

**GAS ANNUAL REPORT
OF**

PEOPLES NATURAL GAS COMPANY LLC - PEOPLES DIVISION

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

**FOR THE
YEAR ENDED DECEMBER 31, 2018
TO THE
COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION**

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

**Karen Worcester
Director, Finance & Accounting
375 North Shore Drive, Suite 400, Pittsburgh, Pennsylvania 15212
Karen.R.Worcester@peoples-gas.com
412-208-6594**

www.peoples-gas.com

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GENERAL INSTRUCTIONS

1. The completed original and an electronic (e-mail) copy of this report shall be filed with the Pennsylvania Commission by the 30th of April at the following addresses:
ra-PUCFinancial@pa.gov
Pennsylvania Public Utility Commission,
400 North Street, Harrisburg, Pennsylvania, 17120
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.

Preston Poljak - Senior Vice President & Chief Financial Officer
375 North Shore Drive, Suite 600
Pittsburgh, PA 15212

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

Peoples Natural Gas Company LLC ("Peoples") is a limited liability company organized under the laws of the Commonwealth of Pennsylvania. Peoples is the survivor of a merger dated February 1, 2010, between Peoples and The Peoples Natural Gas Company, which merger effected the acquisition by PNG Companies LLC ("PNG Companies"), an indirect subsidiary of SteelRiver Infrastructure Fund North America LP. The acquisition was authorized by certificate of public convenience granted pursuant to order issued on November 19, 2009, in Docket No. A-2008-2063737. Effective December 17, 2013, PNG Companies acquired all membership interests of Equitable Gas Company, LLC (EGC) from EQT Corporation (EQT), the parent company of EGC, in exchange for cash and other assets. The EGC assets were split by state of operations into separate legal entities for West Virginia and Kentucky, and the Pennsylvania assets were combined into Peoples Natural Gas Company LLC.

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

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

None

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

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. 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.**

On November 13, 2018, Aqua America Inc. filed an application with the Pennsylvania Public Utility Commission to acquire Peoples Natural Gas Company LLC by way of purchase of all of LDC Funding LLC's membership interests which includes PNG Companies LLC (parent company of Peoples Natural Gas Company LLC). The application for the Peoples Division is currently pending before the PUC at Docket No. A-2018-3006061.

3 through 5 None**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.**

On June 15, 2018, Peoples Natural Gas filed a revised tariff to reduce annual revenues by approximately \$9,862,000 as a result of the Tax Cuts and Jobs Act of 2017.

7. Important wage scale changes:

A three-year agreement was ratified with the Utility Workers Union of America through October 31, 2023. A 2.75% wage increase was effective November 1, 2018

Estimated average annual effect on operating expenses - \$769,304

IBEW - International Brotherhood of Electrical Workers Local 29 had a 2.5% increase effective January 15, 2018 under their three-year agreement that was effective through January 23, 2019.

Estimated effect on 2018 operating expenses - \$10,113

Estimated average annual effect on operating expenses - \$10,546

USW - United Steel Workers Local 1324 had a 2.5% wage increase effective February 25, 2018 under their three-year agreement that was effective through February 4, 2019.

Estimated effect on 2018 operating expenses - \$28,451

Estimated average annual effect on operating expenses - \$33,608

Non-union employees received an average increase of approximately 3% effective February 25, 2018.

Estimated effect on 2018 operating expenses - \$475,771

Estimated average annual effect on operating expenses - \$561,995

8 through 10 - None

DEFINITIONS

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

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

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

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

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

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

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

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

DEFINITIONS**(Continued)**

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

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

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

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

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

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

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

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

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

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

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**100. VOTING POWERS AND ELECTIONS**

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

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

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

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

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

N/A

4. Is cumulative voting permitted? Yes/No

N/A

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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

**PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY
101 SECURITY HOLDER INFORMATION AND VOTING POWERS**

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

Line No.	Last Name (a)	First Name (b)	Street Address (c)	City (d)	State (e)	Zip (f)	Total Votes (g)	Common Stock (h)	Preferred Stock (i)	Other (j)	Nonvoting Securities (see instruction 2) Principal, Par Value, or Stated Value (Specify issue-omit cents) (k)
1	Total votes of all voting securities						N/A	N/A	N/A		
2	Total number of security holders						N/A	N/A	N/A		
3	Total votes of security holders listed below						N/A	N/A	N/A		
4	PNG Companies LLC		375 North Shore Drive	Pittsburgh	PA	15212				Membership Interest	
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PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY
102. COMPANIES CONTROLLED BY RESPONDENT

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

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Street Address (c)	City (d)	State (e)	Zip (f)	Voting % of Stock (g)	Footnote Ref. (h)
1	None							
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3								
4								
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11								
12								
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14								
15								
16							0%	

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**103. Directors**

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

Line No.	Directors Name and Title (a)	Principal Business Address					Term Began (i)	Term End (j)	Meetings Attended (k)	Fees Paid (l)
		Street Address (b)	City (c)	Stat (d)	Zip (e)	Telephone (h)				
1	Christopher P. Kinney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	None
2	James Mahoney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	\$64,000
3	Dennis T. Mahoney	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-10		5	None
4	Victor A. Roque	4543 Dogwood Drive	Allison Park	PA	15101	412 392 4400	Feb-10		5	\$65,000
5	Morgan K. O'Brien (President & CEO)	375 North Shore Drive, Suite 600	Pittsburgh	PA	15212	412 208 7910	Feb-10		5	None
6	John McGuire	500 Fifth Avenue, 55th Fl.	New York	NY	10110	212 696 0110	Feb-12		5	None
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PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**104. Officers**

Line No.	Official Title & Name (a)	Principal Business Address						Email (j)
		Street Address (b)	City (c)	State (d)	Zip (e)	Telephone (h)	Fax (i)	
1	President & Chief Executive Officer							
2	Morgan K. O'Brien	375 North Shore Drive	Pittsburgh	PA	15212	412-208-7910	1-866-518-0780	morgan.obrien@peoples-gas.com
3	Senior Vice President & Chief Administrative Officer							
4	Ruth M. DeLost	375 North Shore Drive	Pittsburgh	PA	15212	412 208-7920	412-208-6869	ruth.a.delost@peoples-gas.com
5	Senior Vice President Chief Operating Officer							
6	Joseph A. Gregorini	375 North Shore Drive	Pittsburgh	PA	15212	412-208-1905	412-208-6869	joseph.a.gregorini@peoples-gas.com
7	Senior Vice President & Chief Financial Officer							
8	Preston Poljak	375 North Shore Drive	Pittsburgh	PA	15212	412-208-6563	412-208-6869	preston.poljak@peoples-gas.com
11	Vice Presidents:							
12	Paul Becker - Construction & Engineering	375 North Shore Drive	Pittsburgh	PA	15212	412 258 4406	412-208-6869	paul.becker@peoples-gas.com
13	Thomas Butler - Strategic Planning	375 North Shore Drive	Pittsburgh	PA	15212	412-208-7930	412-208-6869	Thomas.Butler@peoples-gas.com
14	Jeffrey S. Nehr - Business Development & Gas Supply	375 North Shore Drive	Pittsburgh	PA	15212	412 244 2588	412-208-6869	jeffrey.s.nehr@peoples-gas.com
15	Edward Palombo - Reliability	375 North Shore Drive	Pittsburgh	PA	15212	412-258-6715	412-208-6869	edward.a.palombo@peoples-gas.com
16	Luke Ravenstahl - Sales & Marketing	375 North Shore Drive	Pittsburgh	PA	15212	412-208-4438	412-208-6869	Luke.Ravenstahl@peoples-gas.com
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PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**200. COMPARATIVE BALANCE SHEET****ASSETS AND OTHER DEBITS**

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/ Decrease (e)
1	UTILITY PLANT				
2	101.0 Utility Plant in Service	205	\$ 2,543,989,455	\$ 2,746,272,406	\$ 202,282,951
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		4,940	4,940	-
8	105.1 Production Properties Held For Future Use				
9	106.0 Completed Construction Not Classified-Gas				
10	107.0 Construction Work in Progress-Gas	208	16,864,396	21,384,434	4,520,038
11	108.0 Accumulated Provision for Depreciation of Gas Utility Plant	206	(833,555,260)	(857,417,180)	(23,861,920)
12	111.0 Accumulated Prov. For Amortization & Depletion of Gas Utility Pl.	206	(51,578,129)	(55,179,040)	(3,600,911)
13	114.0 Gas Plant Acquisition Adjustments	207	284,894,602	284,894,602	-
14	115.0 Accumulated Prov. For Amortization & Depletion of Gas Plant				
15	Acquisition Adjustments	206			
16	116.0 Other Gas Plant Adjustments				
17	117.1 Gas Stored-Base Gas				
18	117.2 System Balancing Gas				
19	117.3 Gas Stored in Reservoirs and Pipelines-Noncurrent				
20	117.4 Gas Owed to System Gas				
21	118.0 Other Utility Plant Adjustments				
22	119.0 Accumulated Provision for Depreciation and Amortization of Other				
23	Utility Plant	206			
24	TOTAL UTILITY PLANT		\$ 1,960,620,004	\$ 2,139,960,162	\$ 179,340,158
25	OTHER PROPERTY AND INVESTMENTS				
26	121.0 Non-Utility Property		\$ 17,172	\$ 17,172	\$ -
27	122.0 Accumulated Depreciation & Amortization of Non-Utility Property		(9,322)	(9,322)	-
28	123.0 Investments in Associated Companies	210			
29	123.1 Other Investments	210			
30	124.0 Other Investments	210	3,733,190	3,733,190	-
31	125.0 Sinking Funds				
32	126.0 Depreciation Fund				
33	128.0 Other Special Funds		229,200	229,200	-
34	TOTAL OTHER PROPERTY AND INVESTMENTS		\$ 3,970,240	\$ 3,970,240	\$ -

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**200. COMPARATIVE BALANCE SHEET****ASSETS AND OTHER DEBITS**

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	CURRENT AND ACCRUED ASSETS				
2	131.0 Cash		\$ 1,726,852	\$ 3,050,524	\$ 1,323,672
3	132.0 Interest Special Deposits				
4	133.0 Dividend Special Deposits				
5	134.0 Other Special Deposits		1,077,515	1,137,515	60,000
6	135.0 Working Funds				
7	136.0 Temporary Cash Investments				
8	141.0 Notes Receivable	210			
9	142.0 Customer Accounts Receivable		92,302,840	92,400,166	97,326
10	143.0 Other Accounts Receivable		7,522,325	7,316,711	(205,614)
11	144.0 Accumulated Provision for Uncollectible Accounts-Cr.		(11,396,200)	(11,176,745)	219,455
12	145.0 Notes Receivable from Associated Companies				
13	146.0 Accounts Receivable for Associated Companies	212	1,980,930	2,617,146	636,216
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		3,092,463	3,367,332	274,869
18	155.0 Merchandise				
19	156.0 Other Materials and Supplies				
20	163.0 Stores Expense-Undistributed				
21	164.1 Gas Stored-Current		23,137,167	28,585,146	5,447,979
22	164.2 Liquefied Natural Gas Stored				
23	164.3 Liquefied Natural Gas Held for Processing				
24	165.0 Prepayments		6,037,016	9,280,390	3,243,374
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		67,604,872	52,239,080	(15,365,792)
30	174.0 Miscellaneous Current and Accrued Assets		3,117,953	2,894,055	(223,898)
31	TOTAL CURRENT & ACCRUED ASSETS		\$ 196,203,733	\$ 191,711,320	\$ (4,492,413)
32	DEFERRED DEBITS				
33	181.0 Unamortized Debt Expense		\$ 7,295,759	\$ 5,913,266	\$ (1,382,493)
34	182.1 Extraordinary Property Losses	216			
35	182.2 Unrecovered Plant and Regulatory Study Costs	217			
36	182.3 Other Regulatory Assets		\$ 140,418,604	\$ 132,261,232	\$ (8,157,372)
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		1,908,510	3,499,341	1,590,831
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		64,805,290	62,441,506	(2,363,784)
46	191.0 Unrecovered Purchased Gas Costs		1,905,655	17,707,988	15,802,333
47	TOTAL DEFERRED DEBITS		\$ 216,333,818	\$ 221,823,333	\$ 5,489,515
48	TOTAL ASSETS & TOTAL DEBITS		\$ 2,377,127,795	\$ 2,557,465,055	\$ 180,337,260

