Assessment Report (Form GAO-14).				

**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		\$ 320,208,982	\$ 241,567,654	\$ 78,641,328
3	402 Maintenance Expenses		28,396,821	29,888,269	(1,491,448)
4	403 Depreciation Expenses		25,682,284	28,711,213	(3,028,929)
5	404.0 Amort. Of Intangible Plant		9,430,968	7,332,771	2,098,197
6	404.1 Amort. & Depletion of Prod. Natural Gas Land & Rights				-
7	404.2 Amort. Of Underground Storage Land & Land Rights		1,104	(134,415)	135,519
8	404.3 Amort. Of Other Limited-Term Gas Plant				-
9	405.0 Amortization of Other Gas Plant				-
10	406.0 Amortization of Gas Plant Acquisition Adjustments				-
11	407.1 Amort. Of Prop. Losses, Unrec. Plant & Reg. Study C.				-
12	407.2 Amortization of Conversion Expense				-
13	407.3 Regulatory Debits				-
14	407.4 Regulatory Credits				-
15	408.1 Taxes Other Than Income Taxes, Utility Opr. Income	408	6,525,819	6,802,536	(276,717)
16	409.1 Income Taxes, Utility Operating Income	409	12,121,472	14,264,026	(2,142,554)
17	410.1 Provision for Deferred Income Taxes, Ut. Opr. Income	411	28,051,480	44,601,441	(16,549,961)
18	411.1 Prov. For Def. Income Taxes-Credit, Ut. Opr. Income	412	(18,469,570)	(22,604,915)	4,135,345
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		\$ 411,949,360	\$ 350,428,580	\$ 61,520,780
23	OTHER OPERATING INCOME				
24	412.0 Revenues from Gas Plant Leased to Others				-
25	413.0 Expenses of Gas Plant Leased to Others				-
26	414.0 Other Utility Operating Income				-
27	Total Other Operating Income		\$ -	\$ -	\$ -
28	OTHER INCOME				
29	415.0 Rev. from Merchandising, Jobbing and Contract Work				\$ -
30	416.0 Costs and Exp. of Merchandising Jobbing & Contract Wk				-
31	417.0 Revenue from Non-Utility Operations				-
32	418.0 Non Operating Rental Income				-
33	418.1 Equity in Earnings of Subsidiary Companies				-
34	419.0 Interest & Dividend Income		27,640	1,769,280	(1,741,640)
35	419.1 Allowance for Other Funds Used During Construction			-	-
36	421.0 Miscellaneous Non Operating Income		13,547	16,328	(2,781)
37	421.1 Gain on Disposition of Property, Total Other Income		-	481	(481)
38	Total Other Income		\$ 41,187	\$ 1,786,089	\$ (1,744,902)
39	OTHER INCOME DEDUCTIONS				
40	421.2 Loss on Disposition of Property		\$ 212		\$ 212
41	425.0 Miscellaneous Amortization				-
42	426.1 Donations		2,228,127	1,672,919	555,208
43	426.2 Life Insurance				-
44	426.3 Penalties		4,259	392	3,867
45	426.4 Exp. for Certain Civic, Political & Related Activities		290,745	138,273	152,472
46	426.5 Other Deductions				-
47	Total Other Income Deductions		\$ 2,523,343	\$ 1,811,584	\$ 711,759
48	TAXES APPLICABLE TO OTHER INCOME & DED.				
49	408.2 Taxes Other Than Income Taxes, Otr. Income & Ded.		600,000	229,000	371,000
50	409.2 Income Taxes, Other Income & Deductions		65,535		65,535
51	410.2 Prov. for Deferred Income Taxes, Otr. Income & Ded.				-
52	411.2 Prov. for Def. Income Taxes, Credit, Otr Income & Ded.		(1,175,298)	(17,666)	(1,157,632)
53	411.5 Investment Tax Cr. Adjustments, Nonutility Operations				-
54	420.0 Investment Tax Credits				-
55	Total Taxes on Other Income and Deductions		\$ (509,763)	\$ 211,334	\$ (721,097)
56	Net Other Income and Deductions		\$ (1,972,393)	\$ (236,829)	\$ (1,735,564)

**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		\$ 2,002,270	\$ 2,000,922	\$ 1,348
3	428 Amortization of Debt Discount and Expense				-
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		20,477,795	21,337,264	(859,469)
8	431 Other Interest Expense		1,757,634	79,561	1,678,073
9	432 Allowance for Borrowed Funds Used During Construction-Cr		(228,338)	(359,057)	130,719
10	Net Interest Charges		\$ 24,009,361	\$ 23,058,690	\$ 950,671
11	EXTRAORDINARY ITEMS				
12	434 Extraordinary Income				-
13	435 Extraordinary Deductions				-
14	409.3 Income Taxes-Extraordinary Items				-
15	Net Income		\$ 34,281,807	\$ 44,949,788	\$ (10,667,981)
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					

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		\$ 29,851	\$ 36,257	\$ (6,406)
54	752.0 Gas Wells Expenses				-

