

**GAS ANNUAL REPORT
OF**

Peoples TWP LLC

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

**FOR THE
YEAR ENDED DECEMBER 31, 2016
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
Controller
375 North Shore Drive, Suite 600, Pittsburgh, Pennsylvania 15212
Karen.R.Worcester@peoples-gas.com
412-208-6594**

www.peopletwp.com

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GENERAL INSTRUCTIONS

1. The completed original and an electronic (e-mail) copy of this report shall be filed with the Pennsylvania Commission by the 30th of April at the following addresses:
ra-PUCFinancial@pa.gov
Public Utility Commission, P.O. Box 3265,
Harrisburg, Pennsylvania, 17105-3265
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.

Karen R. Worcester, Controller
205 North Main Street, Butler, PA 16001

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 TWP is a limited liability company organized under the laws of the Commonwealth of Pennsylvania. Peoples TWP is the survivor of a merger dated May 24, 2011, between Peoples TWP LLC and T.W. Phillips Gas and Oil Co.

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.

Not applicable

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

Retail and wholesale sales and transportation natural gas service in the Commonwealth of Pennsylvania only.

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. The Company extended its system to the borough of Gallitzin in Cambria County PA. The table below outlines to new customers as of December 31 and the associated annual revenue expected.

<u>Rate Schedule</u>	<u>Customers</u>	<u>Annual Revenue</u>
RS	126	\$ 151,867
SGS	14	\$ 32,641

6. The Company implemented quarterly adjustments to its Base Costs of Gas as permitted by the PUC's purchased gas costs regulations. The overall increase (decrease) in rates per Mcf and in revenue resulting from these rate changes is summarized below:

<u>Effective Date</u>	<u>Increase/ (Decrease) Per Mcf</u>	<u>Increase/ (Decrease) In 2016 Revenue</u>
2/1/2016	\$ 0.33	\$ 951,831
5/1/2016	\$ (0.43)	\$ (1,203,644)
8/1/2016	\$ 0.58	\$ 1,311,141
10/1/2016	\$ (0.01)	\$ (6,087)

7. A three-year contract was ratified through October 31, 2018. A 2.5% wage increase was effective January 1, 2016, and November 1, 2016, resulting in an estimated annualized increase of \$402,000 in operating expenses. Non-union employees received an average increase of approximately 3% effective February 28, 2016, resulting in an estimated annualized increase of \$108,000 in operating expenses.
8. None.
9. None.
10. None.

DEFINITIONS

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

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

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

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

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

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

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

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

DEFINITIONS**(Continued)**

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

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

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

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

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

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

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

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

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

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

100. VOTING POWERS AND ELECTIONS

1. Has each share of stock the right to one vote? Yes/No
N/A Peoples TWP is a limited liability company and has no stock.
2. Are voting rights attached only to stock? Yes/No (If the answer to either query 1 or 2 is "No," give particulars on a separate sheet.)
N/A
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
5. State the date and place of the latest general meeting held prior to the end of the year for the election of directors?
N/A
6. State the total number of votes cast at the latest general meeting and the total number cast by proxy.
N/A
7. State the total number of voting security holders and the total of all voting securities as of such date.
N/A
8. If any security has preferences, special privileges, or restrictions in the election of directors, trustees or managers, or in the determination of any corporate action, give details.
N/A
9. State the number of votes controlled by management, other than officers of the Corporation.
None

101 SECURITY HOLDER INFORMATION AND VOTING POWERS

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

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

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	None	None	None	None	None	None	None
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16							0%	

103. Directors

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a) abbreviated titles 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 5th Avenue, 55th Floor	New York	NY	10110	212-696-0110	5/24/2011		4	\$ -
2	Dennis T. Mahoney	500 5th Avenue, 55th Floor	New York	NY	10110	212-696-0110	5/24/2011		4	\$ -
3	John McGuire	500 5th Avenue, 55th Floor	New York	NY	10110	212-696-0110	5/24/2011		4	\$ -
4	Morgan K. O'Brien	375 North Shore Drive	Pittsburgh	PA	15212	412-208-7910	5/24/2011		4	\$ -
5	Daniel A. Onorato	3941 Drexel Road	Pittsburgh	PA	15212	412-544-6262	11/3/2011		4	\$ 33,000
6										
7										
8										
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104. Officers								
Line No.	Official Title & Name (a)	Principal Business Address						
		Street Address (b)	City (c)	State (d)	Zip (e)	Telephone (h)	Fax (i)	Email (j)
1	Senior Vice President & Chief Information Officer							
2	Ruth M. DeLost	375 North Shore Drive	Pittsburgh	PA	15212	412 208-7920	412-208-6869	ruth.a.delost@peoples-gas.com
3	Senior Vice President, Rates & Regulatory							
4	Joseph A. Gregorini	375 North Shore Drive	Pittsburgh	PA	15212	412 208-7930	412-208-6869	joseph.a.gregorini@peoples-gas.com
5	Senior Vice President & Chief Financial Officer							
6	Preston Poljak	375 North Shore Drive	Pittsburgh	PA	15212	412-208-6563	412-208-6869	preston.poljak@peoples-gas.com
7	Vice President, General Counsel & Secretary							
8	John J. Luke	375 North Shore Drive	Pittsburgh	PA	15212	412 208-7907	412-208-6869	john.luke@peoples-gas.com
9	Vice Presidents:							
10	Paul Becker - Construction	375 North Shore Drive	Pittsburgh	PA	15212	412 258-4406	412-208-6869	paul.becker@peoples-gas.com
11	Jeffrey S. Nehr - Business Development	375 North Shore Drive	Pittsburgh	PA	15212	412 244-2588	412-208-6869	jeffrey.s.nehr@peoples-gas.com
12	Edward Palombo - Reliability	375 North Shore Drive	Pittsburgh	PA	15212	412-258-4453	412-208-6869	Edward.a.Palombo@peoples-gas.com
13	Judith M. Stemmler - Human Resources	375 North Shore Drive	Pittsburgh	PA	15212	412-208-7908	412-208-6869	Judi.Stemmler@peoples-gas.com
14	Senior Vice President & Chief Operations Officer							
15	Kenneth M. Johnston	375 North Shore Drive	Pittsburgh	PA	15212			last day 12/30/16
16	Vice President & Controller							
17	Worcester, Karen	375 North Shore Drive	Pittsburgh	PA	15212	412-208-6594	412-208-6869	karen.r.worcester@peoples-gas.com

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	\$ 311,503,868	\$ 329,592,279	\$ 18,088,411
3	101.1 Property Under Capital Leases		-	-	-
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		-	-	-
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	927,941	5,736,498	4,808,557
11	108.0 Accumulated Provision for Depreciation of Gas Utility Plant	206	(101,169,735)	(106,840,091)	(5,670,356)
12	111.0 Accumulated Prov. For Amortization & Depletion of Gas Utility Pl.	206	(6,230,152)	(7,896,360)	(1,666,208)
13	114.0 Gas Plant Acquisition Adjustments	207	3,103,403	3,103,403	-
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		51,833	51,833	-
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		\$ 208,187,158	\$ 223,747,562	\$ 15,560,404
25	OTHER PROPERTY AND INVESTMENTS				
26	121.0 Non-Utility Property		\$ -	\$ -	\$ -
27	122.0 Accumulated Depreciation & Amortization of Non-Utility Property		-	-	-
28	123.0 Investments in Associated Companies	210	-	-	-
29	123.1 Other Investments	210	-	-	-
30	124.0 Other Investments	210	-	-	-
31	125.0 Sinking Funds		-	-	-
32	126.0 Depreciation Fund		-	-	-
33	128.0 Other Special Funds		45,800	45,800	-
34	TOTAL OTHER PROPERTY AND INVESTMENTS		\$ 45,800	\$ 45,800	\$ -

**200. COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/ Decrease (e)
1	CURRENT AND ACCRUED ASSETS				
2	131.0 Cash		\$ 3,909,864	\$ 1,848,873	\$ (2,060,991)
3	132.0 Interest Special Deposits		-	-	-
4	133.0 Dividend Special Deposits		-	-	-
5	134.0 Other Special Deposits		-	-	-
6	135.0 Working Funds		-	-	-
7	136.0 Temporary Cash Investments	210	-	-	-
8	141.0 Notes Receivable	211	-	-	-
9	142.0 Customer Accounts Receivable		10,074,877	10,403,569	328,692
10	143.0 Other Accounts Receivable	211	71,485	227,002	155,517
11	144.0 Accumulated Provision for Uncollectible Accounts-Cr.		(1,734,013)	(1,721,020)	12,993
12	145.0 Notes Receivable from Associated Companies	212	-	-	-
13	146.0 Accounts Receivable for Associated Companies	213	334,758	830,482	495,724
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	733,778	572,341	(161,437)
18	155.0 Merchandise		-	-	-
19	156.0 Other Materials and Supplies		-	-	-
20	163.0 Stores Expense-Undistributed		-	-	-
21	164.1 Gas Stored-Current		9,687,053	6,802,132	(2,884,921)
22	164.2 Liquefied Natural Gas Stored		-	-	-
23	164.3 Liquefied Natural Gas Held for Processing		-	-	-
24	165.0 Prepayments		3,237,021	4,192,967	955,946
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		3,962,800	6,000,889	2,038,089
30	174.0 Miscellaneous Current and Accrued Assets		57,461	114,912	57,451
31	TOTAL CURRENT & ACCRUED ASSETS		\$ 30,335,084	\$ 29,272,147	\$ (1,062,937)
32	DEFERRED DEBITS				
33	181.0 Unamortized Debt Expense	216	\$ 569,750	\$ 440,463	\$ (129,287)
34	182.1 Extraordinary Property Losses	217	-	-	-
35	182.2 Unrecovered Plant and Regulatory Study Costs	217	-	-	-
36	182.3 Other Regulatory Assets		18,065,134	22,660,177	4,595,043
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		-	-	-
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		6,967,870	5,472,494	(1,495,376)
46	191.0 Unrecovered Purchased Gas Costs		62,155	3,907,712	3,845,557
47	TOTAL DEFERRED DEBITS		\$ 25,664,909	\$ 32,480,846	\$ 6,815,937
48	TOTAL ASSETS & TOTAL DEBITS		\$ 264,232,951	\$ 285,546,355	\$ 21,313,404