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**200. COMPARATIVE BALANCE SHEET****LIABILITIES AND OTHER CREDITS**

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	LIABILITIES AND OTHER CREDITS				
2	PROPRIETARY CAPITAL				
3	201.0 Common Stock Issued				
4	202.0 Common Stock Subscribed				
5	203.0 Common Stock Liability for Conversion				
6	204.0 Preferred Stock Issued				
7	205.0 Preferred Stock Subscribed				
8	206.0 Preferred Stock Liability for Conversion				
9	207.0 Premium on Capital Stock				
10	208.0 Donations Received from Stockholders				
11	209.0 Reduction in Par or Stated Value of Capital Stock				
12	210.0 Gain on Resale or Cancellation of Reacquired Capital Stock				
13	Capital Stock				
14	211.0 Miscellaneous Paid-In Capital		\$ 794,774,910	\$ 834,774,910	\$ 40,000,000
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		\$ 123,194,650	\$ 209,894,039	\$ 86,699,389
20	216.1 Unappropriated Undistributed Subsidiary Earnings				
21	217.0 Reacquired Capital Stock				
22	TOTAL PROPRIETARY CAPITAL		\$ 917,969,560	\$ 1,044,668,949	\$ 126,699,389
23					
24	LONG-TERM DEBT				
25	221.0 Bonds				
26	222.0 Reacquired Bonds	231			
27	223.0 Advances from Associated Companies		\$ 873,076,100	\$ 873,076,100	\$ -
28	224.0 Other Long-term Debt				
29	225.0 Unamortized Premium on Long-Term Debt				
30	226.0 Unamortized Discount on Long-Term Debt-Debit				
31	TOTAL LONG TERM DEBT		\$ 873,076,100	\$ 873,076,100	\$ -
32					
33	OTHER NONCURRENT LIABILITIES				
34	227 Obligation Under Capital Leases-NonCurrent				
35	228.1 Accumulated Provision for Property Insurance				
36	228.2 Accumulated Provision for Injuries and Damages		\$ 814,547	\$ 1,918,500	\$ 1,103,953
37	228.3 Accumulated Provision for Pensions and Benefits		26,515,259	19,660,996	(6,854,263)
38	228.4 Accumulated Miscellaneous Operating Provisions		95,894	95,894	-
39	229 Accumulated Provision for Rate Refunds				
40	230 Asset Retirement Obligations		38,378,627	42,136,433	3,757,806
41	TOTAL OTHER NONCURRENT LIABILITIES		\$ 65,804,327	\$ 63,811,823	\$ (1,992,504)

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**200. COMPARATIVE BALANCE SHEET****LIABILITIES AND OTHER CREDITS**

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	CURRENT AND ACCRUED LIABILITIES				
2	231.00 Notes Payable		\$ -	\$ -	\$ -
3	232.00 Accounts Payable		106,069,134	121,406,900	15,337,766
4	233.00 Notes Payable to Associated Companies		71,219,379	71,726,424	507,045
5	234.00 Accounts Payable to Affiliated Companies		7,813,546	13,064,863	5,251,317
6	235.00 Customers' Deposits-Billing		3,059,417	3,120,800	61,383
7	236.10 Accrued Taxes, Taxes Other Than Income		8,963,336	4,187,671	(4,775,665)
8	236.20 Accrued Taxes, Income Taxes				
9	237.10 Accrued Interest on Long-term Debt				
10	237.20 Accrued Interest on Other Liabilities		39,702	40,133	431
11	238.00 Dividends Declared				
12	239.00 Matured Long-term Debt				
13	240.00 Matured Interest				
14	241.00 Tax Collections Payable		606,314	515,666	(90,648)
15	242.00 Miscellaneous Current and Accrued Liabilities		11,664,271	11,545,255	(119,016)
16	243.00 Obligations Under Capital Leases-Current				
17	TOTAL CURRENT AND ACCRUED LIABILITIES		\$ 209,435,099	\$ 225,607,712	\$ 16,172,613
18					
19	DEFERRED CREDITS				
20	252.00 Customer Advances for Construction		\$ 164,336	\$ 134,832	\$ (29,504)
21	253.00 Other Deferred Credits		16,348,962	14,834,961	(1,514,001)
22	254.00 Other Regulatory Liabilities		98,267,837	115,024,123	16,756,286
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		182,658,308	202,079,895	19,421,587
28	283.00 Accum. Deferred Income Taxes-Other		13,403,266	18,226,660	4,823,394
29	TOTAL DEFERRED CREDITS		\$ 310,842,709	\$ 350,300,471	\$ 39,457,762
30					
31	TOTAL LIABILITIES & OTHER CREDITS		\$ 2,377,127,795	\$ 2,557,465,055	\$ 180,337,260

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

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

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

Tax Law Changes - Tax Cuts Jobs Act

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "TCJA"). The TCJA made broad and complex changes to the U.S. tax code, including, but not limited to:

- reducing the U.S. federal corporate tax rate from 35 percent to 21 percent;
- eliminating the corporate alternative minimum tax ("AMT") and changing how existing AMT credits can be realized;
- providing for full expensing of property acquired after September 27, 2017;
- creating a new limitation on deductible interest expense; and changing rules related to uses and limitations of net operating loss carryforwards created in tax years beginning after December 31, 2017.

Further, the TCJA included changes only affecting the taxation of regulated public utilities. These changes included generally allowing for the continued deductibility of interest expense, not allowing the full expensing of certain property acquired after September 27, 2017, and continuing certain rate normalization requirements for accelerated depreciation benefits.

Consistent with state regulatory treatment and the generally accepted accounting principles for regulated utilities, the net decrease in certain deferred income taxes represents excess deferred taxes to be amortized in future periods. As such, a regulatory liability for the excess deferred taxes was recognized in 2017. Additionally, in 2018, as ordered by the state regulatory commission, customers' rates were reduced to reflect the prospective impact of the reduced federal income tax rate.

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	\$ -	\$ -	\$ -	\$ -	\$ -
3	302 Franchises & Consents	\$ -	\$ -	\$ -	\$ -	\$ -
4	303 Other Plant and Miscellaneous Equipment	\$ 75,888,336	\$ 5,731,385	\$ 8,804,723	\$ -	\$ 72,814,998
5	TOTAL INTANGIBLE PLANT	\$ 75,888,336	\$ 5,731,385	\$ 8,804,723	\$ -	\$ 72,814,998
6	MANUFACTURED GAS PRODUCTION PLANT	XXX	XXX	XXX	XXX	XXX
7	304 Land and Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -
8	305 Structures and Improvements	-	-	-	-	-
9	306 Boiler Plant Equipment	-	-	-	-	-
10	307 Other Power Equipment	-	-	-	-	-
11	308 Coke Ovens	-	-	-	-	-
12	309 Infiltration Galleries and Tunnels	-	-	-	-	-
13	310 Producer Gas Equipment	-	-	-	-	-
14	311 Liquefied Petroleum Gas Equipment	-	-	-	-	-
15	312 Oil Gas Generating Equipment	-	-	-	-	-
16	313 Generating Equipment-Other Processes	-	-	-	-	-
17	314 Coal, Coke and Ash Handling Equipment	-	-	-	-	-
18	315 Catalytic Cracking Equipment	-	-	-	-	-
19	316 Other Reforming Equipment	-	-	-	-	-
20	317 Purification Equipment	-	-	-	-	-
21	318 Residential Refining Equipment	-	-	-	-	-
22	319 Gas Mixing Equipment	-	-	-	-	-
23	320 Other Equipment	-	-	-	-	-
24	TOTAL GAS MANUFACTURING PLANT	\$ -	\$ -	\$ -	\$ -	\$ -
25	NATURAL GAS PRODUCTION & GATHERING PLANT	XXX	XXX	XXX	XXX	XXX
26	325.1 Producing Lands	\$ 75,600				\$ 75,600
27	325.2 Producing Leaseholds	10,016				10,016
28	325.3 Gas Rights	9,120				9,120
29	325.4 Rights of Way	1,345,527				1,345,527
30	325.5 Other Land and Land Rights	37,291				37,291
31	326 Other Plant and Miscellaneous Equipment	-				-
32	327 Field Compressor Station Structures	2,011,193				2,011,193
33	328 Field Measuring & Regulating Station Structures	45,916				45,916
34	329 Other Structures	1,925,965				1,925,965
35	330 Producing Gas Wells-Well Construction	9,221				9,221
36	331 Producing Gas Wells-Well Equipment	2,984				2,984
37	332 Field Lines	35,322,259	483,110	17,930		35,787,439
38	333 Field Compressor Station Equipment	27,833,893	100,443	-		27,934,336
39	334 Field Measuring & Regulating Station Equipment	1,553,152		1,545		1,551,607
40	335 Drilling & Cleaning Equipment	18,642		-		18,642
41	336 Purification Equipment	-		8,610		(8,610)
42	337 Other Equipment	124,129		10,744		113,385
43	338 Unsuccessful Exploration & Development Costs	-		-		-
44	339 Production Equipment Held under Asset Retirement Obligation	648,294		-		648,294
45	TOTAL NATURAL GAS PRODUCTION & GATHERING PLANT	\$ 70,973,202	\$ 583,553	\$ 38,829	\$ -	\$ 71,517,926
46	PRODUCTS EXTRACTION PLANT	XXX	XXX	XXX	XXX	XXX
47	340 Land and Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -
48	341 Other Plant and Miscellaneous Equipment	-	-	-	-	-
49	342 Extraction & Refining Equipment	-	-	-	-	-
50	343 Pipe Lines	-	-	-	-	-
51	344 Extracted Product Storage Equipment	-	-	-	-	-
52	345 Compressor Equipment	-	-	-	-	-
53	346 Gas Measuring and Regulating Equipment	-	-	-	-	-
54	347 Other Equipment	-	-	-	-	-
55	TOTAL PRODUCTS EXTRACTION PLANT	\$ -	\$ -	\$ -	\$ -	\$ -
56	NATURAL GAS PRODUCTION & PROCESSING PLANT	XXX	XXX	XXX	XXX	XXX
57	350.1 Land	\$ 16,824				\$ 16,824
58	350.2 Rights of Way	46,800				46,800
59	351 Structures and Improvements	1,765,993				1,765,993
60	352 Wells	1,047,294				1,047,294
61	352.1 Storage Leaseholds and Rights	182,671				182,671
62	352.2 Reservoirs	433,138				433,138
63	352.3 Nonrecoverable Natural Gas	205,251				205,251
64	353 Lines	2,134,446				2,134,446