405. OPERATION AND MAINTENANCE EXPENSES (Continue)

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	753.0 Field Lines Expenses		329,958	360,374	(30,416)
2	754.0 Field Compressor Station Expenses		2,019,271	1,520,497	498,774
3	755.0 Field Compressor Station Fuel and Power		3,039,673	3,102,210	(62,537)
4	756.0 Field Measuring and Regulating Station Expenses		29,230	86,575	(57,345)
5	757.0 Purification Expenses				-
6	758.0 Gas Well Royalties				-
7	759.0 Other Expenses		447,180	366,007	81,173
8	760.0 Rents		12,990	13,303	(313)
	Total Production & Gathering Operation Expenses		\$ 5,908,153	\$ 5,485,223	\$ 422,930
9	Maintenance				
10	761.0 Maintenance Supervision and Engineering				-
11	762.0 Maintenance of Structures and Improvements		1,565	2,609	\$ (1,044)
12	763.0 Maintenance of Producing Gas Wells				-
13	764.0 Maintenance of Field Lines		951,850	1,008,793	(56,943)
14	765.0 Maintenance of Field Compressor Station Equipment		1,251,280	893,350	357,930
15	766.0 Maintenance of Field Measuring and Reg. Station Equip.		242,089	152,186	89,903
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		\$ 2,446,784	\$ 2,056,938	\$ 389,846
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		\$ 8,354,937	\$ 7,542,161	\$ 812,776
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				-
53	801.0 Natural Gas Field Line Purchases		\$ 42,187,216	\$ 41,830,608	\$ 356,608
54	802.0 Natural Gas Gasoline Plant Outlet Purchases				-
55	803.0 Natural Gas Transmission Line Purchases		142,458,884	91,563,851	50,895,033
56	804.0 Natural Gas City Gate Purchases		319,703	154,732	164,971

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		5,239,966	7,058,543	\$ (1,818,577)
4	806.0 Exchange Gas		(900,766)	(97,975)	(802,791)
5	807.0 Purchased Gas Expenses				-
6	808.1 Gas Withdrawn from Storage-Debit		46,418,994	40,456,449	5,962,545
7	808.2 Gas Delivered to Storage-Credit		(47,335,259)	(38,397,213)	(8,938,046)
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		(3,223,862)	(4,525,308)	1,301,446
11	811.0 Gas Used for Products Extraction-Credit				-
12	812.0 Gas Used for Other Utility Operations-Credit		(551,662)	(1,377,179)	825,517
13	813.0 Other Gas Supply Expenses		427,165	437,206	(10,041)
	Total Gas Supply Operation Expenses		\$ 185,040,379	\$ 137,103,714	\$ 47,936,665
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		7,151	15,716	\$ (8,565)
19	817.0 Lines Expenses		23,122	98,348	(75,226)
20	818.0 Compressor Station Expenses		82,612	37,650	44,962
21	819.0 Compressor Station Fuel and Power		184,189	1,423,099	(1,238,910)
22	820.0 Measuring and Regulating Station Expenses		711,075	1,264,458	(553,383)
23	821.0 Purification Expenses				-
24	822.0 Exploration and Development				-
25	823.0 Gas Losses		301,413	1,054,254	(752,841)
26	824.0 Other Expenses		93,369	383,489	(290,120)
27	825.0 Storage Well Royalties		12,921	52,992	(40,071)
28	826.0 Rents				-
	Total Underground Storage Expenses		\$ 1,415,852	\$ 4,330,006	\$ (2,914,154)
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		11,343	262,839	\$ (251,496)
33	833.0 Maintenance of Lines		26,569	105,026	(78,457)
34	834.0 Maintenance of Compressor Station Equipment		51,945	42,878	9,067
35	835.0 Maintenance of Measuring & Regulating Station Equip.		283,158	1,276,896	(993,738)
36	836.0 Maintenance of Purification Equipment				-
37	837.0 Maintenance of Other Equipment				-
	Total Maintenance Expenses		\$ 373,015	\$ 1,687,639	\$ (1,314,624)
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		\$ 252,741	\$ 1,232,012	\$ (979,271)
33	851.0 System Control and Load Dispatching				-
34	852.0 Communication System Expenses				-
35	853.0 Compressor Station Labor and Expenses		2,138	6,149	(4,011)
36	854.0 Gas for Compressor Station Fuel				-
37	855.0 Other Fuel and Power for Compressor Stations				-
38	856.0 Mains Expenses		347,376	525,446	(178,070)
39	857.0 Measuring and Regulating Station Expenses		66,236	113,392	(47,156)
40	858.0 Transmission and Compression of gas by Others		32,930,391	14,018,047	18,912,344
41	859.0 Other Expenses		-	837	(837)
42	860.0 Rents		25,544	47,326	(21,782)
	Total Transmission Operation Expenses		\$ 33,624,426	\$ 15,943,209	\$ 17,681,217
43	Maintenance				
44	861.0 Maintenance Supervision and Engineering				-
45	862.0 Maintenance of Structures and Improvements				-
46	863.0 Maintenance of Mains		\$ 624,356	\$ 1,283,301	\$ (658,945)
47	864.0 Maintenance of Compressor Station Equipment		43,370	100,105	(56,735)
48	865.0 Maintenance of Measuring and Regulating Station Equip.		654,567	397,923	256,644
49	866.0 Maintenance of Communication Equipment		55,319	24,756	30,563
50	867.0 Maintenance of Other Equipment				-
51	Total Transmission Maintenance Expenses		\$ 1,377,612	\$ 1,806,085	\$ (428,473)
52	DISTRIBUTION EXPENSES		XXX	XXX	XXX
53	Operation				
54	870.0 Operation Supervision and Engineering		\$ 7,579	\$ 8,126	\$ (547)
55	871.0 Distribution Load Dispatching		6,689	6,757	(68)
56	872.0 Compressor Station Labor and Expenses		10,497		10,497
57	873.0 Compressor Station Fuel and Power (Major Only)				-
58	874.0 Mains and Services Expenses		6,384,921	6,092,760	292,161
59	875.0 Measuring and Regulating Station Expenses-General		1,832,484	1,681,088	151,396