**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			-	-	-
14	211.0 Miscellaneous Paid-In Capital		89,125,466	89,125,466	-
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		8,680,953	13,687,825	5,006,872
20	216.1 Unappropriated Undistributed Subsidiary Earnings		-	-	-
21	217.0 Reacquired Capital Stock		-	-	-
22	TOTAL PROPRIETARY CAPITAL		\$ 97,806,419	\$ 102,813,291	\$ 5,006,872
23					
23	LONG-TERM DEBT				
24	221.0 Bonds	231	\$ -	\$ -	\$ -
25	222.0 Reacquired Bonds	231	-	-	-
26	223.0 Advances from Associated Companies		-	-	-
27	224.0 Other Long-term Debt	231	113,909,111	121,818,205	7,909,094
28	225.0 Unamortized Premium on Long-Term Debt		-	-	-
29	226.0 Unamortized Discount on Long-Term Debt-Debit		-	-	-
30	TOTAL LONG TERM DEBT		\$ 113,909,111	\$ 121,818,205	\$ 7,909,094
31					
32	OTHER NONCURRENT LIABILITIES				
33	227 Obligation Under Capital Leases-NonCurrent		\$ -	\$ -	\$ -
34	228.1 Accumulated Provision for Property Insurance		-	-	-
35	228.2 Accumulated Provision for Injuries and Damages		50,000	50,000	-
36	228.3 Accumulated Provision for Pensions and Benefits		7,230,921	12,684,085	5,453,164
37	228.4 Accumulated Miscellaneous Operating Provisions		-	-	-
38	229 Accumulated Provision for Rate Refunds		-	-	-
39	230 Asset Retirement Obligation		2,376,189	2,147,791	(228,398)
40	TOTAL OTHER NONCURRENT LIABILITIES		\$ 9,657,110	\$ 14,881,876	\$ 5,224,766
41					

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

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/ Decrease (e)
1	CURRENT AND ACCRUED LIABILITIES				
2	231.10 Notes Payable-Current Portion		\$ 5,910,906	\$ 4,090,906	\$ (1,820,000)
3	232.10 Accounts Payable		9,612,630	12,202,858	2,590,228
4	233.10 Notes Payable to Associated Companies		-	-	-
5	234.10 Accounts Payable to Affiliated Companies	213	754,043	2,508,744	1,754,701
6	235.10 Customers' Deposits-Billing		374,126	443,532	69,406
7	236.10 Accrued Taxes, Taxes Other Than Income		254,679	256,386	1,707
8	236.20 Accrued Taxes, Income Taxes		-	-	-
9	237.10 Accrued Interest on Long-term Debt		724,683	682,211	(42,472)
10	237.20 Accrued Interest on Other Liabilities		-	-	-
11	238.00 Dividends Declared		-	-	-
12	239.00 Matured Long-term Debt		-	-	-
13	240.00 Matured Interest		-	-	-
14	241.00 Tax Collections Payable		6,981	60,342	53,361
15	242.00 Miscellaneous Current and Accrued Liabilities		471,800	366,406	(105,394)
16	243.00 Obligations Under Capital Leases-Current		-	-	-
17	TOTAL CURRENT AND ACCRUED LIABILITIES		\$ 18,109,848	\$ 20,611,385	\$ 2,501,537
18					
19	DEFERRED CREDITS				
20	252.00 Customer Advances for Construction		\$ 101,771	\$ 326,661	\$ 224,890
21	253.00 Other Deferred Credits		1,964,300	698,368	(1,265,932)
22	254.00 Other Regulatory Liabilities		-	-	-
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		23,751,666	27,052,837	3,301,171
28	283.00 Accum. Deferred Income Taxes-Other		(1,067,274)	(2,656,269)	(1,588,995)
26	TOTAL DEFERRED CREDITS		\$ 24,750,463	\$ 25,421,597	\$ 671,134
27					
28	TOTAL LIABILITIES & OTHER CREDITS		\$ 264,232,951	\$ 285,546,355	\$ 21,313,403

201. NOTES TO BALANCE SHEET

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

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					
2	301 Organization	\$ 125,417				\$ 125,417
3	302 Franchises & Consents	71,371				71,371
4	303 Other Plant and Miscellaneous Equipment	18,620,394	835,813		-	19,456,207
5	Total Intangible Plant	\$ 18,817,182	\$ 835,813	\$ -	\$ -	\$ 19,652,995
6	MANUFACTURED GAS PRODUCTION PLANT					
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					
25	325.1 Producing Lands	\$ -	\$ -	\$ -	\$ -	\$ -
26	325.2 Producing Leaseholds	-	-	-	-	-
27	325.3 Gas Rights	-	-	-	-	-
28	325.4 Rights of Way	-	-	-	-	-
29	325.5 Other Land and Land Rights	-	-	-	-	-
30	326 Other Plant and Miscellaneous Equipment	-	-	-	-	-
31	327 Field Compressor Station Structures	-	-	-	-	-
32	328 Field Measuring & Regulating Station Structures	-	-	-	-	-
33	329 Other Structures	-	-	-	-	-
34	330 Producing Gas Wells-Well Construction	-	-	-	-	-
35	331 Producing Gas Wells-Well Equipment	-	-	-	-	-
36	332 Field Lines	-	-	-	-	-
37	333 Field Compressor Station Equipment	-	-	-	-	-
38	334 Field Measuring & Regulating Station Equipment	-	-	-	-	-
39	335 Drilling & Cleaning Equipment	-	-	-	-	-
40	336 Purification Equipment	-	-	-	-	-
41	337 Other Equipment	-	-	-	-	-
42	338 Unsuccessful Exploration & Development Costs	-	-	-	-	-
43	Total Natural Gas Production & Gathering Plant	\$ -	\$ -	\$ -	\$ -	\$ -
44	PRODUCTS EXTRACTION PLANT					
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	-	-	-	-	-
53	Total Products Extraction Plant	\$ -	\$ -	\$ -	\$ -	\$ -
54	NATURAL GAS PRODUCTION & PROCESSING PLANT					
55	350.1 Land	\$ 46,820	\$ -	\$ -	\$ -	\$ 46,820
56	350.2 Rights of Way	15,670	-	-	-	15,670
57	351 Structures and Improvements	368,476	-	-	-	368,476
58	352 Wells	1,181,673	-	-	-	1,181,673
59	352.1 Storage Leaseholds and Rights	392,672	-	-	-	392,672
60	352.2 Reservoirs	-	-	-	-	-
61	352.3 Nonrecoverable Natural Gas	-	-	-	-	-
62	353 Lines	1,507,920	-	-	-	1,507,920