205. UTILITY PLANT IN SERVICE - Account No. 101.0

Line No.	Account Number and Title (a)	Balance Previous Year (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Balance End of Year (f)
62	354 Compressor Station Equipment	\$ 7,574,443				\$ 7,574,443
63	355 Measuring and Regulating Equipment	75,749				75,749
64	356 Purification Equipment	-				-
65	357 Other Equipment	30,184				30,184
66	358 Underground Storage Equipment Held under Asset Retirement Obligation	\$ 18,455				\$ 18,455
67	TOTAL NATURAL GAS PRODUCTION AND PROCESSING PLANT	\$ 13,531,248	\$ -	\$ -	\$ -	\$ 13,531,248
68	OTHER STORAGE PLANT	XXX	XXX	XXX	XXX	XXX
69	360 Land & Land Rights	\$ -				\$ -
70	361 Structures and Improvements	-				-
71	362 Gas Holders	-				-
72	363 Purification Equipment	-				-
73	363.1 Liquefaction Equipment	-				-
74	363.2 Vaporizing Equipment	-				-
75	363.3 Compressor Equipment	-				-
76	363.4 Measuring and Regulating Equipment	-				-
77	363.5 Other Equipment	-				-
78	TOTAL OTHER STORAGE PLANT	\$ -	\$ -	\$ -	\$ -	\$ -
79	BASE LOAD LIQUEFIED NATURAL GAS					
80	TERMINATING AND PROCESSING PLANT	XXX	XXX	XXX	XXX	XXX
81	364.1 Land and Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -
82	364.2 Structures and Improvements	-				-
83	364.3 LNG Processing Terminal Equipment	-				-
84	364.4 LNG Transportation Equipment	-				-
85	364.5 Measuring and Regulating Equipment	-				-
86	364.6 Compressor Station Equipment	-				-
87	364.7 Communication Equipment	-				-
88	364.8 Other Equipment	-				-
89	TOTAL BASE LOAD LIQUEFIED NATURAL GAS TERM. & PROC. PLAN	\$ -	\$ -	\$ -	\$ -	\$ -
90	TRANSMISSION PLANT	XXX	XXX	XXX	XXX	XXX
91	365.1 Land and Land Rights	\$ 192,966	\$ -	\$ -		\$ 192,966
92	365.2 Rights of Way	2,281,588	6,159			2,287,747
93	366 Structures and Improvements	1,555,954	(424)			1,555,530
94	367 Mains	114,568,837	3,026,518	79,670		117,515,685
95	368 Compressor Station Equipment	-				-
96	369 Measuring and Regulating Station Equipment	27,011,318	569,874	26,513		27,554,679
97	370 Communication Equipment	-				-
98	371 Other Equipment	2,246,801	238,085			2,484,886
99	372 Transmission Equipment Held under Asset Retirement Obligation	653,478				653,478
100	TOTAL TRANSMISSION PLANT	\$ 148,510,942	\$ 3,840,212	\$ 106,183	\$ -	\$ 152,244,971
101	DISTRIBUTION PLANT	XXX	XXX	XXX	XXX	XXX
102	374 Land & Land Rights	\$ 4,594,257	\$ 3,582	\$ -	\$ -	\$ 4,597,839
103	375 Structures and Improvements	22,239,977	2,446,072	372,636		24,313,413
104	376 Mains	608,427,203	84,188,162	1,799,817		690,815,548
105	377 Compressor Station Equipment	-				-
106	378 Measuring & Regulating Station Equipment-General	34,161,873	670,688	112,469		34,720,092
107	379 Measuring & Regulating Station Equipment-City Gate C. St.	-				-
108	380 Services	235,223,136	22,202,574	307,053		257,118,657
109	381 Meters	41,902,421	11,538,770	183		53,441,008
110	382 Meter Installations	56,503,006	1,661,168	345,982		57,818,192
111	383 House Regulators	-				-
112	384 House Regulatory Installations	-				-
113	385 Industrial Measuring and Regulating Station Equipment	9,534,362	426,394	37,162		9,923,594
114	386 Other Property on Customers' Premises	77,720				77,720
115	387 Other Equipment	8,156,320	1,616,845	375,396		9,397,769
116	388 Distribution Equipment Held under Asset Retirement Obligation	3,095,188			(68,289)	3,026,899
117	TOTAL DISTRIBUTION PLANT	\$ 1,023,915,463	\$ 124,754,255	\$ 3,350,698	\$ (68,289)	\$ 1,145,250,731
118	GENERAL PLANT	XXX	XXX	XXX	XXX	XXX
119	389 Land & Land Rights	\$ 84,885	\$ -	\$ -	\$ -	\$ 84,885
120	390 Structures and Improvements	4,838,436	33,443			4,871,879
121	391 Office Furniture & Equipment	9,478,412	3,035,592	3,729,303		8,784,701
122	392 Transportation Equipment	33,702,908	5,480,667	1,904,700	154,954	37,433,829
123	393 Stores Equipment	7,200		7,200		0
124	394 Tools & Garage Equipment	647,340	295,915	15,682		927,573
125	395 Laboratory Equipment	-				-
126	396 Power Operated Equipment	8,261,685	1,490,724	578,150		9,174,259
127	397 Communication Equipment	11,688,565	1,558,521			13,247,086
128	398 Miscellaneous Equipment	161,721	46,650	1,647		206,724
129	399 Other Tangible Property	-				-
130	TOTAL GENERAL PLANT	\$ 68,871,152	\$ 11,941,512	\$ 6,236,682	\$ 154,954	\$ 74,730,936
131	TOTAL PLANT	\$ 1,401,690,343	\$ 146,850,917	\$ 18,537,115	\$ 86,665	\$ 1,530,090,810

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

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

Line No.	Item (a)	Total (b)	101 Utility Plant In Service (c)	104 Utility Plant Leased to Others (d)	105 Property Held for Future Use (e)	107.0 Construction Work In Progress (f)
1	BALANCE BEGINNING OF YEAR	\$ 502,134,078	\$ 502,134,078	\$ -	\$ -	\$ -
2	CREDITS DURING YEAR	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
3	Depreciation Provisions charged to:	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
4	403 Depreciation	\$ 32,134,669	\$ 32,134,669			\$ -
5	404 Amortization	9,835,124	9,835,124			-
6						
7						
8						
9						
10	TOTAL DEPRECIATION PROVISIONS	\$ 41,969,793	\$ 41,969,793	\$ -	\$ -	\$ -
11	Recoveries from Insurance	-				-
12	Salvage Realized from Retirements	570,863	570,863			-
13	Other Credits (Describe)	-				-
14	ARO Adjustment	6,533,224	6,533,224			-
15						
16						
17						
18	TOTAL CREDITS DURING YEAR	\$ 7,104,087	\$ 7,104,087	\$ -	\$ -	\$ -
19	TOTAL CREDITS	\$ 49,073,880	\$ 49,073,880	\$ -	\$ -	\$ -
20	DEBITS DURING YEAR	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
21	Retirement of Utility Plant	\$ 18,537,115	\$ 18,537,115	\$ -	\$ -	\$ -
22	Cost of Removal	6,509,211	6,509,211			-
23	Other Debits (Describe)	-				-
24	ARO Adjustment	9,445,512	9,445,512			-
25						
26						
27						
28	TOTAL DEBITS DURING YEAR	\$ 34,491,838	\$ 34,491,838	\$ -	\$ -	\$ -
29	BALANCE AT END OF YEAR	\$ 516,716,119	\$ 516,716,119	\$ -	\$ -	\$ -

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

207. GAS PLANT ACQUISITIONS ADJUSTMENTS - Account No. 114.0

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

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

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

Annual accrual rates were developed in a depreciation study made by Gannett Fleming Valuation and Rates Consultants, Inc., based on the plant-in-service balance at December 31, 2016. The annual depreciation is based on the remaining-life method using (1) remaining lives consistent with the average service-life procedure for plant installed prior to 1983 and (2) remaining lives consistent with the equal-life group procedure for plant installed in 1983 and subsequent years.

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

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

<u>Plant Acct. Number</u>	<u>Annual Accrual Rate Current Year</u>	<u>Plant Acct. Number</u>	<u>Annual Accrual Rate Current Year</u>
<u>Production System</u>		<u>Transmission System</u>	
32541001	1.03	36521001	1.04
32701001	2.10	36601001	0.00
32803001	2.79	36602001	1.67
32901001	2.01	36603001	0.00
33101001	0.00	36701001	1.30
33102001	0.00	36901001	2.84
33201001	1.48	36902001	2.84
33301001	2.34	36903001	2.84
33401101	2.83	37101001	4.21
33401201	11.68		
33404101	0.00	<u>Distribution System</u>	
33404201	2.40	37404001	1.33
33406101	1.00	37501001	1.63
33406201	0.08	37502001	1.66
33502001	0.00	37503201	3.17
33701001	4.30	37601001	1.38
33703001	4.30	37602001	1.38
33001001	Depl	37801001	2.08
32521001	0.00	37802001	2.08
32511001	1.44	38001001	1.89
		38003001	1.89
		38101001	3.64
<u>Storage System</u>		38201001	2.22
35011001	19.52	38203001	2.22
35021001	1.31	38501001	2.18
35102001	0.93	38502001	2.18
35103001	0.93	38503001	2.18
35104001	0.93	38601001	2.26
35201001	0.00	38701001	*
35202001	0.00		
35211001	0.00	<u>General System</u>	
35212001	0.00	38903001	0.89
35221001	2.23	39005001	1.76
35231001	0.00	39101001	*
35301001	1.38	39102001	*
35401001	2.76	39103001	*
35501001	0.00	39104001	*
35502001	0.00	39201101	20.30
35701001	0.00	39202101	8.49
		39202201	0.00
		39203101	5.98
		39205101	1.98
		39205201	0.00
		39205301	0.00

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

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

<u>Plant Acct. Number</u>	<u>Annual Accrual Rate</u> <u>Current Year</u>
<u>General System (Continued)</u>	
39205301	0.00
39205401	0.00
39205501	0.00
39301001	*
39401001	*
39402001	*
39403001	*
39601301	7.85
39701001	*
39702001	*
39704001	*
39705001	*
39801001	*

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

208. CONSTRUCTION WORK IN PROGRESS - Account No. 107

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

Line No.	Description of Work (a)	Balance End of Year (b)	Estimate Total Cost of Construction (c)	Projected In-Service Date (d)
1	Projects greater than \$300,000.00:			
2	Project Number PROJECT DESCRIPTION			
3	SW.PNG.ASBUILT.2 SW AS-BUILT - IN HOUSE	\$ 391,835	\$ 1,250,000	Dec 2019
4	SW.PNG.CRM.PH1.2 SW CRM REPLACE PH1 - IN HOUSE	3,392,948	4,885,846	Jun 2019
5	SW.PNG.CRM.PH1.3 SW CRM REPLACE PH1 - PURCHASED	427,638	615,799	Jun 2019
6	SW.PNG.SAP.S4.HANA.3 SW SAP S/4 HANA - PURCHASED	1,624,616	4,200,000	Jun 2020
7	55916.1.3 ST151 INST CHILLER	1,141,303	1,250,000	Jun 2019
8	55563.1.2 XS335 REVISE M&R ADD BLDG	600,207	1,000,000	Jun 2019
9	56036.1.2 P908 INST 12" PLA PIPE	320,962	325,000	Jan 2019
10	P7000.18.12 SAP S/4 HANA HARDWARE	345,980	350,000	Jun 2020
11	P7000.18.2 AS-BUILT SYSTEM HARDWARE	771,457	1,000,000	Dec 2019
12				
13				
14				
15				
16				
17				
18				
19	SUBTOTAL	\$ 9,016,947	\$ 14,876,645	
20				
21	Remaining Projects:			
22	Production	\$ 455,088	\$ 682,631	Jun 2019
23	Storage	-	-	
24	Transmission	1,126,255	1,689,382	Jun 2019
25	Distribution	3,438,914	5,158,370	Jun 2019
26	General	846,065	1,269,097	Jun 2019
27	Intangible	700,716	1,051,074	Jun 2019
28				
29				
30	TOTALS	\$ 15,583,984	\$ 24,727,201	

PEOPLES NATURAL GAS COMPANY, LLC - TOTAL COMPANY
210. INVESTMENTS (Accounts 123 - 123.1 - 124 - 136)