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				-
3	878.0 Meter and House Regulator Expenses		\$ 3,855,903	\$ 3,630,883	\$ 225,020
4	879.0 Customer Installations Expenses		929,891	849,184	80,707
5	880.0 Other Expenses		4,738,039	4,295,032	443,007
6	881.0 Rents		69,614	65,190	4,424
7	Total Distribution Operation Expenses		\$ 17,835,617	\$ 16,629,020	\$ 1,206,597
7	Maintenance				
8	885.0 Maintenance Supervision and Engineering				-
9	886.0 Maintenance of Structures and Improvements		\$ 2,352,470	\$ 2,240,980	\$ 111,490
10	887.0 Maintenance of Mains		13,323,276	12,429,021	894,255
11	888.0 Maintenance of Compressor Station Equipment		187,556	232,403	(44,847)
12	889.0 Maintenance of Measuring & Reg. Station Equip.-Genl.		806,385	767,437	38,948
13	890.0 Maintenance of Measuring & Reg. Station Equip.-Indtrl.		6,245	6,757	(512)
14	891.0 Maintenance of Measuring & Reg. Station Equip.-City G				-
15	892.0 Maintenance of Services		6,733,201	7,936,210	(1,203,009)
16	893.0 Maintenance of Meters & House Regulators		6,245	6,757	(512)
17	894.0 Maintenance of Other Equipment		608,961	534,497	74,464
	Total Maintenance Expenses		\$ 24,024,339	\$ 24,154,062	\$ (129,723)
18	CUSTOMER ACCOUNTS EXPENSES		XXX	XXX	XXX
19	Operations				
20	901.0 Supervision		\$ 523,672	\$ 576,021	\$ (52,349)
21	902.0 Meter Reading Expenses		3,285,273	3,323,030	(37,757)
22	903.0 Customer Records & Collection Expenses		7,735,010	7,123,207	611,803
23	904.0 Uncollectable Accounts		13,783,857	10,952,980	2,830,877
24	905.0 Miscellaneous Customer Accounts Expenses				-
	Total Customer Account Operations Expenses		25,327,812	21,975,238	3,352,574
25	CUSTOMER SERVICE & INFORM. EXPENSES		XXX	XXX	XXX
26	Operations				
27	907.0 Supervision		\$ 275,948	\$ 239,442	\$ 36,506
28	908.0 Customer Assistance Expenses		1,066,921	1,265,719	(198,798)
29	909.0 Informational & Instructional Advertising Expenses		437,564	597,492	(159,928)
30	910.0 Miscellaneous Customer Service & Informational Exp.		60,742	49,251	11,491
	Total Cust. Service & Inform. Operations Expenses		1,841,175	2,151,904	(310,729)
31	SALES EXPENSES		XXX	XXX	XXX
32	Operation				
33	911.0 Supervision				-
34	912.0 Demonstrating and Selling Expenses		\$ 1,072,216	\$ 783,476	\$ 288,740
35	913.0 Advertising Expenses		-	830	(830)
36	914.0 (Reserved)				-
37	915.0 (Reserved)				-
38	916.0 Miscellaneous Sales Expenses				-
	Total Operation Sales Expenses		\$ 1,072,216	\$ 784,306	\$ 287,910
39	ADMINISTRATIVE AND GENERAL EXPENSES		XXX	XXX	XXX
40	Operation				
41	920.0 Administrative and General Salaries		\$ 8,750,892	\$ 15,219,560	\$ (6,468,668)
42	921.0 Office Supplies and Expenses		6,155,696	5,291,295	864,401
43	922.0 Administrative Expenses Transferred-Credit		(9,066,168)	(13,784,723)	4,718,555
44	923.0 Outside Service Employed		14,452,887	6,711,455	7,741,432
45	924.0 Property Insurance		271,398	313,512	(42,114)
46	925.0 Injuries and Damages		4,376,974	3,572,437	804,537
47	926.0 Employee Pensions and Benefits		18,341,252	15,179,615	3,161,637
48	927.0 Franchise Requirements				-
49	928.0 Regulatory Commission Expenses		80,310	89,691	(9,381)
50	929.0 Duplicate Charges-Credit				-
51	930.1 General Advertising Expenses		2,803,426	2,714,705	88,721
52	930.2 Miscellaneous General Expenses		810,823	691,311	119,512
53	931.0 Rents		1,165,862	1,166,176	(314)
54	Total Administrative and General Operation Expenses		\$ 48,143,352	\$ 37,165,034	\$ 10,978,318
54	Maintenance				
55	932.0 Maintenance of General Plant		\$ 175,071	\$ 183,545	\$ (8,474)
56	Total Administrative and General Maintenance Expenses		\$ 175,071	\$ 183,545	\$ (8,474)
57	Total Gas Operation and Maintenance Expenses		\$ 348,605,803	\$ 271,455,923	\$ 77,149,880
58					
59	Total Gas Operation Expenses		\$ 320,208,982	\$ 241,567,654	\$ 78,641,328
60	Total Maintenance Expenses		\$ 28,396,821	\$ 29,888,269	\$ (1,491,448)

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		\$ (1,754,599)	\$ 1,754,599
5	Local Property Taxes		(57,410)	57,410
6	Public Utility Realty Tax		(612,059)	612,059
7	State Capital Stock Tax		(155,147)	155,147
8	Other Taxes (specify) Payroll Tax		(3,080,681)	3,080,681
9	Use Tax		(862,542)	862,542
10	Miscellaneous Tax		(3,381)	3,381
11	TOTAL		\$ (6,525,819)	\$ 6,525,819

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-Accr Utility Operating Income.