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)
63	354 Compressor Station Equipment	\$ 2,280,155	\$ 3,479	\$ 912		2,282,722
64	355 Measuring and Regulating Equipment	791,582				791,582
65	356 Purification Equipment	-				-
66	357 Other Equipment	-				-
67	358 Underground Storage Equipment Held under Asset Retirement Obligation	710	-			710
68	Total Natural Gas Production and Processing Plant	\$ 6,585,678	\$ 3,479	\$ 912	\$ -	\$ 6,588,245
69	OTHER STORAGE PLANT					
70	360 Land & Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -
71	361 Structures and Improvements	-	-	-	-	-
72	362 Gas Holders	-	-	-	-	-
73	363 Purification Equipment	-	-	-	-	-
74	363.1 Liquefaction Equipment	-	-	-	-	-
75	363.2 Vaporizing Equipment	-	-	-	-	-
76	363.3 Compressor Equipment	-	-	-	-	-
77	363.4 Measuring and Regulating Equipment	-	-	-	-	-
78	363.5 Other Equipment	-	-	-	-	-
79	Total Other Storage Plant	\$ -	\$ -	\$ -	\$ -	\$ -
80	BASE LOAD LIQUEFIED NATURAL GAS					
81	TERMINATING AND PROCESSING PLANT					
82	364.1 Land and Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -
83	364.2 Structures and Improvements	-	-	-	-	-
84	364.3 LNG Processing Terminal Equipment	-	-	-	-	-
85	364.4 LNG Transportation Equipment	-	-	-	-	-
86	364.5 Measuring and Regulating Equipment	-	-	-	-	-
87	364.6 Compressor Station Equipment	-	-	-	-	-
88	364.7 Communication Equipment	-	-	-	-	-
89	364.8 Other Equipment	-	-	-	-	-
90	Total Base Load Liquefied Natural Gas Term. & Proc. Plant	\$ -	\$ -	\$ -	\$ -	\$ -
91	TRANSMISSION PLANT					
92	365.1 Land and Land Rights	\$ 127,124				\$ 127,124
93	365.2 Rights of Way	2,061,747				2,061,747
94	366 Structures and Improvements	823,757		131		823,626
95	367 Mains	74,983,907	955,050	107,257		75,831,700
96	368 Compressor Station Equipment	4,903,230				4,903,230
97	369 Measuring and Regulating Station Equipment	7,291,122	329,626	29,142		7,591,606
98	370 Communication Equipment	-				-
99	371 Other Equipment	-				-
100	372 Transmission Equipment Held under Asset Retirement Obligation	81,856	-			81,856
101	Total Transmission Plant	\$ 90,272,743	\$ 1,284,676	\$ 136,530	\$ -	\$ 91,420,889
102	DISTRIBUTION PLANT					
103	374 Land & Land Rights	\$ 1,235,445				\$ 1,235,445
104	375 Structures and Improvements	1,071,414	4,884	51		1,076,247
105	376 Mains	108,232,445	12,833,156	257,435		120,808,166
106	377 Compressor Station Equipment	-				-
107	378 Measuring & Regulating Station Equipment-General	5,993,784	102,498	7,777		6,088,505
108	379 Measuring & Regulating Station Equipment-City Gate C. St.	-				-
109	380 Services	35,591,152	1,742,715	8,983		37,324,884
110	381 Meters	20,245,517	1,099,997			21,345,514
111	382 Meter Installations	3,384,596	179,143	1,080		3,562,659
112	383 House Regulators	-				-
113	384 House Regulatory Installations	-				-
114	385 Industrial Measuring and Regulating Station Equipment	-				-
115	386 Other Property on Customers' Premises	-				-
116	387 Other Equipment	-				-
117	388 Distribution Equipment Held under Asset Retirement Obligation	121,475			6,491	127,966
118	Total Distribution Plant	\$ 175,875,828	\$ 15,962,393	\$ 275,326	\$ 6,491	\$ 191,569,386
119	GENERAL PLANT					
120	389 Land & Land Rights	\$ 164,936				\$ 164,936
121	390 Structures and Improvements	3,726,849				3,726,849
122	391 Office Furniture & Equipment	1,445,015	14,270	127,361	-	1,331,924
123	392 Transportation Equipment	6,800,151	479,939	250,522		7,029,568
124	393 Stores Equipment	37,718		6,763		30,955
125	394 Tools & Garage Equipment	3,067,340	162,142	106,422		3,123,060
126	395 Laboratory Equipment	-				-
127	396 Power Operated Equipment	2,212,522	82,406			2,294,928
128	397 Communication Equipment	2,497,906	160,638			2,658,544
129	398 Miscellaneous Equipment	-				-
130	399 Other Tangible Property	-				-
131	Total General Plant	\$ 19,952,437	\$ 899,395	\$ 491,068	\$ -	\$ 20,360,764
132	Total Plant	\$ 311,503,868	\$ 18,985,756	\$ 903,836	\$ 6,491	\$ 329,592,279

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

- Report below an analysis of the changes in accumulated depreciation during the year and the amounts applicable to prescribed functional classifications.
- 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	\$ 107,399,887	\$ 107,399,887	\$ -	\$ -	\$ -
2	Credits During Year					
3	Depreciation Provisions charged to:					
4	403. Depreciation	7,201,123	7,201,123	-	-	-
5	404. Amortization	1,666,208	1,666,208	-	-	-
6	114. Gas Plant Acquisitions Adjustment	-	-	-	-	-
7						
8						
9						
10	Total Depreciation Provisions	\$ 8,867,331	\$ 8,867,331	\$ -	\$ -	\$ -
11	Recoveries from Insurance	-	-	-	-	-
12	Salvage Realized from Retirements	26,641	26,641	-	-	-
13	Other Credits (Describe)	-	-	-	-	-
14	ARO Adjustment	225,131	225,131	-	-	-
15						
16						
17						
18	Total Credits During Year	\$ 251,772	\$ 251,772	\$ -	\$ -	\$ -
19	Total Credits	\$ 9,119,103	\$ 9,119,103	\$ -	\$ -	\$ -
20	Debits During Year					
21	Retirement of Utility Plant	903,836	903,836			
22	Cost of Removal	878,703	878,703			
23	Other Debits (Describe)	-	-			
24						
25						
26						
27						
28	Total Debits During Year	\$ 1,782,539	\$ 1,782,539	\$ -	\$ -	\$ -
29	Balance at End of Year	\$ 114,736,451	\$ 114,736,451	\$ -	\$ -	\$ -

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	3,103,403	-	-	-	3,103,403
7						
8						\$ 3,103,403

**206.1 ACCUMULATED DEPRECIATION OF UTILITY PLANT -
Basis for depreciation provision**

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.

The Company provides for depreciation on the composite straight-line method, based on formal depreciation reserve requirement studies made by independent engineers. These methods have been accepted by the PUC for ratemaking purposes. A detail of the depreciation rates by plant type is provided below.

Storage Plant

350001	LAND & LAND RIGHTS- STORAGE	-
350002	RIGHTS OF WAY- STORAGE	0.87%
351000	STRUCTURES- STORAGE	1.45%
352001	WELLS- STORAGE	1.33%
352002	WELLS- STORAGE	1.44%
352001	LEASEHOLDS & RIGHTS- STORAGE	1.36%
353000	STORAGE LINES	2.96%
354000	COMP STA EQUIP- STORAGE	1.68%
355000	M & R STA EQUIP- STORAGE	1.83%

Transmission Plant

365001	LAND AND LAND RIGHTS	-
365002	RIGHTS OF WAY	1.26%
366001	COMPRESSOR STATION STRUCTURES	2.81%
366002	MEAS & REG STATION STRUCTURES	1.64%
366003	OTHER STRUCTURES	2.73%
367000	TRANSMISSION MAINS	1.50%
368000	COMPRESSOR STATION EQUIPMENT	2.67%
369000	MEAS & REG STATION EQUIPMENT	2.99%

Distribution Plant

374001	DISTRIBUTION PLANT-LAND	-
374002	DISTRIBUTION PLANT-LAND RIGHTS	1.31%
375000	STRUCTURES & IMPROVEMENTS	2.27%
376000	DISTRIBUTION MAINS	1.75%
378000	MEAS & REG STATION EQUIP-GENERAL	1.73%
380000	SERVICES	1.94%
381000	METERS	3.11%
382000	METER INSTALLATIONS	2.36%

General Plant

389000	LAND AND LAND RIGHTS	-
390000	STRUCTURES & IMPROVEMENTS	2.94%
391001	OFFICE FURNITURE & EQUIPMENT- FURNITURE	6.00%
391002	OFFICE FURNITURE & EQUIPMENT- EQUIPMENT	11.78%
391003	OFFICE FURNITURE & EQUIPMENT- COMPUTER	20.93%
392001	TRANSPORTATION EQUIPMENT-CARS	16.03%
392002	TRANSPORTATION EQUIPMENT-LT TRUCKS	9.73%
392003	TRANSPORTATION EQUIPMENT-HVY TRUCKS	7.11%
393000	STORES EQUIPMENT	4.71%
394002	TOOLS,SHOP & GARAGE EQUIPMENT- TOOLS	7.31%
396000	POWER OPERATED EQUIPMENT	5.34%
397001	COMMUNICATION STRUCTURES	7.12%
397002	COMMUNICATION EQUIPMENT	6.97%

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	SW.PTWP.AMR ERT.2 SW.AMR ERT - IN HOUSE	\$453,514	\$ 600,000	Jun 2017
2	2101616.1.1 INST 6" STL - AMBER LN	322,231	750,000	Jun 2017
3	2103514.1.1 HP501 INST 16" STL - HYDE PARK	669,361	800,000	Mar 2017
4	SEE 1.5 GALLITZIN SERVICES	666,283	670,000	Mar 2017
5	SEE 4.1 DERRY TWP MAINLINE	412,910	475,000	Mar 2017
6	SEE 6.1 NANTY GLO MAINLINE	486,028	3,200,000	Jun 2017
7				
8				
9				
10				
11				
12	OTHER	2,726,171	4,000,000	Mar 2017
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	TOTALS	\$5,736,498	\$10,495,000	

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	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				\$ -	\$ -	\$ -	\$ -	\$ -

