

ANNUAL REPORT	SIGNED
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Public Utilities Commission
Concord



ANNUAL REPORT

of

New Hampshire Gas

FOR THE YEAR END

2013

Officer to whom correspondence should be addressed
regarding this report:

Name Michael Eastman
Title Treasurer
Address 1300 Scottsville Road
Rochester NY, 14649

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ANNUAL REPORT
TO THE
State of New Hampshire
PUBLIC UTILITIES COMMISSION

IDENTITY OF RESPONDENT

1. Full name of utility:
New Hampshire Gas Corporation
2. Full name of any other utility acquired during the year and date of acquisition:
Not applicable
3. Location of principal office:
PO Box 438, 80 Pearl Street, Keene, NH 03431
4. State whether utility is a corporation, joint stock association, a firm or partnership, or an individual:
Corporation
5. If a corporation or association give date of incorporation. State under whose laws incorporated, and whether incorporated under special act or general law:
Incorporated in June 1998 in the State of New Hampshire
6. If incorporated under special act, give chapter and session date:
Not applicable
7. Give date when company was originally organized and date of any reorganization:
June 1998
8. Name and address of principal office of any corporation, trust, or association owning, controlling or operating respondent:
Iberdrola USA Enterprises, 52 Farm View Drive, New Gloucester, ME 04260
9. Name and addresses of principal offices of any corporations, trusts, or associations owned, controlled or operated by the respondent:
Not applicable
10. Date when respondent first began to operate as a utility * :
November 1, 1998
11. List towns or cities served directly, number of customers served in each, and population of area served:
Keene, NH Average Customers - 1,200 Population - 23,409
12. If the respondent is engaged in any business not related to utility operation, give particulars:
Not applicable
13. If the status of the respondent has changed during the year in respect to any of the statements made above, give particulars, including dates:
Not applicable
14. If the utility is a foreign corporation which operated in New Hampshire prior to June 1, 1911, give date on which permission was granted to operate under sections 23 and 24, chapter 240, Public Laws of N.H.:
Not applicable

* If engaged in operation of utilities of more than one type give dates for each

TABLE 1.

LIST OF OFFICERS

	Office	Compensation	Name	Residence
1	President	0	Kevin Walker	Rochester, NY
2	Secretary	0	R. Scott Mahoney	New Gloucester, ME
3	Treasurer	0	Michael Eastman	Rochester, NY
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
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20				
21				
22				

DIRECTORS

	Name	Residence	Length of term	Term Expires	Fees
25	R. Scott Mahoney	New Gloucester, ME	Until successors are elected		0
26	Robert D. Kump	New Gloucester, ME	Until successors are elected		0
27	Kevin Walker	Rochester, NY	Until successors are elected		0
28					
29					
30					
31					
32					
33					
34					
35					
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42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					
55					
56	State directors' fee per meeting:		Total		0

TABLE 2.

SHAREHOLDERS AND VOTING POWERS

1 State total of voting power of all security holders at close of year: 25
 2 State total number of shareholders of record at close of year according to classes of stock
 3 Common - One Preferred - None
 4 _____
 5 State the total number of votes cast at the latest general meeting _____
 6 Give date and place of such meeting none

Give the following information concerning the ten security holders having the highest voting powers in the corporation, the officers, directors, and each holder of one percent or more of the voting capital stock. (Section 7, Chapter 182, Laws of 1933)

	Name a	Address b	No. of votes c	Number of Shares owned			
				Common		Preferred	
				d	e	f	g
7	Iberdrola USA Enterprises, Inc.	New Gloucester, ME	25	25			
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23	Totals		25	25			

TABLE 3.

PAYMENTS TO INDIVIDUALS

List here names of all individuals, partnerships, or corporations, to whom payments totaling \$10,000 or more for services rendered were made or accrued during the year, and the amount paid or accrued to each. Where payments or accruals to the individual members of a partnership or firm together total \$10,000 or more, list each individual and the amount paid or due each.