Line No.	Type of Tax (a)	Account 165 Prepayments (b)	Account 190 Accumulated Def. Income Taxes (c)	Account 236 Accrued Taxes (d)	Account 409.1 Income Taxes Opr Income (e)
1	Federal Income Taxes			\$ (9,864,838)	\$ 9,864,838
2	State Income Taxes			(2,256,634)	2,256,634
3	Local Income Taxes				
4					
5					
6					
7					
8	Other Taxes (specify)				
9					
10					
11	TOTAL			\$ (12,121,472)	\$ 12,121,472

ued

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	\$ 472,212,921.00	\$ 472,212,921.00		
2	Operating Expenses	383,720,159	383,720,159		
3	Operating Taxes (Non-Income)	6,525,819	6,525,819		
4	Interest & Other Expense	24,009,361	24,009,361		
5	Pre-Tax Operating Income				
	Total Line 1 Minus Lines 2-3-4	\$ 57,957,582.00	\$ 57,957,582.00	\$ -	\$ -
6	Other Income (Expense)	(3,082,156)	(3,082,156)		
7	Pre Tax Book Income				
	Total Lines 5+6	\$ 54,875,426.00	\$ 54,875,426.00	\$ -	\$ -
8	Permanent and Flow-Through Differ.	870,882	870,882		
9	Temporary Differences	(27,496,331)	(27,496,331)		
10	State Only Differences - Bonus	(2,232,950)	(2,232,950)		
11	Subtotal	\$ 26,017,027.00	\$ 26,017,027.00	\$ -	\$ -
12	State Tax at Current Rate	2,724,770	2,599,101		125,669
13	Adjustments to State Tax	(326,689)	(326,689)		
14	Adjustments for St. Tax Rate Changes		-		
15	State Tax Accrual				
	Total Lines 12+13+14	\$ 2,398,081.00	\$ 2,272,412.00	\$ -	\$ 125,669.00
16	Federal Taxable Income				
	Total Line 11 Minus Lines 10-12-13	\$ 25,851,896.00	\$ 25,977,565.00	\$ -	\$ (125,669.00)
17	Federal Tax at Current Rate	\$ 17,373,091	\$ 9,092,148	\$ 9,760,214	\$ (1,479,271)
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	822,447	822,447		
24	Federal Tax Accrual				
	Total Lines 17 through 23	\$ 18,195,538	\$ 9,914,595	\$ 9,760,214	\$ (1,479,271)

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

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

Line No.	DEBITS Type of Tax (a)	Account 190 Accumulated Deferred Income Tax (b)	Account 282 Accumulated Deferred Income Taxes (c)	Account 283 Accumulated Deferred Income Taxes (d)	Account 410.1 Provision for Deferred Income Taxes (e)
1	Federal		\$ (20,717,057)	\$ (5,605,226)	\$ 26,322,283
2	State			(1,729,197)	1,729,197
3	Other				
4					
5					
6					
7	Total	\$ -	\$ (20,717,057)	\$ (7,334,423)	\$ 28,051,480

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

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

Line No.	DEBITS Type of Tax (a)	Account 190 Accumulated Deferred Income Tax (b)	Account 282 Accumulated Deferred Income Taxes (c)	Account 283 Accumulated Deferred Income Taxes (d)	Account 411.1 Provision for Deferred Income Taxes (e)
1	Federal		\$ 10,956,843	\$ 6,192,165	\$ (17,149,008)
2	State			1,320,562	(1,320,562)
3	Other				
4					
5					
6					
7	Total	\$ -	\$ 10,956,843	\$ 7,512,727	\$ (18,469,570)

500. GAS PURCHASED

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

Line No.	Purchased From (a)	Point of Delivery (b)	B.T.U. Per Cu. Ft. (c)	MCF CCF or Therms (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Cost Per Unit (h)
1	801 Field Line Purchases			12,784,825	\$ 42,187,216	n/a	\$ 42,187,216	\$ 3.30
2								
3	Dominion Transmission Company	Allegheny, Beaver, Butler, Westmoreland			\$ 3,852,160	See Note	\$ 3,852,160	
4		Washington, Clarion, Erie, Potter						
5	Equitrans LP	Allegheny, Washington			\$ 25,547,093	See Note	\$ 25,547,093	
6	National Fuel Gas Supply	Butler, Mercer, Venango			\$ 687,923	See Note	\$ 687,923	
7	Tennessee Gas Pipeline	Beaver, Mercer, Allegheny			\$ -	See Note	\$ -	
8	Texas Eastern Transmission	Blair, Cambria, Somerset			\$ 1,507,170	See Note	\$ 1,507,170	
9	Pipeline Transport Estimate				\$ (1,068)		\$ (1,068)	
10	Released Gas for Pool Operators				\$ 1,337,114		\$ 1,337,114	
11	Spot Market Purchases			28,061,389	\$ 142,458,884		\$ 142,458,884	\$ 5.08
12	Total Pipeline Purchases			28,061,389	\$ 175,389,275		\$ 175,389,275	\$ 6.25
13								
14	804 City Gate Purchases			189,982	\$ 319,703		\$ 319,703	\$ 1.68
15								
16	805 Purchased Gas Cost Adjustments			n/a	\$ 5,239,966		\$ 5,239,966	
17								
Totals				41,036,196	\$ 223,136,160		\$ 223,136,160	\$ 5.44