* 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	
		1/1/2016 (b)	12/31/2016 (c)	Interest Revenue (d)	1/1/2016 (e)	12/31/2016 (f)
1	Accounts Receivable - Accident / Property Claims	None	None	None	\$ 164,833	\$ 76,905
2	Accounts Receivable - Other	None	None	None	(93,346)	150,097
3						
4						
5						
6						
7	Total	\$ -	\$ -	\$ -	\$ 71,485	\$ 227,002

212. NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (Account 145)

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

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

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

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

Line No.	Item (a)	Entries During Year	
			(b)
1	Debits During Year		
2	Cash Dispersed	\$	24,427,956
3	Materials and Supplies Sold		57,092
4	Services Rendered		6,272,785
5	Joint Expense Transferred		
6	Interest and Dividends Receivable		
7	Rents Receivable		
8	Securities Sold		
9	Other Debits (Specify)		
10	Convenience Payments		1,476,289
11	Gas Sold/Transported		1,283,788
12			
13	Total Debits During Year	\$	33,517,910
14			
15	Credits During Year		
16	Cash Received	\$	(8,275,454)
17	Gas Purchased/Transported		
18	Fuel Purchased		
19	Materials and Supplies Purchased		(20,413)
20	Services Received		(16,618,165)
21	Joint Expense Transferred		
22	Interest and Dividends Payable		
23	Rents Payable		
24	Securities Purchased		
25	Transferred to Account "145"		
26	Other Credits (Specify)		
27	Convenience Payments		(9,862,855)
28			
29			
30	Total Credits During Year	\$	(34,776,887)
31	Balance at End of Year	\$	(1,678,262)

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	Pipe & pipe fittings	372,109	274,733	(97,376)
2	Valves	113,824	61,840	(51,983)
3	Tubing	101,605	82,372	(19,233)
4	Other	146,240	153,395	7,155
5				-
6				-
7				-
8				-
9				-
10				-
11				-
12				-
13				-
14				-
15				-
16				-
17	Total	\$ 733,778	\$ 572,341	\$ (161,438)

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	6.99% Notes - Unsecured	20,000,000	51,337	11/15/01	11/15/16	3,553		\$ (3,553)	0
2	5.67% & 5.99% Notes - Unsecured	15,000,000	42,887	10/20/03	10/20/23	18,842		\$ (2,405)	16,437
3	5.66% Notes - Unsecured	15,000,000	38,323	10/14/05	10/14/20	13,955		\$ (2,887)	11,068
4	6.42% Notes - Unsecured	15,000,000	34,416	12/28/07	12/28/22	17,793		\$ (2,542)	15,251
5	4.50% Notes - Unsecured	21,000,000	70,793	11/17/11	11/17/21	41,886		\$ (7,079)	34,807
6	3.53% Notes - Unsecured	30,000,000	349,475	8/23/13	8/23/23	267,179		\$ (34,948)	232,232
7	Revolving credit facility	44,000,000	379,361	9/20/13	9/20/18	206,541		\$ (75,872)	130,668
8									
9									
10									
11									
12									
13									
14									
15	Total	\$ 160,000,000	\$ 966,593			\$ 569,750	\$ -	\$ (129,287)	\$ 440,463

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								\$ -

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	6.99% Notes - Unsecured	11/15/01	11/15/16	20,000,000	-	6.990%	127,218	N/A	N/A
2	5.67% Notes - Unsecured	10/20/03	10/20/18	5,000,000	454,550	5.670%	77,318	N/A	N/A
3	5.99% Notes - Unsecured	10/20/03	10/20/23	10,000,000	5,454,545	5.990%	435,636	N/A	N/A
4	5.66% Notes - Unsecured	10/14/05	10/31/20	15,000,000	4,090,920	5.660%	385,910	N/A	N/A
5	6.42% Notes - Unsecured	12/28/07	12/28/22	15,000,000	6,818,190	6.420%	612,819	N/A	N/A
6	4.50% Notes - Unsecured	11/17/11	11/17/21	21,000,000	21,000,000	4.500%	945,000	N/A	N/A
7	3.53% Notes - Unsecured	8/23/13	8/23/23	30,000,000	30,000,000	3.530%	1,059,000	N/A	N/A
8	Various LIBOR	9/20/13	9/20/18	80,000,000	54,000,000	2.500%	848,165	N/A	N/A
9									
10									
11									
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32									
33									
34									
35	TOTAL			\$ 196,000,000	\$ 121,818,205		\$ 4,491,066	\$ -	\$ -

*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	\$ 54,397,772	\$ 57,986,286	\$ (3,588,514)
3	481.0 Commercial and Industrial Sales	600	13,259,317	15,110,671	(1,851,354)
4	482.0 Other Sales to Public Authorities	600	-	-	-
5	Sub Total Sales of Gas		\$ 67,657,089	\$ 73,096,957	\$ (5,439,868)
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		10,018,028	11,783,302	(1,765,274)
12	489.4 Revenues from Storing Gas of Others		-	-	-
13	Sub Total Transportation Revenue		\$ 10,018,028	\$ 11,783,302	\$ (1,765,274)
14					
15	TOTAL SALES AND TRANSPORTATION REVENUE ¹		\$ 77,675,117	\$ 84,880,259	\$ (7,205,142)
16					
17	OTHER OPERATING REVENUES				
18	483.0 Sales for Resale	501	\$ 180,972	\$ 70,224	\$ 110,748
19	484.0 Interdepartmental Sales	600	-	-	-
20	485.0 Intracompany Transfers	600	-	-	-
21	487.0 Forfeited Discounts	600	456,331	668,094	(211,763)
22	488.0 Miscellaneous Service Revenues	600	112,611	52,674	59,937
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	-	-	-
27	494.0 Interdepartmental Rents	600	-	-	-
28	495.0 Other Gas Revenues	600	308,455	173,026	135,429
29	496.0 Provision for Rate Refunds		-	-	-
30	Sub Total Other Operating Revenues		\$ 1,058,369	\$ 964,018	\$ 94,351
31					
32	TOTAL REVENUES		\$ 78,733,486	\$ 85,844,278	\$ (7,110,792)
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).				
46					
47					
48					
49					
50					
51					

**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		\$ 40,063,837	\$ 45,333,245	\$ (5,269,408)
3	402 Maintenance Expenses		4,442,269	5,251,595	(809,326)
4	403 Depreciation Expenses		7,201,123	7,397,228	(196,105)
5	404 Amortization Expense - Utility Plant		1,660,868	1,527,799	133,069
6	404.1 Amort. & Depletion of Prod. Natural Gas Land & Rights		-	-	-
7	404.2 Amort. Of Underground Storage Land & Land Rights		5,340	6,322	(982)
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	1,023,775	1,523,718	(499,943)
16	409.1 Income Taxes, Utility Operating Income	409	3,047,609	5,718,008	(2,670,399)
17	410.1 Provision for Deferred Income Taxes, Ut. Opr. Income	411	9,388,002	8,865,034	522,968
18	411.1 Prov. For Def. Income Taxes-Credit, Ut. Opr. Income	412	(4,756,214)	(5,791,469)	1,035,255
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		\$ 62,076,609	\$ 69,831,480	\$ (7,754,871)
23	OTHER OPERATING INCOME				
24	412.0 Revenues from Gas Plant Leased to Others		\$ -	\$ -	\$ -
25	413.0 Expenses of Gas Plant Leased to Others		-	-	-
26	414.0 Other Utility Operating Income		-	-	-
27	Total Other Operating Income		\$ -	\$ -	\$ -
28	OTHER INCOME				
29	415.0 Rev. from Merchandising, Jobbing and Contract Work		\$ -	\$ -	\$ -
30	416.0 Costs and Exp. of Merchandising Jobbing & Contract Wk		-	-	-
31	417.0 Revenue from Non-Utility Operations		-	-	-
32	418.0 Non Operating Rental Income		-	-	-
33	418.1 Equity in Earnings of Subsidiary Companies		-	-	-
34	419.0 Interest & Dividend Income		1,540	604	936
35	419.1 Allowance for Other Funds Used During Construction		-	-	-
36	421.0 Miscellaneous Non Operating Income		10,368	8,640	1,728
37	421.1 Gain on Disposition of Property, Total Other Income		-	-	-
38	Total Other Income		\$ 11,908	\$ 9,244	\$ 2,664
39	OTHER INCOME DEDUCTIONS				
40	421.2 Loss on Disposition of Property		\$ -	\$ -	\$ -
41	425.0 Miscellaneous Amortization		-	-	-
42	426.1 Donations		175,711	217,111	(41,400)
43	426.2 Life Insurance		-	-	-
44	426.3 Penalties		-	-	-
45	426.4 Exp. for Certain Civic, Political & Related Activities		2,891	2,167	724
46	426.5 Other Deductions		-	-	-
47	Total Other Income Deductions		\$ 178,602	\$ 219,278	\$ (40,676)
48	TAXES APPLICABLE TO OTHER INCOME & DED.				
49	408.2 Taxes Other Than Income Taxes, Otr. Income & Ded.		\$ (90,000)	\$ (387,684)	\$ 297,684
50	409.2 Income Taxes, Other Income & Deductions		26,228	41,495	(15,267)
51	410.2 Prov. for Deferred Income Taxes, Otr. Income & Ded.		-	123,520	(123,520)
52	411.2 Prov. for Def. Income Taxes, Credit, Otr Income & Ded.		(56,643)	(90,081)	33,438
53	411.5 Investment Tax Cr. Adjustments, Nonutility Operations		-	-	-
54	420.0 Investment Tax Credits		-	-	-
55	Total Taxes on Other Income and Deductions		\$ (120,415)	\$ (312,750)	\$ 192,335
56	Net Other Income and Deductions		\$ (46,279)	\$ 102,716	\$ (148,995)