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

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Book Costs* Beginning of Year (d)	Principal Amount or No. of Shares (e)	Book Cost End of Year (f)	Revenues For Year (g)	Gain or Loss From Invest Disposed of (h)
1	Account 124 Other Investments							
2								
3	Western PA Development Credit Corp	06/01/87		\$ 1	5,000 shares	\$ 1		
4								
5	PA Development Credit Corp			\$ 1	1,500 shares	\$ 1		
6								
7	Strategic Investment Fund Partners							
8	Limited Partnership - Class C Partner	05/01/02		\$ 300,000	300 units	\$ 300,000		
9	Limited Partnership - Class C Partner	05/01/03		\$ 300,000	300 units	\$ 300,000		
10	Limited Partnership - Class C Partner	05/01/04		\$ 300,000	300 units	\$ 300,000		
11	Limited Partnership - Class C Partner	05/01/05		\$ 300,000	300 units	\$ 300,000		
12	Limited Partnership - Class C Partner	05/01/06		\$ 300,000	300 units	\$ 300,000	\$ 23,195	
13								
14	Power of 32 Site Development Fund Partners, LP							
15	Limited Partnership - Class A Partner	06/14/14		\$ 300,000	300 units	\$ 300,000		
16	Limited Partnership - Class A Partner	05/11/15		\$ 263,353	263 units	\$ 263,353		
17	Limited Partnership - Class A Partner	11/17/15		\$ 487,891	487 units	\$ 487,891		
18	Limited Partnership - Class A Partner	03/15/16		\$ 595,388	595 units	\$ 595,388		
19	Limited Partnership - Class A Partner	05/08/17		\$ 586,556	586 units	\$ 586,556		
20								
21								
22								
23								
24								
25								
26				\$ 3,733,190		\$ 3,733,190	\$ 23,195	\$ -

* 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	
		1/1/2018 (b)	12/31/2018 (c)	Interest Revenue (d)	1/1/2018 (e)	12/31/2018 (f)
1	State Relocations				\$429,247	\$576,548
2	Pooling and Metering/Production and Gathering				1,810,421	2,528,256
3	Damages/Relocations				1,886,076	948,556
4	Miscellaneous				2,740,964	1,500,360
5						
6	Total	0	0	0	\$6,866,708	\$5,553,720

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

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

Line No.	Name of Associated Company (a)	Date of (b)	Date of Maturity (c)	Amount End of Year (d)	Interest Rate (e)	Amount (f)
1	PNG Companies LLC - Demand Note	6/8/2017	6/8/2022	\$71,726,424	Variable	\$ 717,719
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						

Values represent balance of Account 233.

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY
213. ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCOUNT 146)
AND ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCOUNT 234)

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

Line No.	Item (a)	Entries During Year	
			(b)
1	Debits During Year		
2	Cash Dispensed	\$	83,134,487
3	Materials and Supplies Sold		
4	Services Rendered		630,142
5	Joint Expense Transferred		
6	Interest and Dividends Receivable		
7	Rents Receivable		
8	Securities Sold		
9	Other Debits (Specify)		
10	Gas Sold		
11	Convenience payments		41,002,644
12			
13	Total Debits During Year	\$	124,767,272
14			
15	Credits During Year		
16	Cash Received	\$	(39,019,453)
17	Gas Purchased		(250,364)
18	Fuel Purchased		
19	Materials and Supplies Purchased		
20	Services Received		(46,328,362)
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		(43,784,193)
28	Liability Transfer		
29			
30	Total Credits During Year	\$	(135,214,989)
31	Balance at End of Year	\$	(10,447,717)

215. PLANT MATERIALS AND OPERATING SUPPLIES (Account 154)

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

Line No.	Classification of Materials And Supplies (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase /Decrease (d)
1	Box Curb/Valve/Parts	\$ 16,737	\$ 17,581	843
2	Compressor Station Parts	757,987	790,439	32,452
3	Corrosion Protection	28,239	18,601	(9,637)
4	Gas Measuring Equipment	114,193	126,799	12,605
5	Pipe	1,309,078	1,489,212	180,134
6	Tubing	209,855	214,810	4,955
7	Valves	124,887	125,850	963
8	Misc.	3,583	6,591	3,008
9	Regulators	16,781	19,422	2,641
10				
11				
12				
13				
14				
15				
16				
17	Total	\$ 2,581,340	\$ 2,809,305	\$ 227,965

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

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

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

Line No.	Designation of Long-Term Debt (a)	PRINCIPAL AMOUNT OF SECURITIES TO WHICH OR PREMIUM RELATES (b)	TOTAL DISCOUNT AND EXPENSE OR NET PREMIUM (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year* (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1	Intercompany promissory note payable to PNG Companies LLC	\$ 388,395,000	\$ 10,027,226	2/26/2010	2/26/2020	\$ 951,616	\$ -	\$ (441,347)	\$ 510,269
2	Intercompany demand note payable to PNG Companies LLC		\$ 3,240,273	6/8/2017	6/8/2022	\$ 1,866,321	\$ -	\$ (422,563)	\$ 1,443,758
3	Intercompany promissory note payable to PNG Companies LLC	\$ 447,277,500	\$ 3,360,729	12/18/2017	12/18/2032	\$ 3,336,392	\$ 8,996	\$ (358,073)	\$ 2,987,315
4	Intercompany promissory note payable to PNG Companies LLC	\$ 399,500,000	\$ 2,968,274	12/19/2013	12/18/2025	\$ 1,141,430	\$ -	\$ (169,506)	\$ 971,924
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15	Total	\$ 1,235,172,500	\$ 19,596,502			\$ 7,295,759	\$ 8,996	\$ (1,391,489)	\$ 5,913,266

*Estimate/actual difference from Dec 2017 new debt issue

PEOPLES NATURAL GAS COMPANY, LLC - TOTAL COMPANY

217. EXTRAORDINARY PROPERTY LOSSES (Account 182)

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

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

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

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

(Excluding Advances from Affiliated Companies)

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

Line No.	Class and Series of Obligations (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Interest For Year		Held By Respondent	
						Rate (f)	Amount (g)	As Reacquired. Lg.-Term Debt (h)	In Sinking & Other Funds (i)
1	None								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
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20									
21									
22									
23									
24									
25									
26									
27									
28	TOTAL			0	0		0	0	0

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

**400. INCOME STATEMENT
REVENUES AND EXPENSES**

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

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Current Year (c)	Balance Previous Year (d)	Increase/Decrease (e)
1	OPERATING EXPENSES				
2	401.0 Operation Expenses		\$ 262,446,253	\$ 242,002,919	\$ 20,443,334
3	402.0 Maintenance Expenses		28,580,541	25,736,170	2,844,371
4	403.0 Depreciation Expenses		32,134,669	29,140,580	2,994,089
5	404.0 Amort. Of Intangible Plant		9,831,918	10,318,572	(486,654)
6	404.1 Amort. & Depletion of Prod. Natural Gas Land & Rights				-
7	404.2 Amort. Of Underground Storage Land & Land Rights				-
8	404.3 Amort. Of Other Limited-Term Gas Plant		3,206	3,632	(426)
9	405.0 Amortization of Other Gas Plant				-
10	406.0 Amortization of Gas Plant Acquisition Adjustments				-
11	407.1 Amort. Of Prop. Losses, Unrec. Plant & Reg. Study C.				-
12	407.2 Amortization of Conversion Expense				-
13	407.3 Regulatory Debits				-
14	407.4 Regulatory Credits				-
15	408.1 Taxes Other Than Income Taxes, Utility Opr. Income	408	6,267,343	5,569,553	697,790
16	409.1 Income Taxes, Utility Operating Income	409	3,059,659	(601,355)	3,661,014
17	410.1 Provision for Deferred Income Taxes, Ut. Opr. Income	411	27,022,227	55,451,315	(28,429,088)
18	411.1 Prov. For Def. Income Taxes-Credit, Ut. Opr. Income	412	(14,502,454)	(17,513,786)	3,011,332
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		\$ 354,843,362	\$ 350,107,600	\$ 4,735,762
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		\$ 566,490	\$ 16,429	\$ 550,061
30	416.0 Costs and Exp. of Merchandising Jobbing & Contract Wk		(398,503)	(139,554)	(258,949)
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		235,693	479,116	(243,423)
35	419.1 Allowance for Other Funds Used During Construction				-
36	421.0 Miscellaneous Non Operating Income		437,248	60,346	376,902
37	421.1 Gain on Disposition of Property, Total Other Income				-
38	TOTAL OTHER INCOME		\$ 840,928	\$ 416,337	\$ 424,591
39	OTHER INCOME DEDUCTIONS				
40	421.2 Loss on Disposition of Property		\$ -	\$ -	\$ -
41	425.0 Miscellaneous Amortization				-
42	426.1 Donations		2,972,927	2,652,939	319,988
43	426.2 Life Insurance				-
44	426.3 Penalties		985	(400,000)	400,985
45	426.4 Exp. for Certain Civic, Political & Related Activities		83,038	124,495	(41,457)
46	426.5 Other Deductions		1,873,989	0	1,873,989
47	TOTAL OTHER INCOME DEDUCTIONS		\$ 4,930,939	\$ 2,377,434	\$ 2,553,505
48	TAXES APPLICABLE TO OTHER INCOME & DED.				
49	408.2 Taxes Other Than Income Taxes, Otr. Income & Ded.		\$ -	\$ -	\$ -
50	409.2 Income Taxes, Other Income & Deductions		(827,885)	(1,114,966)	287,081
51	410.2 Prov. for Deferred Income Taxes, Otr. Income & Ded.		578	1,864,561	(1,863,983)
52	411.2 Prov. for Def. Income Taxes, Credit, Otr Income & Ded.		(257,139)	(2,015,621)	1,758,482
53	411.5 Investment Tax Cr. Adjustments, Nonutility Operations				-
54	420.0 Investment Tax Credits				-
55	TOTAL TAXES ON OTHER INCOME & DEDUCTIONS		\$ (1,084,446)	\$ (1,266,026)	\$ 181,580
56	NET OTHER INCOME DEDUCTIONS		\$ (3,005,565)	\$ (695,071)	\$ (2,310,494)

**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	427.0 Interest on Long-Term Debt		\$ -	\$ -	\$ -
3	428.0 Amortization of Debt Discount and Expense		930,214	1,091,051	(160,837)
4	428.1 Amortization of Loss on Reacquired Debt				-
5	429.0 Amortization of Premium on Debt-Credit				-
6	429.1 Amortization of Gain on Reacquired Debt-Credit				-
7	430.0 Interest on Debt to Associated Companies		17,663,355	16,620,422	1,042,933
8	431.0 Other Interest Expense		1,034,681	85,441	949,240
9	432.0 Allowance for Borrowed Funds Used During Construction-Cr		(284,042)	(415,335)	131,293
10	NET INTEREST CHARGES		\$ 19,344,208	\$ 17,381,579	\$ 1,962,629
11	EXTRAORDINARY ITEMS				
12	434.0 Extraordinary Income		\$ -	\$ -	\$ -
13	435.0 Extraordinary Deductions				-
14	409.3 Income Taxes-Extraordinary Items				-
15	NET INCOME		\$ 43,861,014	\$ 23,233,207	\$ 20,627,807
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		XXX	XXX	XXX
2	STEAM PRODUCTION EXPENSES				
3	OPERATION				
4	700.0 Operation Supervision and Engineering		\$ -	\$ -	\$ -
5	701.0 Operating Labor				
6	702.0 Boiler Fuel				
7	703.0 Miscellaneous Steam Expenses				
8	TOTAL STEAM PRODUCTION OPERATION EXPENSES		\$ -	\$ -	\$ -
9	MAINTENANCE				
10	704.0 Steam Transferred-Credit		\$ -	\$ -	\$ -
11	705.0 Maintenance, Supervision and Engineering				
12	706.0 Maintenance of Structures and Improvements				
13	707.0 Maintenance of Boiler Plant Improvement				
14	708.0 Maintenance of Other Steam Production Plant				
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 GAS RAW MATERIALS MAINTENANCE EXPENSES		\$ -	\$ -	\$ -
55	TOTAL MANUFACTURED GAS PRODUCTION EXPENSES		\$ -	\$ -	\$ -
56	NATURAL GAS PRODUCTION EXPENSES		XXX	XXX	XXX
57	PRODUCTION AND GATHERING				
58	OPERATION				
59	750.0 Operating Supervision and Engineering		\$ 4	\$ -	\$ 4
60	751.0 Production Maps and Records		-	6,412	(6,412)
61	752.0 Gas Wells Expenses		-	1,420	(1,420)