Note: Included in Commodity Charges is \$32,930,391.22 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	Agway Energy Services LLC	Imbalance Sales	1,030	209	\$ 1,151		\$ 1,151	\$ 5.51
2	Ambit Northeast, LLC	Imbalance Sales	1,030	63,744	\$ 624,089		\$ 624,089	\$ 9.79
3	Compass Energy Gas Services LLC	Imbalance Sales	1,030	22,514	\$ 222,758		\$ 222,758	\$ 9.89
4	Constellation NewEnergy-Gas Division	Imbalance Sales	1,030	7,915	\$ 48,319		\$ 48,319	\$ 6.10
5	Direct Energy BS Mktg, LLC	Imbalance Sales	1,030	210,418	\$ 2,375,519		\$ 2,375,519	\$ 11.29
6	Dominion Energy Solutions	Imbalance Sales	1,030	1,782	\$ 7,642		\$ 7,642	\$ 4.29
7	Equitable Energy	Imbalance Sales	1,030	5,395	\$ 32,935		\$ 32,935	\$ 6.10
8	Glacial Energy	Imbalance Sales	1,030	1,140	\$ 9,665		\$ 9,665	\$ 8.48
9	Guttman Energy, Inc	Imbalance Sales	1,030	33	\$ 142		\$ 142	\$ 4.29
10	Independence Energy Group LLC	Imbalance Sales	1,030	4	\$ 19		\$ 19	\$ 4.86
11	Interstate Gas Marketing, Inc.	Imbalance Sales	1,030	142,709	\$ 1,379,221		\$ 1,379,221	\$ 9.66
12	Interstate Gas Supply, Inc.	Imbalance Sales	1,030	439	\$ 3,198		\$ 3,198	\$ 7.29
13	Snyder Brothers, Inc.	Imbalance Sales	1,030	(537)	\$ (2,471)		\$ (2,471)	\$ 4.60
14	Sprague Operating Resources LLC	Imbalance Sales	1,030	7,267	\$ 45,849		\$ 45,849	\$ 6.31
15	Stand Energy Corporation	Imbalance Sales	1,030	3,290	\$ 27,055		\$ 27,055	\$ 8.22
16	U.S. Gas & Electric, Inc.	Imbalance Sales	1,030	2,663	\$ 19,854		\$ 19,854	\$ 7.46
17	UGI Energy Services, Inc.	Imbalance Sales	1,030	7,551	\$ 42,255		\$ 42,255	\$ 5.60
18	Volunteer Energy Services Inc	Imbalance Sales	1,030	13,705	\$ 166,744		\$ 166,744	\$ 12.17
19	Xoom Energy Pennsylvania, LLC	Imbalance Sales	1,030	64	\$ 274		\$ 274	\$ 4.29
20	Ambit Northeast, LLC	Gas Sale In Place	1,030	14,662	\$ 53,600		\$ 53,600	\$ 3.66
21	Independence Energy Group LLC	Gas Sale In Place	1,030	271	\$ 990		\$ 990	\$ 3.66
22	Interstate Gas Supply, Inc.	Gas Sale In Place	1,030	19,736	\$ 72,148		\$ 72,148	\$ 3.66
23	North American Power & Gas, LLC	Gas Sale In Place	1,030	4,417	\$ 18,298		\$ 18,298	\$ 4.14
24	Oasis Power, LLC dba Oasis Energy	Gas Sale In Place	1,030	486	\$ 1,778		\$ 1,778	\$ 3.66
25	Xoom Energy Pennsylvania, LLC	Gas Sale In Place	1,030	2,594	\$ 9,481		\$ 9,481	\$ 3.65
26	AR Natural Fueling Station	Sales for Resale NGV Fueling Station	1,030	446	\$ 3,839		\$ 3,839	\$ 8.61
Totals				532,918	\$ 5,164,355		\$ 5,164,355	

505. GAS ACCOUNT-NATURAL GAS

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

No.	Item (a)	MCF as Reported (b)
1	GAS RECEIVED	
2	Natural Gas Produced	
3	L.P.G. Gas Produced and Mixed with Natural Gas	
4	Manufactured Gas Produced and Mixed with Natural Gas	
5	Purchased Gas	36,011,670
6	Gas of Others Received for Transportation	42,680,766
7	Receipts of Respondent's Gas Transported or Compressed by Others	
8	Exchange Gas Received	2,385,275
9	Gas Received from Underground Storage	917,296
10	Other Receipts	
11		
12		
13		
14	Total Receipts:	81,995,007
15		
16	GAS DELIVERED	
17	Natural Gas Sales:	
18	Local Distribution by Respondent	31,938,465
19	Main Line Industrial Sales	
20	Sales for Resale	
21	Interdepartmental Sales	
22		
23		
24	Total Sales	31,938,465
25		
26	Deliveries of Gas Transported or Compressed for Others	41,188,066
27	Deliveries of Respondent's Gas for Trans. Or Compressed by Others	
28	Exchange Gas Delivered	2,536,345
29	Natural Gas used by Respondent	638,009
30	Natural Gas Delivered to Storage	1,205,280
31	Natural Gas for Franchise Requirements	
32	Other Deliveries:	
33	Off System Transportation	1,492,700
34	Total Deliveries	78,998,864
35		
36	UNACCOUNTED FOR	
37	Production System Losses	
38	Storage Losses	60,000
39	Transmission System Losses	
40	Distribution System Losses	2,856,813
41	Other Losses	79,330
42		
43	Total Unaccounted For	2,996,143
44		
45	Total Deliveries and Unaccounted For	81,995,007