**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		\$ 4,511,848	\$ 4,694,438	\$ (182,590)
3	428 Amortization of Debt Discount and Expense		129,287	129,997	(710)
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		-	-	-
8	431 Other Interest Expense		24,428	9,565	14,863
9	432 Allowance for Borrowed Funds Used During Construction-Cr		(61,836)	(30,272)	(31,564)
10	Net Interest Charges		\$ 4,603,727	\$ 4,803,728	\$ (200,001)
11	EXTRAORDINARY ITEMS				
12	434 Extraordinary Income		\$ -	\$ -	\$ -
13	435 Extraordinary Deductions		-	-	-
14	409.3 Income Taxes-Extraordinary Items		-	-	-
15	Net Income		\$ 12,006,871	\$ 11,311,786	\$ 695,085
16					
17					
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405. OPERATION AND MAINTENANCE EXPENSES

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

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

405. OPERATION AND MAINTENANCE EXPENSES (Continue)

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	753.0 Field Lines Expenses		\$ -	\$ -	\$ -
2	754.0 Field Compressor Station Expenses		-	-	-
3	755.0 Field Compressor Station Fuel and Power		-	-	-
4	756.0 Field Measuring and Regulating Station Expenses		-	-	-
5	757.0 Purification Expenses		-	-	-
6	758.0 Gas Well Royalties		-	-	-
7	759.0 Other Expenses		-	-	-
8	760.0 Rents		-	-	-
9	Total Production & Gathering Operation Expenses		\$ -	\$ -	\$ -
10	Maintenance				
11	761.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
12	762.0 Maintenance of Structures and Improvements		-	-	-
13	763.0 Maintenance of Producing Gas Wells		-	-	-
14	764.0 Maintenance of Field Lines		-	-	-
15	765.0 Maintenance of Field Compressor Station Equipment		-	-	-
16	766.0 Maintenance of Field Measuring and Reg. Station Equip.		-	-	-
17	767.0 Maintenance of Purification Equipment		-	-	-
18	768.0 Maintenance of Drilling and Cleaning Equipment		-	-	-
19	769.0 Maintenance of Other Equipment		-	-	-
20	Total Production & Gathering Maintenance Expenses		\$ -	\$ -	\$ -
21	Products Extraction				
22	Operation				
23	770.0 Operation Supervision and Engineering		\$ -	\$ -	\$ -
24	771.0 Operating Labor		-	-	-
25	772.0 Gas Shrinkage		-	-	-
26	773.0 Fuel		-	-	-
27	774.0 Power		-	-	-
28	775.0 Materials		-	-	-
29	776.0 Operation Supplies and Expenses		-	-	-
30	777.0 Gas Processed by Others		-	-	-
31	778.0 Royalties on Products Extracted		-	-	-
32	779.0 Marketing Expenses		-	-	-
33	780.0 Products Purchased for Resale		-	-	-
34	781.0 Variation in Products Inventory		-	-	-
35	782.0 Extracted Products Used by the Utility-Credit		-	-	-
36	783.0 Rents		-	-	-
37	Total Products Extraction Operation Expenses		\$ -	\$ -	\$ -
38	Maintenance				
39	784.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
40	785.0 Maintenance of Structures and Improvements		-	-	-
41	786.0 Maintenance of Extraction and Refining Equipment		-	-	-
42	787.0 Maintenance of Pipe Lines		-	-	-
43	788.0 Maintenance of Extracted Products Storage Equipment		-	-	-
44	789.0 Maintenance of Compressor Equipment		-	-	-
45	790.0 Maintenance of Gas Measuring & Regulating Equipment		-	-	-
46	791.0 Maintenance of Other Equipment		-	-	-
47	Total Products Extraction Maintenance Expenses		\$ -	\$ -	\$ -
48	Total Natural Gas Production Expenses		\$ -	\$ -	\$ -
49	EXPLORATION AND DEVELOPMENT EXPENSES				
50	Operation				
51	795.0 Delay Rentals		\$ -	\$ -	\$ -
52	796.0 Nonproductive Well Drilling		-	-	-
53	797.0 Abandoned Leases		-	-	-
54	798.0 Other Exploration		-	-	-
55	Total Exploration and Development Operation Exp.		\$ -	\$ -	\$ -
56	OTHER GAS SUPPLY EXPENSES				
57	Operation				
58	800.0 Natural Gas Well Head Purchases		\$ -	\$ -	\$ -
59	801.0 Natural Gas Field Line Purchases		6,845,301	7,082,623	\$ (237,322)
60	802.0 Natural Gas Gasoline Plant Outlet Purchases		-	-	\$ -
61	803.0 Natural Gas Transmission Line Purchases		9,951,057	13,360,673	\$ (3,409,616)
62	804.0 Natural Gas City Gate Purchases		123,917	17,158	\$ 106,759

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		(3,845,558)	(2,096,491)	(1,749,067)
4	806.0 Exchange Gas		(57,451)	(133,560)	76,109
5	807.0 Purchased Gas Expenses		-	-	-
6	808.1 Gas Withdrawn from Storage-Debit		7,609,619	8,329,381	(719,762)
7	808.2 Gas Delivered to Storage-Credit		(4,724,699)	(6,549,812)	1,825,113
8	809.1 Withdrawals of Liquefied Nat. Gas Held for Processing		-	-	-
9	809.2 Deliveries of Natural Gas for Processing		-	-	-
10	810.0 Gas Used for Compressor Station Fuel-Credit		-	-	-
11	811.0 Gas Used for Products Extraction-Credit		-	-	-
12	812.0 Gas Used for Other Utility Operations-Credit		-	-	-
13	813.0 Other Gas Supply Expenses		216,944	243,521	(26,577)
14	Total Gas Supply Operation Expenses		\$ 16,119,130	\$ 20,253,493	\$ (4,134,363)
15	Natural Gas Storage, Terminating & Processing Exp.				
16	Underground Storage Expenses				
17	814.0 Operation Supervision and Engineering		\$ 3,243	\$ 7,537	\$ (4,294)
18	815.0 Maps and Records		-	-	-
19	816.0 Wells Expenses		4,323	4,171	152
20	817.0 Lines Expenses		3,430	13,391	(9,961)
21	818.0 Compressor Station Expenses		610,355	459,142	151,213
22	819.0 Compressor Station Fuel and Power		-	-	-
23	820.0 Measuring and Regulating Station Expenses		-	1,911	(1,911)
24	821.0 Purification Expenses		-	-	-
25	822.0 Exploration and Development		-	-	-
26	823.0 Gas Losses		-	-	-
27	824.0 Other Expenses		-	-	-
28	825.0 Storage Well Royalties		15,233	17,514	(2,281)
29	826.0 Rents		-	-	-
30	Total Underground Storage Expenses		\$ 636,584	\$ 503,666	\$ 132,918
31	Maintenance				
32	830.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
33	831.0 Maintenance of Structures and Improvements		-	55,958	(55,958)
34	832.0 Maintenance of Reservoirs and Wells		-	-	-
35	833.0 Maintenance of Lines		-	8,084	(8,084)
36	834.0 Maintenance of Compressor Station Equipment		153,333	131,249	22,084
37	835.0 Maintenance of Measuring & Regulating Station Equip.		-	5,903	(5,903)
38	836.0 Maintenance of Purification Equipment		-	-	-
39	837.0 Maintenance of Other Equipment		-	-	-
40	Total Maintenance Expenses		\$ 153,333	\$ 201,194	\$ (47,861)
41	Other Storage Expenses				
42	Operation				
43	840.0 Operating Supervision and Engineering		\$ -	\$ -	\$ -
44	841.0 Operation Labor and Expenses		-	-	-
45	842.0 Rents		-	-	-
46	842.1 Fuel		-	-	-
47	842.2 Power		-	-	-
48	842.3 Gas Losses		-	-	-
49	Total Operation Expenses		\$ -	\$ -	\$ -
50	Maintenance				
51	843.1 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
52	843.2 Maintenance of Structures and Improvements		-	-	-
53	843.3 Maintenance of Gas Holders		-	-	-
54	843.4 Maintenance of Purification Equipment		-	-	-
55	843.5 Maintenance of Liquefaction Equipment		-	-	-
56	843.6 Maintenance of Vaporizing Equipment		-	-	-
57	843.7 Maintenance of Compressor Equipment		-	-	-
58	843.8 Maintenance of Measuring and Regulatory Equipment		-	-	-
59	843.9 Maintenance of Other Equipment		-	-	-
60	Total Maintenance Expenses		\$ -	\$ -	\$ -