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		\$ 735,515	\$ 727,213	\$ 8,302
2	754.0 Field Compressor Station Expenses		1,428,932	1,405,383	23,549
3	755.0 Field Compressor Station Fuel and Power		2,089,286	1,729,660	359,626
4	756.0 Field Measuring and Regulating Station Expenses		151,938	106,115	45,823
5	757.0 Purification Expenses				-
6	758.0 Gas Well Royalties				-
7	759.0 Other Expenses		58,528	46,666	11,862
8	760.0 Rents		13,979	13,728	251
9	TOTAL PRODUCTION & GATHERING OPERATION EXPENSES		\$ 4,478,182	\$ 4,036,597	\$ 441,585
10	MAINTENANCE				
11	761.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
12	762.0 Maintenance of Structures and Improvements		6,399	-	6,399
13	763.0 Maintenance of Producing Gas Wells		1,359	8,563	(7,204)
14	764.0 Maintenance of Field Lines		1,676,113	1,575,466	100,647
15	765.0 Maintenance of Field Compressor Station Equipment		956,316	1,036,466	(80,150)
16	766.0 Maintenance of Field Measuring and Reg. Station Equip.		108,246	160,171	(51,925)
17	767.0 Maintenance of Purification Equipment				-
18	768.0 Maintenance of Drilling and Cleaning Equipment				-
19	769.0 Maintenance of Other Equipment		22,845	23,679	(834)
20	TOTAL PRODUCTION & GATHERING MAINTENANCE EXPENSES		\$ 2,771,278	\$ 2,804,345	\$ (33,067)
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		\$ 7,249,460	\$ 6,840,942	\$ 408,518
49	EXPLORATION AND DEVELOPMENT EXPENSES		XXX	XXX	XXX
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 & DEVELOPMENT OPERATION EXPENSES		\$ -	\$ -	\$ -
56	OTHER GAS SUPPLY EXPENSES		XXX	XXX	XXX
57	OPERATION				
58	800.0 Natural Gas Well Head Purchases		\$ -	\$ -	\$ -
59	800.1 Natural Gas Well Head Purchases - Segment Gas Costs		(139,942,077)	(110,096,179)	(29,845,898)
60	801.0 Natural Gas Well Head Purchases, Intercompany Trans.		18,870,350	22,758,274	(3,887,924)
61	802.0 Natural Gas Gasoline Plant Outlet Purchases				-
62	803.0 Natural Gas Transmission Line Purchases		214,735,287	144,275,211	70,460,076
63	804.0 Natural Gas City Gate Purchases		1,678,349	2,819,560	(1,141,211)

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		17,457	100,180	(82,723)
3	805.1 Purchases Gas Cost Adjustments		(10,537,710)	997,378	(11,535,088)
4	806.0 Exchange Gas		1,969,575	(480,101)	2,449,676
5	807.0 Purchased Gas Expenses		-	-	-
6	808.1 Gas Withdrawn from Storage-Debit		16,914,131	15,539,731	1,374,400
7	808.2 Gas Delivered to Storage-Credit		(18,866,630)	(15,904,925)	(2,961,705)
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		(2,178,512)	(1,828,148)	(350,364)
11	811.0 Gas Used for Products Extraction-Credit		-	-	-
12	812.0 Gas Used for Other Utility Operations-Credit		(482,591)	(472,546)	(10,045)
13	813.0 Other Gas Supply Expenses		502,261	516,973	(14,712)
14	TOTAL GAS SUPPLY OPERATION EXPENSES		\$ 82,679,890	\$ 58,225,408	\$ 24,454,482
15	NATURAL GAS STORAGE, TERMINATING & PROCESSING EXP				
16	UNDERGROUND STORAGE EXPENSES				
17	814.0 Operation Supervision and Engineering		\$ -	\$ -	\$ -
18	815.0 Maps and Records				-
19	816.0 Wells Expenses		4,928	5,892	(964)
20	817.0 Lines Expenses		1,455	1,483	(28)
21	818.0 Compressor Station Expenses		538,946	556,559	(17,613)
22	819.0 Compressor Station Fuel and Power		89,226	98,487	(9,261)
23	820.0 Measuring and Regulating Station Expenses		558	371	187
24	821.0 Purification Expenses				-
25	822.0 Exploration and Development				-
26	823.0 Gas Losses		282,910	172,883	110,027
27	824.0 Other Expenses		224	12	212
28	825.0 Storage Well Royalties		7,309	7,309	-
29	826.0 Rents				-
30	TOTAL UNDERGROUND STORAGE EXPENSES		\$ 925,556	\$ 842,996	\$ 82,560
31	MAINTENANCE				
32	830.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
33	831.0 Maintenance of Structures and Improvements		137		137
34	832.0 Maintenance of Reservoirs and Wells		1,642	1,958	(316)
35	833.0 Maintenance of Lines		25,780	5,662	20,118
36	834.0 Maintenance of Compressor Station Equipment		371,900	194,928	176,972
37	835.0 Maintenance of Measuring & Regulating Station Equip.		171	160	11
38	836.0 Maintenance of Purification Equipment		-	-	-
39	837.0 Maintenance of Other Equipment		166	63	103
40	TOTAL MAINTENANCE EXPENSES		\$ 399,796	\$ 202,771	\$ 197,025
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		XXX	XXX	XXX
4	OPERATION				
5	844.1 Operation Supervision and Engineering		\$ -	\$ -	\$ -
6	844.2 LNG Processing Terminal Labor and Expenses				-
7	844.3 Liquefaction Processing Labor and Expenses				-
8	844.4 LNG Transportation Labor and Expenses				-
9	844.5 Measuring and Regulating Labor and Expenses				-
10	844.6 Compressor Station Labor and Expenses				-
11	844.7 Communication System Expenses				-
12	844.8 System Control and Load Dispatching				-
13	845.1 Fuel				-
14	845.2 Power				-
15	845.3 Rents				-
16	845.4 Demurrage Charges				-
17	845.5 Warfare Receipts-Credit				-
18	845.6 Processing Liquefied or Vaporized Gas by Others				-
19	846.1 Gas Losses				-
20	846.2 Other Expenses				-
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		XXX	XXX	XXX
33	OPERATION				
34	850.0 Operating Supervision and Engineering		\$ 411	\$ 21,777	\$ (21,366)
35	851.0 System Control and Load Dispatching				-
36	852.0 Communication System Expenses				-
37	853.0 Compressor Station Labor and Expenses				-
38	854.0 Gas for Compressor Station Fuel				-
39	855.0 Other Fuel and Power for Compressor Stations				-
40	856.0 Mains Expenses		401,039	331,382	69,657
41	857.0 Measuring and Regulating Station Expenses		157,589	55,531	102,058
42	858.0 Transmission and Compression of gas by Others		96,668,386	96,147,856	520,530
43	859.0 Other Expenses		8,317	578	7,739
44	860.0 Rents		29,995	34,394	(4,399)
45	TOTAL TRANSMISSION OPERATION EXPENSES		\$ 97,265,737	\$ 96,591,518	\$ 674,219
46	MAINTENANCE				
47	861.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
48	862.0 Maintenance of Structures and Improvements		8,760		8,760
49	863.0 Maintenance of Mains		1,141,983	416,989	724,994
50	864.0 Maintenance of Compressor Station Equipment		648	9,510	(8,862)
51	865.0 Maintenance of Measuring and Regulating Station Equip.		720,098	682,071	38,027
52	866.0 Maintenance of Communication Equipment		112,705	117,370	(4,665)
53	867.0 Maintenance of Other Equipment		6,864	3,134	3,730
54					
55	TOTAL TRANSMISSION MAINTENANCE EXPENSES		\$ 1,991,058	\$ 1,229,074	\$ 761,984
56	DISTRIBUTION EXPENSES		XXX	XXX	XXX
57	OPERATION				
58	870.0 Operation Supervision and Engineering		\$ (1,073,590)	\$ (129,360)	\$ (944,230)
59	871.0 Distribution Load Dispatching		25	3,488	(3,463)
60	872.0 Compressor Station Labor and Expenses				-
61	873.0 Compressor Station Fuel and Power (Major Only)				-
62	874.0 Mains and Services Expenses		7,156,216	8,116,178	(959,962)
63	875.0 Measuring and Regulating Station Expenses-General		1,828,360	1,712,051	116,309