510. UNDERGROUND GAS STORAGE

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

Line No.	Month (a)	All Volumes @ 14.73 PSIA			Total Off System *** (e)	Equitrans **** (f)	Dominion (g)	National Fuel (h)	Total All Storage (i)
		Total On System (b)	Murrysville (Dice) (c)	Colvin ** (d)					
1	Storage Operations	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF
2	Gas Delivered to Storage								
1	January	1,944	1,944	0	162,309	0	162,309	0	164,253
2	February	0	0	0	1,283,365	1,283,365	0	0	1,283,365
3	March	0	0	0	0	0	0	0	0
4	April	0	0	0	60,024	(136,488)	145,894	50,618	60,024
5	May	0	0	0	815,845	717,739	55,196	42,910	815,845
6	June	25	25	0	1,647,623	1,522,163	16,537	108,923	1,647,648
7	July	106,058	106,058	0	1,239,157	1,039,471	91,662	108,024	1,345,215
8	August	49,018	49,018	0	890,691	677,040	77,500	136,151	939,709
9	September	399,421	399,421	0	727,826	468,969	147,683	111,174	1,127,247
10	October	396,248	396,248	0	434,403	189,116	176,045	69,242	830,651
11	November	130,443	130,443	0	1,014,164	977,594	36,570	0	1,144,607
12	December	122,140	122,140	0	0	0	0	0	122,140
13	Totals	1,205,297	1,205,297	0	8,275,407	6,738,969	909,396	627,042	9,480,704
14	Gas Withdrawn From Storage								
15	January	196,883	196,883	0	668,605	499,617	0	168,988	865,488
16	February	137,689	137,689	0	2,434,919	0	2,247,975	186,944	2,572,608
17	March	231,663	231,663	0	2,059,546	641,632	1,356,098	61,816	2,291,209
18	April	142,337	142,337	0	2,913,338	2,913,338	0	0	3,055,675
19	May	85,087	85,087	0	0	0	0	0	85,087
20	June	16,794	16,794	0	0	0	0	0	16,794
21	July	32,265	32,265	0	0	0	0	0	32,265
22	August	6,157	6,157	0	0	0	0	0	6,157
23	September	5,075	5,075	0	0	0	0	0	5,075
24	October	5,586	5,586	0	0	0	0	0	5,586
25	November	43,495	43,495	0	329,897	299,950	0	29,947	373,392
26	December	14,265	14,265	0	(13,879)	(278,224)	124,483	139,862	386
27	Totals	917,296	917,296	0	8,392,426	4,076,313	3,728,556	587,557	9,309,722
28	Stored Gas End of Year-MCF	3,254,390	3,019,013	235,377	7,730,811	6,287,104	902,230	541,477	10,985,201
29	Est. Native Gas in Storage Reservoir-MCF	83,640	83,640	0	0	0	0	0	83,640
30	Total Gas in Reservoir-MCF (Lines 28 plus 29)	3,338,030	3,102,653	235,377	7,730,811	6,287,104	902,230	541,477	11,068,841
31	Storage Capacity (Escl. Native Gas)-MCF	3,162,000	3,162,000	0	9,496,783	7,702,015	1,067,961	726,807	12,658,783
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	29,631	29,631	0					
36	Date of Maximum Day's Withdrawal		3/16/2014						
37	Year Storage Operations Commenced		1939	1943					

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

*** Gas was stored by 3rd parties under gas storage and transportation agreements.

**** 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		1			
3	Productive Wells Drilled During the Year					
4	Oil Wells Restored to Productive Basis During Year					
5	Wells Purchased During the Year					
6	Wells Abandoned During the Year		0			
7	Wells Sold During the Year					
8						
9	Productive Wells at End of Year		1			
10	Number of Wells Drilled Deeper During the Year					
11	Dry Holes Drilled During the Year					
12						
13	NATURAL GAS ACREAGE		Operative	Non Operative		
14	Number of Acres Owned at End of Year		3	1		
15	Number of Acres Leased at End of Year		4,469	1,962		
16						
17	OIL WELLS					
18	Productive Wells at Beginning of Year					
19	Productive Wells Drilled During the Year					
20	Wells Abandoned and Sold During the Year					
21						
22	Productive Wells at End of Year					
23						
24						
25						
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	2"	1,157		11	7,116	82
29	3"	938		17	6,189	96
30	4"	979		5	11,003	315
31	5"	113		2	576	52
32	6"	972		16	5,831	808
33	7"	15		1	43	18
34	8"	915		5	2,561	1,067
35	9"	0		0	3	1
36	10"	177		0	630	600
37	11"	19		0	0	4
38	12"	199		8	569	1,084
39	13"	0		0	0	0
40	14"	0		0	57	201
41	16"	12		0	132	0
42	18"	0		0	0	62
43	19"	0		0	1	0
44	20"	7		0	92	154
45	24"	0		0	15	0
46	30"	0		0	0	0
47						
48		5,504		66	34,818	4,544

516. GAS LINES, METERS AND SERVICES

Meters in Service at End of Year 376,244 Services at end of year, company owned 354,975
Meters in Stock or Shop at End of Year 4,318 Services at End of Year, Customer Owned None

VICES

517. CUSTOMER GAS METERS

Line No.	(a)	Size (b)	Number of Meters			
			First of Year (c)	Added During Year (d)	Removed Or Disconnected During Year (e)	End of Year (e)
1	In residential use					0
2						0
3						0
4						0
5						0
6						0
7						0
8						0
9						0
10	Total in residential use		0	0	0	0
11	In commercial use					0
12						0
13						0
14						0
15						0
16						0
17						0
18						0
19						0
20	Total in commercial use		0	0	0	0
21	In industrial use					0
22						0
23						0
24						0
25						0
26						0
27						0
28						0
29						0
30	Total in industrial use		0	0	0	0
31	In public (municipal or government) use					0
32						0
33						0
34						0
35						0
36						0
37						0
38						0
39						0
40	Total in public (municipal or government) use		0	0	0	0
41	Total in use		374,961	5,552	4,269	376,244
42	In Stock		5,974	2,613	4,269	4,318
43						0
44						0
45						0
46						0
47						0
48						0
49						0
50	Total in stock		5,974	2,613	4,269	4,318
51	Total all meters		380,935	8,165	8,538	380,562

METERS TESTED BY SIZES *

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

* See pages 42 (a) and (b)

Peoples Natural Gas 2014 Meter Test and Replacement Plan

CLASS "A" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN	200,009	315	2664	3.00%
ROCKWELL	121,721	200	1019	9.60%
SPRAGUE	5,423	80	91	13.50%
LANCASTER	18,897	125	318	13.50%
ACTARIS	374	13	11	9.00%
All 400 Class	6,415	80	101	7.90%

CLASS "B" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN				
ROCKWELL				
SPRAGUE				
Combined Population Total	2,817	50	64	9.30%

METER REMOVAL PROGRESS

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
IDENTIFIED 2007	9,676	9,676	6	
IDENTIFIED 2009	3,160	1,053	2	
IDENTIFIED 2010	468	117	0	

* 27 Meters identified in 2007, 39 meters identified in 2009, and 6 meters identified in 2010 remain in service. Will continue to target the removal of these meters.