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				
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		-	-	-
21	Total Liq. N.G. Term & Proc. Operation Expenses		\$ -	\$ -	\$ -
22	Maintenance				
23	847.1 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
24	847.2 Maintenance of Structures and Improvements		-	-	-
25	847.3 Maintenance of LNG Processing Terminal Equipment		-	-	-
26	847.4 Maintenance of LNG Transportation Equipment		-	-	-
27	847.5 Maintenance of Measuring and Regulating Equipment		-	-	-
28	847.6 Maintenance of Compressor Station Equipment		-	-	-
29	847.7 Maintenance of Communication Equipment		-	-	-
30	847.8 Maintenance of Other Equipment		-	-	-
31	Total Liq. N.G. Term. Proc. Maintenance Expenses		\$ -	\$ -	\$ -
32	TRANSMISSION EXPENSES				
33	Operation				
34	850.0 Operating Supervision and Engineering		\$ 22,701	\$ 52,760	\$ (30,059)
35	851.0 System Control and Load Dispatching		-	-	-
36	852.0 Communication System Expenses		-	-	-
37	853.0 Compressor Station Labor and Expenses		228,642	293,096	(64,454)
38	854.0 Gas for Compressor Station Fuel		-	-	-
39	855.0 Other Fuel and Power for Compressor Stations		-	-	-
40	856.0 Mains Expenses		327,335	279,439	47,896
41	857.0 Measuring and Regulating Station Expenses		65,459	145,796	(80,337)
42	858.0 Transmission and Compression of gas by Others		3,885,073	3,167,598	717,475
43	859.0 Other Expenses		-	-	-
44	860.0 Rents		26,312	28,044	(1,732)
45	Total Transmission Operation Expenses		\$ 4,555,522	\$ 3,966,733	\$ 588,789
46	Maintenance				
47	861.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
48	862.0 Maintenance of Structures and Improvements		-	1,423	(1,423)
49	863.0 Maintenance of Mains		253,698	744,117	(490,419)
50	864.0 Maintenance of Compressor Station Equipment		154,130	140,412	13,718
51	865.0 Maintenance of Measuring and Regulating Station Equip.		110,932	327,321	(216,389)
52	866.0 Maintenance of Communication Equipment		147,990	46,762	101,228
53	867.0 Maintenance of Other Equipment		-	-	-
54	Total Transmission Maintenance Expenses		\$ 666,750	\$ 1,260,035	\$ (593,285)
55	DISTRIBUTION EXPENSES				
56	Operation				
57	870.0 Operation Supervision and Engineering		\$ 412,834	\$ 65,322	\$ 347,512
58	871.0 Distribution Load Dispatching		-	-	-
59	872.0 Compressor Station Labor and Expenses		-	-	-
60	873.0 Compressor Station Fuel and Power (Major Only)		-	-	-
61	874.0 Mains and Services Expenses		3,100,351	3,375,558	(275,207)
62	875.0 Measuring and Regulating Station Expenses-General		768,521	948,526	(180,005)

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		87,890	44,490	43,400
3	878.0 Meter and House Regulator Expenses		441,892	644,920	(203,028)
4	879.0 Customer Installations Expenses		286,487	447,427	(160,940)
5	880.0 Other Expenses		340,283	675,023	(334,740)
6	881.0 Rents		10,335	11,124	(789)
7	Total Distribution Operation Expenses		\$ 5,448,593	\$ 6,212,390	\$ (763,797)
8	Maintenance				
9	885.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
10	886.0 Maintenance of Structures and Improvements		329,159	241,173	87,986
11	887.0 Maintenance of Mains		2,510,941	2,155,848	355,093
12	888.0 Maintenance of Compressor Station Equipment		-	-	-
13	889.0 Maintenance of Measuring & Reg. Station Equip.-Genl.		223,437	277,523	(54,086)
14	890.0 Maintenance of Measuring & Reg. Station Equip.-Indtrl.		-	-	-
15	891.0 Maintenance of Measuring & Reg. Station Equip.-City G		-	-	-
16	892.0 Maintenance of Services		159,871	617,424	(457,553)
17	893.0 Maintenance of Meters & House Regulators		166,354	144,511	21,843
18	894.0 Maintenance of Other Equipment		132,372	180,345	(47,973)
19	Total Maintenance Expenses		\$ 3,522,134	\$ 3,616,824	\$ (94,690)
20	CUSTOMER ACCOUNTS EXPENSES				
21	Operations				
22	901.0 Supervision		\$ -	\$ 2,328	\$ (2,328)
23	902.0 Meter Reading Expenses		758,497	1,098,368	(339,871)
24	903.0 Customer Records & Collection Expenses		1,541,812	1,748,232	(206,420)
25	904.0 Uncollectable Accounts		2,090,710	2,090,630	80
26	905.0 Miscellaneous Customer Accounts Expenses		-	-	-
27	Total Customer Account Operations Expenses		\$ 4,391,019	\$ 4,939,558	\$ (548,539)
28	CUSTOMER SERVICE & INFORM. EXPENSES				
29	Operations				
30	907.0 Supervision		\$ 19,902	\$ 91,048	\$ (71,146)
31	908.0 Customer Assistance Expenses		759,317	(1,271,231)	2,030,548
32	909.0 Informational & Instructional Advertising Expenses		144,587	131,740	12,847
33	910.0 Miscellaneous Customer Service & Informational Exp.		-	-	-
34	Total Cust. Service & Inform. Operations Expenses		\$ 923,806	\$ (1,048,443)	\$ 1,972,249
35	SALES EXPENSES				
36	Operation				
37	911.0 Supervision		\$ 8,389	\$ 7,983	406
38	912.0 Demonstrating and Selling Expenses		-	-	-
39	913.0 Advertising Expenses		-	-	-
40	914.0 (Reserved)		-	-	-
41	915.0 (Reserved)		-	-	-
42	916.0 Miscellaneous Sales Expenses		-	-	-
43	Total Operation Sales Expenses		\$ 8,389	\$ 7,983	\$ 406
44	ADMINISTRATIVE AND GENERAL EXPENSES				
45	Operation				
46	920.0 Administrative and General Salaries		\$ 1,058,627	\$ 3,970,172	\$ (2,911,545)
47	921.0 Office Supplies and Expenses		1,795,712	1,075,088	720,624
48	922.0 Administrative Expenses Transferred-Credit		(3,136,999)	(3,138,745)	1,746
49	923.0 Outside Service Employed		5,205,140	3,235,719	1,969,421
50	924.0 Property Insurance		68,945	77,571	(8,626)
51	925.0 Injuries and Damages		921,219	1,146,487	(225,268)
52	926.0 Employee Pensions and Benefits		1,722,574	4,033,587	(2,311,013)
53	927.0 Franchise Requirements		-	-	-
54	928.0 Regulatory Commission Expenses		3,331	3,266	65
55	929.0 Duplicate Charges-Credit		-	-	-
56	930.1 General Advertising Expenses		227,438	199	227,239
57	930.2 Miscellaneous General Expenses		114,807	94,521	20,286
58	931.0 Rents		-	-	-
59	Total Administrative and General Operation Expenses		\$ 7,980,794	\$ 10,497,865	\$ (2,517,071)
60	Maintenance				
61	932.0 Maintenance of General Plant		\$ 100,052	\$ 173,542	\$ (73,490)
62	Total Administrative & General Maintenance Exp		\$ 100,052	\$ 173,542	\$ (73,490)
63					
64	Total Gas Operation and Maintenance Expenses		\$ 8,080,846	\$ 10,671,407	\$ (2,590,561)
65					
66	Total Gas Operation Expenses		\$ 40,063,837	\$ 45,333,245	\$ (5,269,408)
67	Total Maintenance Expenses		\$ 4,442,269	\$ 5,251,595	\$ (809,326)

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	-	(323,276)	323,276
5	Local Property Taxes	-	(53,263)	53,263
6	Public Utility Realty Tax	-	(69,190)	69,190
7	State Capital Stock Tax	-	4,993	(4,993)
8	Other Taxes (specify) Payroll	-	(479,403)	479,403
9	PA Sales and Use	-	(100,776)	100,776
10	State Insurance	-	(1,202)	1,202
11	Miscellaneous	-	(1,658)	1,658
12	TOTAL	\$ -	\$ (1,023,775)	\$ 1,023,775

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

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

Line No.	Type of Tax (a)	Account 165 Prepayments (b)	Account 190 Accumulated Def. Income Taxes (c)	Account 236 Accrued Taxes (d)	Account 409.1 Income Taxes Opr Income (e)
1	Federal Income Taxes	\$ -	\$ -	\$ (2,458,581)	\$ 2,458,581
2	State Income Taxes	-	-	(589,028)	589,028
3	Local Income Taxes	-	-	-	-
4					
5					
6					
7					
8	Other Taxes (specify)	-	-	-	-
9					
10					
11	TOTAL	\$ -	\$ -	\$ (3,047,609)	\$ 3,047,609