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			179,034	(179,034)
3	878.0 Meter and House Regulator Expenses		3,073,299	2,927,574	145,725
4	879.0 Customer Installations Expenses		3,056,320	2,324,239	732,081
5	880.0 Other Expenses		1,265,953	1,289,553	(23,600)
6	881.0 Rents		78,593	73,681	4,912
7	TOTAL DISTRIBUTION OPERATION EXPENSES		\$ 15,385,176	\$ 16,496,438	\$ (1,111,262)
7	MAINTENANCE				
8	885.0 Maintenance Supervision and Engineering		\$ -	\$ -	\$ -
9	886.0 Maintenance of Structures and Improvements		3,536,568	2,723,807	812,761
10	887.0 Maintenance of Mains		17,793,883	15,963,099	1,830,784
11	888.0 Maintenance of Compressor Station Equipment		114,076	97,593	16,483
12	889.0 Maintenance of Measuring & Reg. Station Equip.-Genl.		754,238	1,026,128	(271,890)
13	890.0 Maintenance of Measuring & Reg. Station Equip.-Indtrl.		25	3,490	(3,465)
14	891.0 Maintenance of Measuring & Reg. Station Equip.-City G		-	-	-
15	892.0 Maintenance of Services		521,721	946,908	(425,187)
16	893.0 Maintenance of Meters & House Regulators		233,397	218,244	15,153
17	894.0 Maintenance of Other Equipment		356,380	427,717	(71,337)
18	TOTAL MAINTENANCE EXPENSES		\$ 23,310,288	\$ 21,406,986	\$ 1,903,302
19	CUSTOMER ACCOUNTS EXPENSES		XXX	XXX	XXX
20	OPERATIONS				
21	901.0 Supervision		\$ -	\$ -	\$ -
22	902.0 Meter Reading Expenses		3,248,817	4,048,986	(800,169)
23	903.0 Customer Records & Collection Expenses		7,897,162	9,423,622	(1,526,460)
24	904.0 Uncollectable Accounts		9,223,671	8,354,851	868,820
25	905.0 Miscellaneous Customer Accounts Expenses				-
26	TOTAL CUSTOMER ACCOUNTS OPERATION EXPENSES		\$ 20,369,650	\$ 21,827,459	\$ (1,457,809)
27	CUSTOMER SERVICE & INFORM. EXPENSES		XXX	XXX	XXX
28	OPERATIONS				\$ -
29	907.0 Supervision		\$ 249,470	\$ 242,560	\$ 6,910
30	908.0 Customer Assistance Expenses		5,918,244	5,311,809	606,435
31	909.0 Informational & Instructional Advertising Expenses		480,693	300,639	180,054
32	910.0 Miscellaneous Customer Service & Informational Exp.		3,236	3,380	(144)
33	TOTAL CUST. SERVICE & INFORM. OPERATIONS EXPENSES		\$ 6,651,643	\$ 5,858,388	\$ 793,255
34	SALES EXPENSES		XXX	XXX	XXX
35	OPERATIONS				
36	911.0 Supervision		\$ -	\$ -	\$ -
37	912.0 Demonstrating and Selling Expenses		565,925	921,309	(355,384)
38	913.0 Advertising Expenses				-
39	914.0 (Reserved)				-
40	915.0 (Reserved)				-
41	916.0 Miscellaneous Sales Expenses				-
42	TOTAL OPERATION SALES EXPENSES		\$ 565,925	\$ 921,309	\$ (355,384)
43	ADMINISTRATIVE AND GENERAL EXPENSES		XXX	XXX	XXX
44	OPERATIONS				
45	920.0 Administrative and General Salaries		\$ 13,399,845	\$ 14,722,366	\$ (1,322,521)
46	921.0 Office Supplies and Expenses		6,655,941	6,207,820	448,121
47	922.0 Administrative Expenses Transferred-Credit		(14,612,147)	(13,308,815)	(1,303,332)
48	923.0 Outside Service Employed		8,942,019	10,712,783	(1,770,764)
49	924.0 Property Insurance		175,351	171,728	3,623
50	925.0 Injuries and Damages		6,072,462	5,561,889	510,573
51	926.0 Employee Pensions and Benefits		9,045,176	6,368,050	2,677,126
52	927.0 Franchise Requirements		-	-	-
53	928.0 Regulatory Commission Expenses		67,915	57,136	10,779
54	929.0 Duplicate Charges-Credit		-	-	-
55	930.1 General Advertising Expenses		2,179,922	2,675,346	(495,424)
56	930.2 Miscellaneous General Expenses		757,101	1,862,450	(1,105,349)
57	931.0 Rents		1,440,909	2,172,053	(731,144)
58	TOTAL ADMINISTRATIVE & GEN. OPERATION EXPENSES		\$ 34,124,494	\$ 37,202,806	\$ (3,078,312)
59	MAINTENANCE				
60	932.0 Maintenance of General Plant		\$ 108,121	\$ 92,994	\$ 15,127
61	TOTAL ADMINISTRATIVE & GEN. MAINTENANCE EXPENSES		\$ 108,121	\$ 92,994	\$ 15,127
62					
63	TOTAL GAS OPERATION & MAINTENANCE EXPENSES		\$ 291,026,794	\$ 267,739,089	\$ 23,287,705
64					
65	TOTAL GAS OPERATION EXPENSES		\$ 262,446,253	\$ 242,002,919	\$ 20,443,334
66	TOTAL MAINTENANCE EXPENSES		\$ 28,580,541	\$ 25,736,170	\$ 2,844,371

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

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

Line No.	Type of Tax (a)	Account 165 Prepayments (b)	Account 236 Taxes Accrued (c)	Account 408.1 Taxes Other Than Income (d)
1	Social Security			
2	Federal Unemployment			
3	Pennsylvania Unemployment			
4	Utility Regulatory Assessment		(1,520,782)	1,520,782
5	Local Property Taxes		(18,759)	18,759
6	Public Utility Realty Tax		(705,745)	705,745
7	State Capital Stock Tax		0	0
8	Other Taxes (specify) Payroll Tax		(3,018,048)	3,018,048
9	Use Tax		(987,081)	987,081
10	Miscellaneous Tax		(16,928)	16,928
11	TOTAL	0	(6,267,343)	6,267,343

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			(712,239)	712,239
2	State Income Taxes			(2,347,420)	2,347,420
3	Local Income Taxes				
4					
5					
6					
7					
8	Other Taxes (specify)				
9					
10					
11	TOTAL	0	0	(3,059,659)	3,059,659

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	421,054,149	421,054,149		
2	Operating Expenses	332,996,587	332,996,587		
3	Operating Taxes (Non-Income)	6,267,343	6,267,343		
4	Interest & Other Expense	19,344,208	19,344,208		
5	Pre-Tax Operating Income				
	Total Line 1 Minus Lines 2-3-4	62,446,011	62,446,011	-	-
6	Other Income (Expense)	(4,090,011)	(4,090,011)		
7	Pre Tax Book Income				
	Total Lines 5+6	58,356,000	58,356,000	-	-
8	Permanent and Flow-Through Differ.	1,073,444	1,073,444		
9	Temporary Differences	(35,793,746)	(35,793,746)		
10	State Only Differences - Bonus	(1,350,461)	(1,350,461)		
11	Subtotal	22,285,237	22,285,237	-	-
12	State Tax at Current Rate	2,544,074	2,226,295		317,779
13	Adjustments to State Tax	(187,545)	(187,545)		
14	Adjustments for St. Tax Rate Changes		-		
15	State Tax Accrual				
	Total Lines 12+13+14	2,356,529	2,038,750	-	317,779
16	Federal Taxable Income				
	Total Line 11 Minus Lines 10-12-13	21,279,169	21,596,948	-	(317,779)
17	Federal Tax at Current Rate	16,675,809	4,600,180	7,315,937	4,759,692
18	ITC Authorization				
19	Adjustment for Fed. Tax Rate Changes	(130,196)			(130,196)
20	R & D Credits				
21	IRS Audit Settlement				
22	Tax Rate Change on Extraord. Activity				
23	Other	(4,407,156)	(4,407,156)		
24	Federal Tax Accrual				
	Total Lines 17 through 23	12,138,457	193,024	7,315,937	4,629,496

**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 165 Prepayments (b)	Account 190 Accumulated Deferred Income Taxes (c)	Account 236 Accrued Taxes (d)	Account 410.1 Provision for Deferred Income Taxes (e)
1	Federal		(15,680,829)	(8,197,108)	23,877,937
2	State			(3,144,290)	3,144,290
3	Other				
4					
5					
6					
7	Total	0	(15,680,829)	(11,341,398)	27,022,227

**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 165 Prepayments (b)	Account 190 Accumulated Deferred Income Taxes (c)	Account 236 Accrued Taxes (d)	Account 411.1 Provision for Deferred Income Taxes (e)
1	Federal		8,364,892	3,399,762	(11,764,654)
2	State			2,737,800	(2,737,800)
3	Other				
4					
5					
6					
7	Total	0	8,364,892	6,137,562	(14,502,454)

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**500. GAS PURCHASED**

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

Line No.	Purchased From (a)	Point of Delivery (b)	B.T.U. Per Cu. Ft. (c)	MCF CCF or Therms (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Cost Per Unit (h)
1	801 Field Line Purchases			7,630,419	\$ 18,870,350	n/a	\$ 18,870,350	\$ 2.47
2								
3	803 Dominion Transmission Company	Allegheny, Beaver, Butler, Westmoreland			\$ 4,261,201	See Note	\$ 4,261,201	
4		Washington, Clarion, Erie, Potter						
5	Equitrans LP	Allegheny, Washington			\$ 76,442,264	See Note	\$ 76,442,264	
6	National Fuel Gas Supply	Butler, Mercer, Venango			\$ 737,571	See Note	\$ 737,571	
7	Sequent Energy	Fixed Demand Charge (N/A)			\$ (640,000)	See Note	\$ (640,000)	
8	EQT Energy	Fixed Demand Charge (N/A)			\$ 10,984,415	See Note	\$ 10,984,415	
9	Equitable Gas Company*	Various Locations			\$ 2,674,618	See Note	\$ 2,674,618	
10	South Jersey Resources	Fixed Demand Charge (N/A)			\$ 5,400	See Note	\$ 5,400	
11	Peoples Gas Company Slease Farm*	Various Locations			\$ 26,927	See Note	\$ 26,927	
12	Texas Eastern Transmission	Blair, Cambria, Somerset			\$ 2,175,990	See Note	\$ 2,175,990	
13	Spot Market Purchases			60,680,743	\$ 216,630,290		\$ 216,630,290	\$ 3.57
14	Total Pipeline Purchases			60,680,743	\$ 313,298,676		\$ 313,298,676	\$ 5.16
15								
16	804 City Gate Purchases			647,734	\$ 1,678,349		\$ 1,678,349	\$ 2.59
17								
18	805 Other Gas Purchases			142	\$ 17,457		\$ 17,457	\$ 122.94
19								
20	805 Purchased Gas Cost Adjustments			n/a	\$ (15,668,057)		\$ (15,668,057)	
21								
Totals				68,959,038	\$ 318,196,775		\$ 318,196,775	\$ 4.61

Note: Included in Commodity Charges is \$96,668,386 recorded as Transmission and Compression of Gas by Others.

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

501. SALES FOR RESALE

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

Line No.	Sold To (a)	Point of Delivery (b)	BTU Per Cu. Ft. (c)	MCF CCF or Therms (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Revenue Per Unit (h)
1	Agway Energy Services LLC	Imbalance Sales	1,041	4,961	\$ 13,539		\$ 13,539	\$ 2.73
2	Ambit Northeast LLC	Imbalance Sales	1,041	186	\$ 541		\$ 541	\$ 2.91
3	American Power & Gas of PA	Imbalance Sales	1,041	28,768	\$ 78,812		\$ 78,812	\$ 2.74
4	BlueRock Energy, Inc.	Imbalance Sales	1,041	275	\$ 1,294		\$ 1,294	\$ 4.71
5	Constellation New Energy-Gas Division	Imbalance Sales	1,041	36,405	\$ 125,719		\$ 125,719	\$ 3.45
6	Direct Energy BS. Mktg. LLC	Imbalance Sales	1,041	868,875	\$ 2,393,305		\$ 2,393,305	\$ 2.75
7	Dominion Energy Solutions	Imbalance Sales	1,041	1,680,830	\$ 4,622,280		\$ 4,622,280	\$ 2.75
8	ENGIE Retail dba Think Energy	Imbalance Sales	1,041	210	\$ 650		\$ 650	\$ 3.10
9	Interstate Gas Supply, Inc.	Imbalance Sales	1,041	432	\$ 1,293		\$ 1,293	\$ 2.99
10	Mid Atlantic Energy Services	Imbalance Sales	1,041	123	\$ 373		\$ 373	\$ 3.03
11	Mpower Energy NJ, LLC	Imbalance Sales	1,041	6	\$ 32		\$ 32	\$ 5.40
12	North American Power & Gas, LLC	Imbalance Sales	1,041	4,216	\$ 11,459		\$ 11,459	\$ 2.72
13	Oasis Power LLC dba OASIS Energy	Imbalance Sales	1,041	510	\$ 1,465		\$ 1,465	\$ 2.87
14	PALMco Energy PA LLC	Imbalance Sales	1,041	3,204	\$ 9,019		\$ 9,019	\$ 2.81
15	Peninsula Energy Services Co., Inc.	Imbalance Sales	1,041	407	\$ 1,386		\$ 1,386	\$ 3.41
16	Peoples Price Protection Program	Imbalance Sales	1,041	4,298	\$ 14,346		\$ 14,346	\$ 3.34
17	Reliant Energy Northeast	Imbalance Sales	1,041	14,263	\$ 46,054		\$ 46,054	\$ 3.23
18	SFE Energy Pennsylvania, Inc.	Imbalance Sales	1,041	14,164	\$ 47,790		\$ 47,790	\$ 3.37
19	Snyder Brothers, Inc.	Imbalance Sales	1,041	66,758	\$ 192,014		\$ 192,014	\$ 2.88
20	Sperian Energy Corporation	Imbalance Sales	1,041	2,351	\$ 6,789		\$ 6,789	\$ 2.89
21	Sprague Operating Resources LLC	Imbalance Sales	1,041	18,388	\$ 50,807		\$ 50,807	\$ 2.76
22	Stand Energy Corporation	Imbalance Sales	1,041	9,452	\$ 33,277		\$ 33,277	\$ 3.52
23	Supreme Energy, Inc.	Imbalance Sales	1,041	6,078	\$ 16,859		\$ 16,859	\$ 2.77
24	U.S. Gas and Electric, Inc.	Imbalance Sales	1,041	15,063	\$ 41,242		\$ 41,242	\$ 2.74
25	UGI Energy Services, Inc.	Imbalance Sales	1,041	274,030	\$ 740,756		\$ 740,756	\$ 2.70
26	Verde Energy USA PA LLC	Imbalance Sales	1,041	249	\$ 784		\$ 784	\$ 3.15
27	Vista Energy Marketing LP	Imbalance Sales	1,041	4,161	\$ 11,970		\$ 11,970	\$ 2.88
28	Volunteer Energy Services, Inc.	Imbalance Sales	1,041	9,372	\$ 25,781		\$ 25,781	\$ 2.75
29	Xoom Energy Pennsylvania, LLC	Imbalance Sales	1,041	5,274	\$ 22,761		\$ 22,761	\$ 4.32
30	Direct Energy BS. Mktg. LLC	Gas Sale In Place	1,041	6,061	\$ 16,411		\$ 16,411	\$ 2.71
31	Interstate Gas Supply, Inc.	Gas Sale In Place	1,041	3,887	\$ 11,201		\$ 11,201	\$ 2.88
32	Mpower Energy NJ, LLC	Gas Sale In Place	1,041	151	\$ 429		\$ 429	\$ 2.84
33	PALMco Energy PA LLC	Gas Sale In Place	1,041	5,589	\$ 15,664		\$ 15,664	\$ 2.80
34	Reliant Energy Northeast	Gas Sale In Place	1,041	2,258	\$ 6,323		\$ 6,323	\$ 2.80
35	Sperian Energy Corporation	Gas Sale In Place	1,041	4,690	\$ 13,355		\$ 13,355	\$ 2.85
36	Verde Energy USA PA LLC	Gas Sale In Place	1,041	413	\$ 1,156		\$ 1,156	\$ 2.80
37	Vista Energy Marketing LP	Gas Sale In Place	1,041	3,170	\$ 8,919		\$ 8,919	\$ 2.81
38	U.S. Gain a Division of U.S. Venture, Inc.	Sales for Resale NGPV	1,041	2,081	\$ 15,165		\$ 15,165	\$ 7.29
39	Various	Sales	1,041	(127)	\$ (2,148)		\$ (2,148)	\$ 16.92
Totals				3,101,482	\$ 8,598,876		\$ 8,598,876	