2014 Sampling Plan

7 Meter Families Family Breakdown By Manufacturer 250 All Manufacturer 400 All B Meters PNG			Condemned Meters		
	Population	Change		Population	Change
American 250	200,009	315	Family 507	33	33
Rockwell 250	121,721	200	Family 509	41	41
Sprague 250	5,423	80	B Meters - Family 510	6	6
Lancaster 250	18,897	125			
Actaris	387	13			
All Manufacturer 400	6,415	80			
B Meters	2,817	50			
Total Sampling Changes		863	Total Condemned Changes		80
Total Sampling Meter Population - 355,669			Total Sampling & Condemned		943

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

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

Line No.	Account (a)	Number of Customers			Sales During Year			Revenues	
		Beginning of Year (b)	End of Year (c)	Average During Year (d)	Total MCF/CCF Therms (e)	Total Operating Revenue (f)	MCF/CCF Therm Per Customer (g)	Per Customer (h)	Per Unit (i)
2	Metered Sales by Tariff Schedule								
3	Residential								
4	Heating	245,168	243,446	242,824	25,483,980	\$ 265,845,116	\$ 104.7	\$ 1,092.01	\$ 10.43
5	Non-Heating	2,197	2,127	2,132	78,831	1,117,945	\$ 37.06	\$ 525.60	\$ 14.18
6	Unbilled				(106,230)	(504,458)			\$ 4.75
7									
8	Transportation								
9	Billed	83,393	86,459	85,347	8,821,880	54,954,198	\$ 102.04	\$ 635.61	\$ 6.23
10	Unbilled				(3,290)	324,336			\$ (98.59)
11									
12									
13	Total Residential Metered Sales	330,758	332,032	330,303	34,275,171	\$ 321,737,137	\$ 103.2	\$ 968.99	\$ 9.39
14	Commercial								
15	Heating	20,202	19,728	19,864	6,110,834	\$ 50,981,394	310	\$ 2,584.22	\$ 8.34
16	Non-Heating	606	568	585	176,492	1,517,507	311	\$ 2,671.67	\$ 8.60
17	Unbilled				(33,329)	(150,443)			
18									
19	Transportation								
20	Billed	8,192	8,145	8,142	12,035,071	\$ 32,313,404	1,478	\$ 3,967.27	\$ 2.68
21	Unbilled				(35,949)	15,762			\$ (0.44)
22									
23									
24	Total Commercial Metered Sales	29,000	28,441	28,591	18,253,120	\$ 84,677,624	\$ 641.8	\$ 2,977.31	\$ 4.64
25	Industrial								
26	Retail - Billed	34	35	32	185,353	\$ 1,289,464	5,296	\$36,841.83	\$ 6.96
27									
28	Transportation- Billed	165	169	164	20,370,353	16,222,203	120,535	\$95,989.37	\$ 0.80
29									
30									
31									
32	Total Industrial Metered Sales	199	204	196	20,555,706	\$ 17,511,667	\$ 100,763.3	\$85,841.50	\$ 0.85
33	Public								
34	Off System Transportation				1,492,700	\$ 70,157			
35	Other- Sales for Resale	5	12	7	532,918	\$ 5,164,355			
36	Total Metered Sales	359,962	360,689	359,097	75,109,615	\$ 429,160,940	\$ 208.2	\$ 1,189.84	\$ 5.71
37	Unmetered Sales-All Categories								
38	Other								
39	Total Unmetered Sales	0	0	0	0	0			
40	Total Sales of Gas	359,962	360,689	359,097	75,109,615	\$ 429,160,940	\$ 208.2	\$ 1,189.84	\$ 5.71
41	Other Gas Revenues:								
42	Rent from Gas Property					\$ 35,588			
43	Interdepartmental Rents								
44	Operating Revenue Other Than Gas Sales					37,329,971			
45	Allowance to Customers								
46	Gas Storage Revenues					(65,068)			
47	Customers Forfeited Discounts & Penalties					4,147,108			
48	Miscellaneous Gas Revenues					1,604,382			
49	Total Other Gas Revenues	-	-	-	-	\$ 43,051,981			
50	Total Gas Operating Revenues	359,962	360,689	359,097	75,109,615	\$ 472,212,921			

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	14
2	Total Professional and Semiprofessional Employees	129
3	Total Business Office, Sales And Professional Employees	150
4	Total Clerical Employees*	136
5	Total Operators	50
6	Total Construction, Installation and Maintenance Employees*	561
7	Total Building, Supplies and Motor Vehicle Employees	
8	All Other Employees Not Elsewhere Classified	
9	Total All Employees	1,040

* Union Employees

Peoples Division

Equitable Division

405

172

610. Territory Served

Report below the number of customers at the end of the year in respondent's distribution system in which service is furnished setting forth by counties the number of customers and the average number of customers during the year. Respondent should place an X in the box in column (b) if that county is served and supply related customer information in columns (d) and (e).