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	\$ 78,733,486	\$ 78,733,486		
2	Operating Expenses	53,373,436	53,373,436		
3	Operating Taxes (Non-Income)	933,775	933,775		
4	Interest & Other Expense	4,603,727	4,603,727		
5	Pre-Tax Operating Income				
	Total Line 1 Minus Lines 2-3-4	\$ 19,822,548	\$ 19,822,548	\$ -	\$ -
6	Other Income (Expense)	\$ (166,694)	\$ (166,694)		
7	Pre Tax Book Income				
	Total Lines 5+6	\$ 19,655,854	\$ 19,655,854	\$ -	\$ -
8	Permanent and Flow-Through Differ.	12,936	12,936		
9	Temporary Differences	(7,036,804)	(7,036,804)		
10	State Only Differences	(140,965)	(140,965)		
11	Subtotal	\$ 12,491,021	\$ 12,491,021	\$ -	\$ -
12	State Tax at Current Rate	\$ 1,223,990	\$ 554,015		\$ 669,975
13	Adjustments to State Tax	41,328	41,328		0
14	Adjustments for St. Tax Rate Changes				
15	State Tax Accrual				
	Total Lines 12+13+14	\$ 1,265,318	\$ 595,343	\$ -	\$ 669,975
16	Federal Taxable Income				
	Total Line 11 Minus Lines 10-12-13	\$ 11,366,668	\$ 12,036,643	\$ -	\$ (669,975)
17	Federal Tax at Current Rate	5,682,628	1,777,458	2,495,584	1,409,586
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	701,036	701,036		
24	Federal Tax Accrual				
	Total Lines 17 through 23	\$ 6,383,664	\$ 2,478,494	\$ 2,495,584	\$ 1,409,586

**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 Taxes (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	\$ -	\$ (5,809,510)	\$ (2,862,668)	\$ 8,672,178
2	State	-	-	(715,824)	715,824
3	Other				
4					
5					
6					
7	Total	\$ -	\$ (5,809,510)	\$ (3,578,492)	\$ 9,388,002

**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 Taxes (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	\$ -	\$ 3,313,926	\$ 1,410,077	\$ (4,724,003)
2	State	-	-	32,211	(32,211)
3	Other				
4					
5					
6					
7	Total	\$ -	\$ 3,313,926	\$ 1,442,288	\$ (4,756,214)

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	See Schedule 500.1.							
2								
3								
4								
5								
6								
7								
8								
9								
10								
Totals			Various	8,326,202	\$ -	\$ -	\$ -	\$ -

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	Interstate Gas Marketing	Imbalance Sales	1,030	521	\$ 665	\$ -	\$ 665	\$ 1.28
2	Direct Energy	Imbalance Sales	1,030	5	\$ 23	\$ -	\$ 23	\$ 4.51
3	Guttman Energy	Imbalance Sales	1,030	1,749	\$ 5,768	\$ -	\$ 5,768	\$ 3.30
4	ARM Energy Management	Imbalance Sales	1,030	26,724	\$ 85,600	\$ -	\$ 85,600	\$ 3.20
5	*Equitable Gas Company	Imbalance Sales	1,030	30,284	\$ 88,916	\$ -	\$ 88,916	\$ 2.94
6								
7								
8								
9								
10								
Totals				59,283	\$ 180,972	\$ -	\$ 180,972	

500.1 Gas Purchased

Purchased From (a)	Point of Receipt (b)	B.t.u Per Cu. Ft. (c)	MCF (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Cost Per Unit (h)
*Account 801 - Natural Gas Well Head Purchases							
Pennsylvania Natural Gas Purchases							
Pennsylvania Producers	Various	various	4,171,316	\$ 6,845,301	\$ -	\$ 6,845,301	\$ 1.64
*Account 803 - Transportation Costs							
Transportation and Other Costs							
Columbia Gas Transmission Corp.	Butler/Indiana Counties				\$ 420,252	\$ 420,252	n/a
Dominion Transmission	Butler/Allegheny Counties				\$ 2,421,772	\$ 2,421,772	n/a
Equitrans	Armstrong/Indiana Counties				\$ 2,758,119	\$ 2,758,119	n/a
Texas Eastern Transmission	Westmoreland County				\$ (94,358)	\$ (94,358)	n/a
Demand Charges (Account 858)					\$ 3,885,073	\$ 3,885,073	n/a
Gas Purchases							
ARM Energy Management	Allegheny/Butler/Indiana/Westmoreland	various	53,204	\$ 69,486	\$ -	\$ 69,486	\$ 1.31
BP Energy	Allegheny/Butler/Indiana/Westmoreland	various	87,075	\$ 53,325	\$ -	\$ 53,325	\$ 0.61
South Jersey Resources	Allegheny/Butler/Indiana/Westmoreland	various	2,846,679	\$ 4,322,462	\$ -	\$ 4,322,461	\$ 1.52
Account 804 - City Gate Purchases							
City Gate Purchases			100,530	\$ 123,917	\$ -	\$ 123,917	\$ 1.23
Account 805.1 - Purchase Gas Cost Adjustments							
Purchase Gas Cost Adjustments				\$ (3,845,558)	\$ -	\$ (3,845,558)	n/a
Account 806 - Exchange Gas							
Exchange Gas			(9,256)	\$ (57,451)	\$ -	\$ (57,451)	\$ 6.21
Account 808 - Storage Injection/Withdrawals							
Storage							
Storage Injections		various	(2,786,104)	\$ (4,724,699)	\$ -	\$ (4,724,699)	\$ 1.70
Storage Withdrawals		various	3,862,758	\$ 7,609,619	\$ -	\$ 7,609,619	\$ 1.97
Total			1,076,654	2,884,920	\$ -	2,884,921	\$ 2.68
Net Purchased Gas Costs			8,326,202	\$ 10,396,402	\$ 9,390,857	\$ 19,787,259	\$ 2.38
			8,326,202			\$ 19,787,259	

* Demand charges in Account 858 have been included above under Account 803 since they represent other gas costs.

* Includes Costs for On-System and Off-System Activity.

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	7,789,875
6	Gas of Others Received for Transportation	15,792,603
7	Receipts of Respondent's Gas Transported or Compressed by Others	
8	Exchange Gas Received	2,750,168
9	Gas Received from Underground Storage	678,215
10	Other Receipts: Retainage	366,819
11		
12		
13		
14	Total Receipts:	27,377,680
15	GAS DELIVERED	
16	Natural Gas Sales:	
17	Local Distribution by Respondent	6,116,025
18	Main Line Industrial Sales	874
19	Sales for Resale	
20	Interdepartmental Sales	
21		
21		
22	Total Sales	6,116,899
23	Deliveries of Gas Transported or Compressed for Others	15,792,603
24	Deliveries of Respondent's Gas for Trans. Or Compressed by Others	
25	Exchange Gas Delivered	2,354,483
26	Natural Gas used by Respondent	89,187
27	Natural Gas Delivered to Storage	605,561
28	Natural Gas for Franchise Requirements	
29	Other Deliveries: Off-System Deliveries	480,026
30	Total Deliveries	25,438,759
31	UNACCOUNTED FOR	
32	Production System Losses	
33	Storage Losses	
34	Transmission System Losses	
35	Distribution System Losses	1,938,516
36	Other Losses	405
37		
38	Total Unaccounted For	1,938,921
38	Total Deliveries and Unaccounted For	27,377,680

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)	Total Pool (b)	(c)	(d)
1	Storage Operations	MCF	MCF	MCF
2	Gas Delivered to Storage			
3	January	-	-	-
4	February	-	-	-
5	March	-	-	-
6	April	-	-	-
7	May	487,164	-	-
8	June	490,798	-	-
9	July	473,347	-	-
10	August	580,543	-	-
11	September	411,451	-	-
12	October	342,801	-	-
13	November	-	-	-
14	December	-	-	-
15	Totals	2,786,104	-	-
16	Gas Withdrawn From Storage			
17	January	1,320,210	-	-
18	February	974,864	-	-
19	March	366,501	-	-
20	April	102,975	-	-
21	May	-	-	-
22	June	-	-	-
23	July	-	-	-
24	August	-	-	-
25	September	-	-	-
26	October	-	-	-
27	November	335,327	-	-
28	December	762,881	-	-
29	Totals	3,862,758	-	-
30	Stored Gas End of Year-MCF	464,422		
31	Est. Native Gas in Storage Reservoir-MCF	1,321,774		
32	Total Gas in Reservoir-MCF (Lines 28 plus 29)	1,786,196		
33	Storage Capacity (Escl. Native Gas)-MCF	591,000		
34	Reservoir Pressure at which Storage Cap.-Computed	Various		
35	Number of Storage Wells in Project	19		
36	Number of Acres of Storage Area	Various		
37	Maximum Day's Withdrawal from Storage	20,585		
38	Date of Maximum Day's Withdrawal	February 13, 2016		
39	Year Storage Operations Commenced	Various		

* Includes On-System and Off-System Storage (Lines 14-29)
Lines 30-39 only pertain to local storage facilities.