	NAME h	ADDRESS i	AMOUNT j
24	Acadia Insurance Co.	Boston, MA	21,229
25	BDM Sweeper Service Inc.	Keene, NH	20,604
26	Fran's of Keene, Inc.	Keene, NH	10,912
27	FW Webb Co.	Bedford, MA	48,293
28	Iberdrola USA	New Gloucester, ME	309,437
29	Iberdrola USA Management Company	New Gloucester, ME	444,057
30	International Revenue Service	Andover, MA	117,904
31	Keene Propane Corp	Keene, NH	2,251,562
32	Keene Propane Corp	Keene, NH	30,677
33	New York State Electric & Gas	Binghamton, NY	28,085
34	R&M Realty Inc.	Keene, NH	53,178
35	Rochester Gas & Electric	Rochester, NY	43,457
36	State of New Hampshire	Concord, NH	16,752
37	State of New Hampshire	Concord, NH	14,610
38	T. Rowe Price Trust Company	Baltimore, MD	27,094
39	Tax Collector - City of Keene	Keene, NH	75,288
40	The Lane Construction Corp.	Cheshire	10,942

TABLE 3.

PAYMENTS TO INDIVIDUALS

List here names of all individuals, partnerships, or corporations, to whom payments totaling \$10,000 or more for services rendered were made or accrued during the year, and the amount paid or accrued to each. Where payments or accruals to the individual members of a partnership or firm together total \$10,000 or more, list each individual and the amount paid or due each.

	NAME h	ADDRESS i	AMOUNT j
1	Twin Thirds Motors Inc.	Keene, NH	28,196
2	Wright Express	Boston, MA	23,904
3			
4			
5			
6			
7			
8			
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10			
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50			

TABLE 10.
SHEET 1 OF 2

BALANCE SHEET ACCOUNTS
Assets and Other Debits

	Balance at Beginning of year a	Acct. No. b	Title of Account c	Detail on page d	Balance at end of year e	Increase or decrease* f
			Fixed Assets:			
1	4,575,690	100	Fixed Capital - Gas	102	4,736,119	160,429
2		108	Fixed Capital - Other			
3		110	Non-Operating Property	104		0
4	4,575,690		Total Fixed Assets		4,736,119	160,429
			Investments:			
5		111	Investments in Affiliated Companies	105		
6		112	Miscellaneous Investments	105		
7		113	Sinking Funds	106		
8		114	Miscellaneous Special Funds	106		
9		115	Depreciation Funds	106		
10			Total Investments			
			Current Assets:			
11	36,067	120	Cash		58,194	22,127
12	555,000	121	Special Deposits		800,000	245,000
13	440	122	Working Funds		440	0
14		124	Notes Receivable			
15	501,058	125	Accounts Receivable	107	628,293	127,235
16		126	Receivables from Affiliated Companies	107		
17		127	Subscriptions to Capital Stock			
18		128	Interest and Dividends Receivable			
19	171,091	131	Materials and Supplies	107	203,424	32,333
20	121,416	132	Prepayments	106	136,331	14,915
21		133	Miscellaneous Current Assets			
22	1,385,073		Total Current Assets		1,826,682	441,609
			Deferred Debits:			
23		140	Unamortized Debt Discount & Expenses	108		
24		141	Property Abandon	104		
25	79,565	143	Clearing (CGA over/under collected)		279,136	199,571
26	0	145.1	Maintenance Work in Progress		654	654
27		145.2	Jobbing Accounts			
28	(110,891)	146	Miscellaneous Suspense - Deferred Income Tax	113	(118,486)	(7,595)
29	(31,326)		Total Deferred Debits		161,304	192,630
			Company Securities Owned:			
30		152	Reacquired Securities	106		
31		154	Unissued Securities			
32			Total Company Securities Owned			
33	5,929,436		Total Assets and other Debits		6,724,105	794,669
34						
35						