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY**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	61,369,637
6	Gas of Others Received for Transportation	65,587,615
7	Receipts of Respondent's Gas Transported or Compressed by Others	
8	Exchange Gas Received	1,163,957
9	Gas Received from Underground Storage	1,295,808
10	Other Receipts	4,484,623
11		
12		
13		
14	Total Receipts:	133,901,640
15	GAS DELIVERED	
16	Natural Gas Sales:	
17	Local Distribution by Respondent	55,694,003
18	Main Line Industrial Sales	
19	Sales for Resale	
20	Interdepartmental Sales	
21		
21		
22	Total Sales	55,694,003
23	Deliveries of Gas Transported or Compressed for Others	66,325,828
24	Deliveries of Respondent's Gas for Trans. Or Compressed by Others	
25	Exchange Gas Delivered	1,153,097
26	Natural Gas used by Respondent	846,953
27	Natural Gas Delivered to Storage	1,245,433
28	Natural Gas for Franchise Requirements	
29	Other Deliveries: Specify	1,656,515
30	Total Deliveries	126,921,829
31	UNACCOUNTED FOR	
32	Production System Losses	2,116,486
33	Storage Losses	60,000
34	Transmission System Losses	
35	Distribution System Losses	3,456,379
36	Other Losses	1,346,946
37		
38	Total Unaccounted For	6,979,811
39	Total Deliveries and Unaccounted For	133,901,640

*Quantities reflect the physical flow of gas

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY
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.

Line No.	Month (a)	Total On System (b)	Murrysville (c)	Colvin ** (d)	Total Off System (e)	Equitrans *** (f)	Dominion (g)	National Fuel (h)	Total PNG Storage (i)	Total Off System (j)	Equitrans (k)	Dominion (l)	Total Storage (m)
		MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF	MCF
1	Storage Operations												
2	Gas Delivered to Storage												
1	January	16	16	0	0	0	0	0	16	0	0	0	16
2	February	0	0	0	0	0	0	0	0	0	0	0	0
3	March	0	0	0	0	0	0	0	0	0	0	0	0
4	April	23,727	23,727	0	135,962	56,095	79,867	0	159,689	1,282,682	1,169,293	113,389	1,442,371
5	May	105,908	105,908	0	1,058,813	645,872	278,384	134,557	1,164,721	2,135,141	1,750,141	385,000	3,299,862
6	June	240,502	240,502	0	1,009,871	651,305	250,568	107,998	1,250,373	1,938,464	1,553,368	385,096	3,188,837
7	July	117,323	117,323	0	871,870	528,563	239,921	103,386	989,193	1,981,535	1,596,631	384,904	2,970,728
8	August	342,989	342,989	0	839,076	535,836	219,592	83,648	1,182,065	1,924,259	1,554,999	369,260	3,106,324
9	September	226,042	226,042	0	1,285,292	918,613	284,799	81,880	1,511,334	1,822,747	1,482,008	340,740	3,334,081
10	October	176,598	176,598	0	106,566	(116,525)	142,625	80,466	283,164	1,503,507	1,230,146	273,361	1,786,671
11	November	0	0	0	258,011	258,011	0	0	258,011	0	0	0	258,011
12	December	12,341	12,341	0	0	0	0	0	12,341	0	0	0	12,341
13	Totals	1,245,446	1,245,446	0	5,565,461	3,477,770	1,495,756	591,935	6,810,907	12,588,336	10,336,586	2,251,750	19,399,243
14	Gas Withdrawn From Storage												
15	January	278,382	278,382	0	615,710	184,564	327,089	104,057	894,092	3,034,678	2,437,080	597,598	3,928,770
16	February	324,391	324,391	0	1,654,864	1,294,117	258,214	102,533	1,979,255	1,765,373	1,329,704	435,669	3,744,628
17	March	175,060	175,060	0	1,230,872	814,127	245,481	171,264	1,405,932	2,612,953	2,058,829	554,124	4,018,885
18	April	90,229	90,229	0	889,769	868,000	0	21,769	979,998	0	0	0	979,998
19	May	39,524	39,524	0	0	0	0	0	39,524	0	0	0	39,524
20	June	10,612	10,612	0	0	0	0	0	10,612	0	0	0	10,612
21	July	10,233	10,233	0	0	0	0	0	10,233	0	0	0	10,233
22	August	10,021	10,021	0	0	0	0	0	10,021	0	0	0	10,021
23	September	10,042	10,042	0	0	0	0	0	10,042	0	0	0	10,042
24	October	10,115	10,115	0	68,335	68,335	0	0	78,450	0	0	0	78,450
25	November	106,547	106,547	0	54,205	(125,850)	84,030	96,025	160,752	1,929,543	1,685,241	244,302	2,090,295
26	December	230,665	230,665	0	306,517	(107,177)	330,845	82,849	537,182	2,729,785	2,246,164	483,621	3,266,967
27	Totals	1,295,821	1,295,821	0	4,820,272	2,996,116	1,245,659	578,497	6,116,093	12,072,331	9,757,018	2,315,313	18,188,424
28	Stored Gas End of Year-MCF	3,027,826	2,792,449	235,377	6,573,160	4,857,017	1,226,366	489,777	9,600,986	8,614,515	7,033,609	1,580,905	18,215,501
29	Est. Native Gas in Storage Reservoir-MCF	83,640	83,640	0	0	0	0	0	83,640	0	0	0	83,640
30	Total Gas in Reservoir-MCF (Lines 28 plus 29)	3,111,466	2,876,089	235,377	6,573,160	4,857,017	1,226,366	489,777	9,684,626	8,614,515	7,033,609	1,580,905	18,299,141
31	Storage Capacity (Escl. Native Gas)-MCF	3,162,000	3,162,000	0	8,872,518	6,355,649	1,797,051	719,818	12,034,518	13,658,403	11,273,788	2,384,615	25,692,921
32	Reservoir Pressure at which Storage Cap.-Computed		950#	0									
33	Number of Storage Wells in Project	8	8	0									
34	Number of Acres of Storage Area	737	737	0									
35	Maximum Day's Withdrawal from Storage	24,830	24,830	0									
36	Date of Maximum Day's Withdrawal		Jan 31, 2018	0									
37	Year Storage Operations Commenced		1943	1943									

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

*** Net of BB&A Storage

511. MANUFACTURED GAS PRODUCTION PLANT

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

None

512. LIQUEFIED PETROLEUM GAS OPERATIONS

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

None

515. GAS AND OIL WELLS	
Line No.	
1	GAS WELLS
2	Productive Wells at Beginning of Year 1
3	Productive Wells Drilled During the Year
4	Oil Wells Restored to Productive Basis During Year
5	Wells Purchased During the Year
6	Wells Abandoned During the Year 0
7	Wells Sold During the Year
8	
9	PRODUCTIVE WELLS AT END OF YEAR 1
10	Number of Wells Drilled Deeper During the Year
11	Dry Holes Drilled During the Year
12	
13	NATURAL GAS ACREAGE
	Operative Non Operative
14	Number of Acres Owned at End of Year 3 1
15	Number of Acres Leased at End of Year 4,469 1,962
16	
17	OIL WELLS
18	Productive Wells at Beginning of Year
19	Productive Wells Drilled During the Year
20	Wells Abandoned and Sold During the Year
21	
22	

516. GAS LINES, METERS AND SERVICES						
Size of Pipe Inches	Field Lines M. Ft.	Prod. Ext. Lines M. Ft.	Storage Lines M. Ft.	Distr. Mains M. Ft.	Transmission M. Ft.	
28	2"	1,136		11	7,144	82
29	3"	929		17	6,157	96
30	4"	911		5	11,169	335
31	5"	109		2	551	52
32	6"	963		16	5,851	807
33	7"	15		0	41	18
34	8"	916		3	2,592	1,059
35	9"	0		0	3	1
36	10"	169		0	603	593
37	11"	19		0	0	4
38	12"	196		6	580	1,077
39	13"	0		0	0	0
40	14"	0		0	56	200
41	16"	12		0	132	0
42	18"	0		0	0	63
43	19"	0		0	1	0
44	20"	7		0	92	157
45	24"	0		0	15	0
46	30"	0		0	1	0
47						
48		5,383		61	34,988	4,544

Meters in Service at End of Year	379,310	Services at end of year, company owned	360,114
Meters in Stock or Shop at End of Year	6,215	Services at End of Year, Customer Owned	None

517. CUSTOMER GAS METERS

Line No.	(a)	Size (b)	Number of Meters			
			First of Year (c)	Added During Year (d)	Removed Or Disconnected During Year (e)	End of Year (e)
1	In residential use					0
2						0
3						0
4						0
5						0
6						0
7						0
8						0
9						0
10	Total in residential use		0	0	0	0
11	In commercial use					0
12						0
13						0
14						0
15						0
16						0
17						0
18						0
19						0
20	Total in commercial use		0	0	0	0
21	In industrial use					0
22						0
23						0
24						0
25						0
26						0
27						0
28						0
29						0
30	Total in industrial use		0	0	0	0
31	In public (municipal or government) use					0
32						0
33						0
34						0
35						0
36						0
37						0
38						0
39						0
40	Total in public (municipal or government) use		0	0	0	0
41	Total in use		378,122	8,661	7,473	379,310
42	In Stock		6,322	7,366	7,473	6,215
43						
44						
45						
46						
47						0
48						-
49						-
50	Total in stock		6,322	7,366	7,473	6,215
51	Total all meters		384,444	16,027	14,946	385,525