County Code (a)	Serves County (b)	Name of Pennsylvania County (c)	Number Of Customers At End Of Year (d)	*Average Number Of Customers During Year (e)
01		Adams		
02	X	Allegheny	149,154	147,798
03	X	Armstrong	12,336	12,353
04	X	Beaver	18,500	18,481
05		Bedford		
06		Berks		
07	X	Blair	32,882	32,865
08		Bradford		-
09		Bucks		-
10	X	Butler	13,765	13,673
11	X	Cambria	28,477	28,547
12		Cameron		
13		Carbon		
14		Centre		
15		Chester		
16	X	Clarion	52	51
17		Clearfield		
18		Clinton		
19		Columbia		
20		Crawford		
21		Cumberland		
22		Dauphin		
23		Delaware		
24		Elk		
25		Erie		
26	X	Fayette	3,256	3,268
27		Forest		
28		Franklin		
29		Fulton		
30	X	Greene	524	528
31		Huntingdon		
32	X	Indiana	12,646	12,623
33		Jefferson		
34		Juniata		
35		Lackawanna		
36		Lancaster		
37	X	Lawrence	4,296	4,289
38		Lebanon		
39		Lehigh		
40		Luzerne		
41		Lycoming		
42		McKean		
43	X	Mercer	4,890	4,867
44		Mifflin		
45		Monroe		
46		Montgomery		
47		Montour		
48		Northampton		
49		Northumberland		
50		Perry		
51		Philadelphia		
52		Pike		
53		Potter		
54		Schuylkill		
55		Snyder		
56	X	Somerset	1,638	1,634
57		Sullivan		
58		Susquehanna		
59		Tioga		
60		Union		
61	X	Venango	85	84
62		Warren		
63	X	Washington	5,387	5,311
64		Wayne		
65	X	Westmoreland	72,789	72,718
66		Wyoming		
67		York		
Totals			360,677	359,090
Total Population of Territory Served (Estimated)			3.1 Million	

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

VERIFICATION

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

OATH

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

Commonwealth of Pennsylvania

as:

County of Allegheny

Gregory A. Sciallo makes oath and says that he 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.

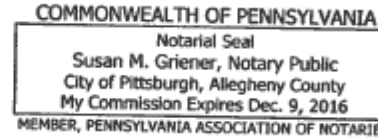
Based on such officer's knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects, the financial condition and results of operations of the issuer as of, and for, the periods presented in the report.

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, 2014 to and including, December 31, 2014.

Subscribed and sworn to and before me, a Notary Public
in and for the State and County above-named, this 30 day of April 2015

Gregory A. Sciallo
(Signature of affiant)

My commission expires 12/9/16
(Signature of officer authorized to administer oaths)



SUPPLEMENTAL OATH

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

Commonwealth of Pennsylvania

as:

County of Allegheny

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

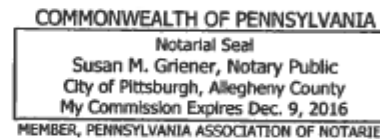
of Peoples Natural Gas Company LLC

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, 2014 to and including December 31, 2014.

Subscribed and sworn to before me, a Notary Public
in and for the State and County above-named, this 30 day of April 2015

Morgan K. O'Brien
(Signature of affiant)

My commission expires 12/9/16
(Signature of officer authorized to administer oaths)



Data

COMPANY	YEAREN	PLT_SVC	GAS_PLT	DEPR_AMORT	CWIP	PLT_AQ_ADJ	PLT_HLD	MAT_SUPP	DEP_AM
PEOPLES NA	2014	#####	#####	(483,753,481)	#####	284,894,602	0	2,823,190	#####
*This sheet is for PUC use only.									

Data

NET_BOOK	CIAC	PLAT_MTLS_OPR_SUPP	OP_REV	OP-EXP	MAIN_EX	DEP_EXP	AMORT_LTD_GAS_PLT
1,431,859,183	63333	2823190	#####	#REF!	#REF!	#REF!	#REF!

Data

AMORT_OTR_GAS_PLT	AMORT_PL_AQ	TAXES_OTR_THAN_INC	INC_TAXES_OPR_INC	TTL_TAXES	TTL_OP_EXP
#REF!	#REF!	#REF!	#REF!	#REF!	#REF!

Data

OP_INCOME	OTHER_INC	OTH_DED	NET_INCOME	TTL_MFG_GAS_PROD_EXP
#REF!	#REF!	#REF!	#REF!	0

Data

TTL_NAT_GAS_PROD_EXP	TTL_EXPL_DEV_OPR_EXP	TTL_PROD_GATH_OPR_EXP	TTL_PROD_GATH_MAINT_EXP
8354937	0	5908153	2446784

Data

SUPP_OPR_EX_PUR_GAS	SUPP_MAINT_EX_PUR_GAS_EXP	GAS_UTILITY_OPR	OTR_GAS_SUPP_EXP
184065037	4323701	-551662	427165

Data

UNDERGRD_STOR_EXP	NAT_GAS_MAINT_EXP	TRANS_EXP_OPR	TRANS_EXP_MAINT	DISTR_EXP_OPR
1415852	373015	33624426	1377612	17835617

Data

DISTR_EXP_MAINT	CUST_ACCTS_EXP	CUST_SVE_INFO_EXP	SALES_EXP	ADM_GENL_EXP_OPR
24024339	25327812	1841175	1072216	48143352

Data

ADM_GENL_EXP_MAINT	TTL_RECEIPTS_MCF	UNACCT_GAS_MCF	TRANSPORTATION	DISTR_MAINS_M-FT
348605803	81995007	2996143	41188066	#REF!

Data

TRANS_MAINS_M_FT	SERV_EOY_CO_OWNED	RES_MET_CUST	COMM_MET_CUST	IND_MET_CUST
#REF!	#REF!	332032	28441	204

Data

OTR_MET_CUST	TOTAL_MET_CUST	TOTAL_UNMET_CUST	TOTAL_TRANS_CUST	TOTAL_CUST	TTL_RES_REV
12	360689	0	0	360689	321737137

Data

RES_MCF_MET	AVG_RES_CUST	TTL_COMM_REV	COMM_MCF_MET	AVG_COMM_CUST	TTL_IND_REV
34275171	330303	84677624	18253120	28591	17511667

Data

IND_MCF_MET	AVG_IND_CUST	TTL_TRANS_REV	AVG_TRANS_CUST	TTL_OTHER_REV
20555706	196	0	0	5234512

Data

AVG_OTHER_CUST	RES_REV_MET	TOTAL_REV_UNM	AV_RES_USE	AV_RES_BILL	TTL_ALL_EMPLOYEES
7	321737137	0	103.23	968.99	1040