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	NONE				
3	Productive Wells Drilled During the Year					
4	Oil Wells Restored to Productive Basis During Year					
5	Wells Purchased During the Year					
6	Wells Abandoned During the Year					
7	Wells Sold During the Year					
8						
9	Productive Wells at End of Year					
10	Number of Wells Drilled Deeper During the Year					
11	Dry Holes Drilled During the Year					
12						
13	NATURAL GAS ACREAGE		Operative		Non Operative	
14	Number of Acres Owned at End of Year					
15	Number of Acres Leased at End of Year					
16						
17	OIL WELLS					
18	Productive Wells at Beginning of Year					
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	516. GAS LINES, METERS AND SERVICES					
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	2.00			5	2,179	808
29	3.00			6	1,234	412
30	4.00			14	3,084	672
31	5.00				95	44
32	6.00			28	1,235	1,196
33	7.00				12	198
34	8.00				407	1,017
35	9.00					64
36	10.00				111	659
37	11.00					78
38	12.00				22	658
39	16.00					110
40				53	8,379	5,916

Meters in Service at End of Year - See Schedule 517

Services at End of Year - 59,523

Meters in Stock or Shop at End of Year - See Schedule 517

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	Various				-
2						
3						
4						
5						
6						
7						
8						
9						
10	Total in residential use		-	-	-	-
11	In commercial use	Various				-
12						
13						
14						
15						
16						
17						
18						
19						
20	Total in commercial use		-	-	-	-
21	In industrial use	Various				-
22						
23						
24						
25						
26						
27						
28						
29						
30	Total in industrial use		-	-	-	-
31	In public (municipal or government) use					
32						
33						
34						
35						
36						
37						
38						
39						
40	Total in public (municipal or government) use		-	-	-	-
41	Total in use		62,993	2,375	1,053	64,315
42	In Stock	Various	4,110	1,073	1,053	4,130
43						
44						
45						
46						
47						
48						
49						
50	Total in stock		4,110	1,073	1,053	4,130
51	Total all meters		67,103	3,448	2,106	68,445

METERS TESTED BY SIZES

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

* See next page

Peoples TWP 2015 Meter Test and Replacement Plan

CLASS "A" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN	24,757	125	339	4.40%
ROCKWELL	29,191	125	492	11.30%

CLASS "B" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN				
ROCKWELL				
SPRAGUE				
Combined Population Total	1263	50	38	9.00%

2016 Sampling Plan

3 Meter Families
 Family Breakdown
 By Manufacturer 250 & 400
 All B Meters
 PTWP

	Population	Change
American 250	24757	125
Rockwell 250	29191	125
B Meters	1263	50
Total Sampling Changes		300

Total Sampling Meter Population - 55,945

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

- Report below the details called for concerning Customers, MCF, CCF or Therms (Indicate Unit Used) Sold, and Opr. Revenues by Tariff Schedule.
- 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.
- Quantities of gas sold to flat-rate customers shown in column (e), should explain in a footnote the basis upon which quantities were determined.
- 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)	
1	Metered Sales by Tariff Schedule									
2	Residential									
3	Heating	54,299	54,975	54,307	4,414,913	\$ 51,812,998	80	\$ 942	\$ 11.74	
4	Non-Heating	2,478	2,199	2,299	51,865	\$ 923,723	24	\$ 420	\$ 17.81	
5	Unbilled	-			125,511	\$ 1,661,051				
6										
7	Transportation									
8	Billed	29	33	32	3,644	\$ 32,374	110	\$ 981	\$ 8.88	
9										
10										
11	Transportation									
12	Total Residential Metered Sales	56,806	57,207	56,638	4,595,933	\$ 54,430,146	80	\$ 951	\$ 11.84	
13	Commercial									
14	Heating	3,614	3,688	3,628	1,414,017	\$ 12,149,608	383	\$ 3,294	\$ 8.59	
15	Non-Heating	383	358	372	74,580	\$ 742,885	208	\$ 2,075	\$ 9.96	
16	Unbilled	-			35,139	\$ 360,151				
17										
18	Transportation									
19	Billed	241	246	244	1,066,106	\$ 3,706,432	4,334	\$ 15,067	\$ 3.48	
20	UnBilled	-			3,183	\$ 16,886				
21										
22	Transportation									
23	Total Commercial Metered Sales	4,238	4,292	4,244	2,593,025	\$ 16,975,962	604	\$ 3,955	\$ 6.55	
24	Industrial									
25	Retail - Billed	3	-	-	874	\$ 6,673	291	\$ 2,224	\$ 7.64	
26										
27	Transport - Billed	20	27	22	14,719,671	\$ 6,130,269	545,173	\$227,047	\$ 0.42	
28										
29										
30										
31	Total Industrial Metered Sales	23	27	22	14,720,545	\$ 6,136,942	545,205	\$227,294	\$ 0.42	
32	Public									
33	Interdepartmental									
34	Other - Sale for Resale	4	5	5	59,283	\$ 180,972	11,857	\$ 36,194	\$ 3.05	
35	Other - Off-System Transport	-			353,127	\$ 132,067				
36	Total Metered Sales	61,071	61,531	60,909	22,321,913	\$ 77,856,089	363	\$ 1,265	\$ 3.49	
37	Unmetered Sales-All Categories									
38	Other									
39	Total Unmetered Sales	-	-	-	-	\$ -	-	\$ -	\$ -	
40	Total Sales of Gas	61,071	61,531	60,909	22,321,913	\$ 77,856,089	363	\$ 1,265	\$ 3.49	
41	Other Gas Revenues:									
42	Rent from Gas Property									
43	Interdepartmental Rents									
44	Operating Revenue Other Than Gas Sales					\$ 308,455				
45	Allowance to Customers									
46	Customers Forfeited Discounts & Penalties					\$ 456,331				
47	Miscellaneous Gas Revenues					\$ 112,611				
48	Total Other Gas Revenues	-	-	-	-	\$ 877,397				
49	Total Gas Operating Revenues	61,071	61,531	60,909	22,321,913	\$ 78,733,486				

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	13
3	Total Business Office, Sales And Professional Employees	8
4	Total Clerical Employees	4
5	Total Operators	26
6	Total Construction, Installation and Maintenance Employees	75
7	Total Building, Supplies and Motor Vehicle Employees	1
8	All Other Employees Not Elsewhere Classified	
9	Total All Employees	141

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	12,707	12,691
03	X	Armstrong	4,521	4,516
04		Beaver		
05		Bedford		
06		Berks		
07		Blair		
08		Bradford		
09		Bucks		
10	X	Butler	27,811	27,274
11	X	Cambria	119	60
12		Cameron		
13		Carbon		
14		Centre		
15		Chester		
16	X	Clarion	446	448
17	X	Clearfield	16	15
18		Clinton		
19		Columbia		
20		Crawford		
21		Cumberland		
22		Dauphin		
23		Delaware		
24		Elk		
25		Erie		
26		Fayette		
27		Forest		
28		Franklin		
29		Fulton		
30		Greene		
31		Huntingdon		
32	X	Indiana	3,361	3,349
33	X	Jefferson	5,841	5,877
34		Juniata		
35		Lackawanna		
36		Lancaster		
37		Lawrence		
38		Lebanon		
39		Lehigh		
40		Luzerne		
41		Lycoming		
42		McKean		
43		Mercer		
44		Mifflin		
45		Monroe		
46		Montgomery		
47		Montour		
48		Northampton		
49		Northumberland		
50		Perry		
51		Philadelphia		
52		Pike		
53		Potter		
54	X	Schuylkill	56	28
55		Snyder		
56		Somerset		
57		Sullivan		
58		Susquehanna		
59		Tioga		
60		Union		
61		Venango		
62		Warren		
63		Washington		
64		Wayne		
65	X	Westmoreland	6,648	6,646
66		Wyoming		
67		York		
Totals			61,526	60,904
Total Population of Territory Served (Estimated)			2,015,000	2,015,000

*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

Preston Poljak makes oath and says that he is the Sr. Vice President, CFO of Peoples TWP LLC.

The signed officer has reviewed the report.

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

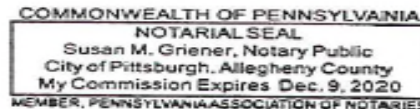
Based on such officer's knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of the issuer as of, and for, the periods presented in the report.

He/she believes that all other statements contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including January 1, 2016 to and including December 31, 2016.

Subscribed and sworn to and before me, a Notary in and for the State and County above-named, this 1st day of May 2017.

Susan M. Griener
(Signature of officer authorized to administer oaths)

My commission expires 12/9/20



[Signature]
Sr. Vice President, CFO

SUPPLEMENTAL OATH

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

Commonwealth of Pennsylvania

as:

County of Allegheny

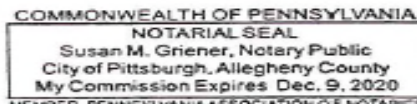
Joseph A. Gregorini makes oath and says that he is the Senior Vice President and COO of Peoples TWP LLC.

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, 2016 to and including December 31, 2016.

Subscribed and sworn to and before me, a Notary in and for the State and County above-named, this 1st day of May 2017.

Susan M. Griener
(Signature of officer authorized to administer oaths)

My commission expires 12/9/20



Joseph A. Gregorini
Sr. Vice President and COO