METERS TESTED BY SIZES*

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

* See page 42 (a)

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

2018 Sampling Plan PNG/PEGC						
6 Meter Families Family Breakdown By Manufacturer 250 All Manufacturer 400 All B Meters PNG - PEGC				Condemned Meters		
	Population	Change			Changed Population in 2018	
American 250	337,091	800	Family 507	21	3	
Rockwell 250	189,412	800	Family 509	27	1	
Sprague 250	19,177	315				
Lancaster 250	31,396	315	B Meters - Family 510	5	1	
All Manufacturer 400	9,813	200				
B Meters	5,761	200				
Total Sampling Changes		2,630	Total Condemned Changes		5	
Total Sampling Meter Populatio	592,650		Total Sampling & Condemned		2,635	

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

PNG/PEGC 2018 Meter Test and Replacement Plan

CLASS "A" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN	337,091	800	6023	8.9%
ROCKWELL	189,412	800	3907	14.8%
SPRAGUE	19,177	315	321	8.3%
LANCASTER	31,396	315	727	7.4%
All 400 Class	9,813	200	299	11.3%

CLASS "B" METER PROGRAM - STATISTICAL SAMPLING

MANUFACTURER	INSTALLED POPULATION	REQUIRED REMOVALS	TOTAL TESTED	FAILURE RATE
AMERICAN				
ROCKWELL				
SPRAGUE				
Combined Population Total	5,761	200	210	16.2%

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

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

Line No.	Account (a)	Number of Customers			Sales During Year			Revenues	
		Beginning of Year (b)	End of Year (c)	Average During Year (d)	Total MCF/CCF Therms (e)	Total Operating Revenue (f)	MCF/CCF Therm Per Customer (g)	Per Customer (h)	Per Unit (i)
2	Metered Sales by Tariff Schedule								
3	Residential								
4	Heating	253,134	258,018	253,208	24,981,360	\$ 253,298,570	97	982	10
5	Non-Heating	1,599	1,565	1,571	29,292	524,828	19	335	
6	Unbilled				(352,010)	(4,986,268)			14
7									
8	Transportation								
9	Billed	81,313	76,939	78,593	7,931,360	56,520,537	103	735	7
10	Unbilled				(166,354)	(1,026,720)			6
11									
12									
13	Total Residential Metered Sales	336,046	336,522	333,372	32,423,648	\$ 304,330,947	96	904	9
14	Commercial								
15	Heating	17,841	17,673	17,479	5,446,309	\$ 42,316,638	308	2394	8
16	Non-Heating	512	512	508	106,700	871,459	208	1702	
17	Unbilled				(81,990)	(1,012,915)			12
18									
19	Transportation								
20	Billed	9,332	9,639	9,535	12,942,293	\$ 39,520,106	1343	4100	3
21	Unbilled				(66,015)	(306,731)			5
22									
23									
24	Total Commercial Metered Sales	27,685	27,824	27,522	18,347,297	\$ 81,388,557	659	2925	4
25	Industrial								
26	Retail - Billed	37	38	38	174,372	\$ 1,114,926	4589	29340	6
27	Unbilled				1,998	12,250			6
28	Transportation- Billed	213	211	210	18,889,555	19,248,302	89524	91224	1
29	Unbilled				12,786	27,349			2
30									
31									
32	Total Industrial Metered Sales	250	249	248	19,078,711	\$ 20,402,827	76621	81939	1
33	Public								
34	Off System Transportation				403,093	\$ 18,945			0
35	Other- Sales for Resale	12	23	15	3,101,482	\$ 8,598,876			3
36	Total Metered Sales	363,993	364,618	361,157	73,354,231	\$ 414,740,152	201	1137	6
37									
38	Unmetered Sales-All Categories								
39	Other								
40	Total Unmetered Sales	0	0	0	0	\$ -			
41	Total Sales of Gas	363,993	364,618	361,157	73,354,231	\$ 414,740,152	201	1137	6
42									
43	Other Gas Revenues:								
44	Rent from Gas Property								
45	Interdepartmental Rents								
46	Operating Revenue Other Than Gas Sales					\$ 10,911,634			
47	Provision for Rate Refunds					\$ (9,285,865)			
48	Gas Storage Revenues								
49	Customers Forfeited Discounts & Penalties					\$ 2,938,252			
50	Miscellaneous Gas Revenues					\$ 1,749,976			
51	Total Other Gas Revenues	-	-	-	-	\$ 6,313,997			
52	Total Gas Operating Revenues	363,993	364,618	361,157	73,354,231	\$ 421,054,149			

PEOPLES NATURAL GAS COMPANY LLC - TOTAL COMPANY

605. NUMBER OF EMPLOYEES

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

Line No.	Classification According to Occupation (a)	Number at Year End (b)
1	Total Officials and Senior Manager Employees	7
2	Total Professional and Semiprofessional Employees	145
3	Total Business Office, Sales And Professional Employees	205
4	Total Clerical Employees*	173
5	Total Operators*	125
6	Total Construction, Installation and Maintenance Employees*	501
7	Total Building, Supplies and Motor Vehicle Employees*	8
8	All Other Employees Not Elsewhere Classified	
9	Total All Employees	1,166

****Includes Union Employees***

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	150,201	150,128
03	X	Armstrong	12,270	12,289
04	X	Beaver	18,931	18,912
05		Bedford		
06		Berks		
07	X	Blair	33,140	33,098
08		Bradford		
09		Bucks		
10	X	Butler	15,066	14,923
11	X	Cambria	27,935	28,004
12		Cameron		
13		Carbon		
14		Centre		
15		Chester		
16	X	Clarion	52	52
17		Clearfield		
18		Clinton		
19		Columbia		
20		Crawford		
21		Cumberland		
22		Dauphin		
23		Delaware		
24		Elk		
25		Erie		
26	X	Fayette	3,175	3,177
27		Forest		
28		Franklin		
29		Fulton		
30	X	Greene	534	538
31		Huntingdon		
32	X	Indiana	12,608	12,610
33		Jefferson		
34		Juniata		
35		Lackawanna		
36		Lancaster		
37	X	Lawrence	4,448	4,412
38		Lebanon		
39		Lehigh		
40		Luzerne		
41		Lycoming		
42		McKean		
43	X	Mercer	4,981	4,980
44		Mifflin		
45		Monroe		
46		Montgomery		
47		Montour		
48		Northampton		
49		Northumberland		
50		Perry		
51		Philadelphia		
52		Pike		
53		Potter		
54		Schuylkill		
55		Snyder		
56	X	Somerset	1,659	1,657
57		Sullivan		
58		Susquehanna		
59		Tioga		
60		Union		
61	X	Venango	87	88
62		Warren		
63	X	Washington	5,709	5,715
64		Wayne		
65	X	Westmoreland	73,799	73,705
66		Wyoming		
67		York		
Totals			364,595	364,288
Total Population of Territory Served (Estimated)				3,075,141

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 Senior Vice President and Chief Financial Officer (Name of affiant) (Official title of affiant)

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

The signed officer has reviewed the report.

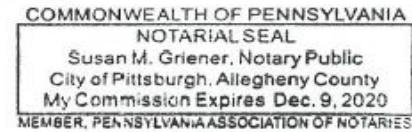
Based on the officer's knowledge, the report does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

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

He believes that all other statements contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including January 1, 2018 to and including, December 31, 2018.

Subscribed and sworn to and before me, a Notary Public

(Signature of affiant)



in and for the State and County above-named, this 25 day of April 2019

My commission expires 12/9/20 Susan M. Griener (Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

Commonwealth of Pennsylvania

as:

County of Allegheny

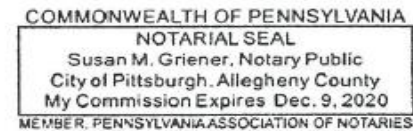
Morgan K. O'Brien makes oath and says that he is President & Chief Executive Officer (Name of affiant) (Official title of affiant)

of Peoples Natural Gas Company LLC

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above named respondent during the period of time from and including January 1, 2018 to and including December 31, 2018.

Subscribed and sworn to before me, a Notary Public

(Signature of affiant)



in and for the State and County above-named, this 25 day of April 2019

My commission expires 12/9/20 Susan M. Griener (Signature of officer authorized to administer oaths)

Data

COMPANY	YEAREN	PLT_SVC	GAS_PLT	DEPR_AMORT	CWIP	PLT_AQ_ADJ	PLT_HLD	MAT_SUPP	DEP_AM
PEOPLES NA	2018	#####	#####	(627,701,618)	#####	284,894,602	0	3,367,332	#####
*This sheet is for PUC use only.									

Data

NET_BOOK	CIAC	PLAT_MTLS_OPR_SUPP	OP_REV	OP-EXP	MAIN_EX	DEP_EXP	AMORT_LTD_GAS_PLT
1,888,855,226	134832	3367332	#####	#####	28580541	32134669	3206

Data

AMORT_OTR_GAS_PLT	AMORT_PL_AQ	TAXES_OTR_THAN_INC	INC_TAXES_OPR_INC	TTL_TAXES	TTL_OP_EXP
0	0	6267343	3059659	21846775	354843362

Data

OP_INCOME	OTHER_INC	OTH_DED	NET_INCOME	TTL_MFG_GAS_PROD_EXP
66210787	840928	4930939	43861014	0

Data

TTL_NAT_GAS_PROD_EXP	TTL_EXPL_DEV_OPR_EXP	TTL_PROD_GATH_OPR_EXP	TTL_PROD_GATH_MAINT_EXP
7249460	0	4478182	2771278

Data

SUPP_OPR_EX_PUR_GAS	SUPP_MAINT_EX_PUR_GAS_EXP	GAS_UTILITY_OPR	OTR_GAS_SUPP_EXP
97311484	-12472752	-482591	502261

Data

UNDERGRD_STOR_EXP	NAT_GAS_MAINT_EXP	TRANS_EXP_OPR	TRANS_EXP_MAINT	DISTR_EXP_OPR
925556	399796	97265737	1991058	15385176

Data

DISTR_EXP_MAINT	CUST_ACCTS_EXP	CUST_SVE_INFO_EXP	SALES_EXP	ADM_GENL_EXP_OPR
23310288	20369650	6651643	565925	34124494

Data

ADM_GENL_EXP_MAINT	TTL_RECEIPTS_MCF	UNACCT_GAS_MCF	TRANSPORTATION	DISTR_MAINS_M-FT
108121	133901640	6979811	66325828	132

Data

TRANS_MAINS_M_FT	SERV_EOY_CO_OWNED	RES_MET_CUST	COMM_MET_CUST	IND_MET_CUST
0	1	336522	27824	249

Data

OTR_MET_CUST	TOTAL_MET_CUST	TOTAL_UNMET_CUST	TOTAL_TRANS_CUST	TOTAL_CUST	TTL_RES_REV
23	364618	0	0	364618	304330947

Data

RES_MCF_MET	AVG_RES_CUST	TTL_COMM_REV	COMM_MCF_MET	AVG_COMM_CUST	TTL_IND_REV
32423648	333372	81388557	18347297	27522	20402827

Data

IND_MCF_MET	AVG_IND_CUST	TTL_TRANS_REV	AVG_TRANS_CUST	TTL_OTHER_REV
19078711	248	0	0	8617821

Data

AVG_OTHER_CUST	RES_REV_MET	TOTAL_REV_UNM	AV_RES_USE	AV_RES_BILL	TTL_ALL_EMPLOYEES
15	304330947	0	96.35	904.34	1166