TABLE 10.
SHEET 2 OF 2BALANCE SHEET ACCOUNTS
Liabilities and Other Credits

	Balance at Beginning of year	Acct. No.	Title of Account	Detail on page	Balance at end of year	Increase or decrease*
	a	b	c	d	e	f
			Capital Stocks:			
1		200	Common Stock	109		
2		201	Preferred Stock	109		
3		202	Stock Liability for Conversion			
4		203	Premium on Capital Stock			
5		204	Capital Stock Subscribed			
6		205	Installments Paid on Capital Stock			
7			Total Capital Stocks			
			Investments:			
8		209	Non-Corporate Proprietorship			
			Long-Term Debt:			
9		210	Bonds and Notes	109		
10		211	Receivers' Certificates	109		
11		212	Advances from Affiliated Companies	109		
12		213	Miscellaneous Long Term Debt	109		
13			Total Long-Term Debt			
			Current and Accrued Liabilities:			
14		220	Notes Payable	110		
15	286,735	222	Accounts Payable		427,429	140,694
16	90,248	223	Payables to Affiliated Companies	110	44,794	(45,455)
17		224	Dividends Declared	108		
18		225	Matured Bonds			
19		226	Matured Interest			
20	65,782	227	Customers' Deposits		57,852	(7,930)
21	(61,148)	228	Taxes Accrued		153,984	215,132
22		229	Interest Accrued			
23	0	230.1	Miscellaneous Current Liabilities		0	0
24	79,177	230.2	Miscellaneous Accruals		63,844	(15,333)
25	460,795		Total Current and Accrued Liab.		747,903	287,109
			Deferred Credits:			
26		240	Unamortized premiums on Bonds			
27		242	Miscellaneous Unadjusted Credits	112	0	
28	0		Total Deferred Credits		0	0
			Reserves:			
29	1,639,895	250	Depreciation Reserve	111	1,778,369	138,474
30	0	251	Amortization Reserve	112	0	0
31	5,000	254	Uncollectible Accounts Reserve	112	5,000	0
32		255	Casualty and Insurance Reserve	112		
33		258.1	Sinking Funds Reserve	112		
34		258.2	Reserve for Dividends	112		
35	224,741	258.3	Miscellaneous Reserves (deferred income tax)	112	727,273	502,531
36	1,869,636		Total Reserves		2,510,641	641,005
			Contributions in Aid of Construction:			
37		265	Contribution in Aid of Construction			
			Surplus:			
38	3,679,980	270	Capital Surplus	113	3,679,980	0
39	(80,974)	271	Earned Surplus	113	(214,419)	(133,445)
40	3,599,005		Total Surplus		3,465,561	(133,445)
41	5,929,436		Total Liabilities and other Credits		6,724,105	794,669

TABLE 11.

FIXED CAPITAL - GAS

	Account Number	Title of Account	Balance at beginning of year	Additions during year	Retirements during year	Adjustments during year	Balance at end of year
	a	b	c	d	e	f	g
		Intangible Property					
1	1301	Organization					
2	1302	Franchises and Consents					
3	1303	Misc. Intangible Prop.					
4	1304	Fixed Capital Adjustment	0				0
5	1300	Total Intangible Property	0	0	0	0	0
		Land					
6	1307.1	Production Plant Land	0				0
7	1307.6	Distribution System Land					
8	1307.6	General and Misc. Land					
9	1307.8	Land for Future Development	418,384	0	0	0	418,384
10	1307	Total Land	418,384	0	0	0	418,384
		Structures					
11	1308.1	Production Plant Structures					
12	1308.6	Distribution System Structures					
13	1308.7	General and Misc. Structures	40,771	3,762	0	0	44,534
14	1308	Total Structures	40,771	3,762	0	0	44,534
		Production Equipment					
15	1315	Power Plant Equipment					
16	1317	Coal Gas Generating Equip't					
17	1320	Water Gas Generating Equip't					
18	1321	Other Gas Generating Equip't	428,704	0	0	0	428,704
19	1328	Purification Equipment					
20	1330	Other Production Equipment					
21	1315	Total Production Equipment	428,704	0	0	0	428,704
		Distribution Equipment					
22	1356	Mains	1,744,184	64,779	0	0	1,808,963
23	1358	Pumping and Regulating Equip't					
24	1359	Services	587,240	17,388	0	0	604,628
25	1360	Customers' Meters and Instal'ns	284,765	0	0	0	284,765
26	1361	Misc. Prop. on Customers' Prem.					
27	1363	Street Lighting Equipment					
28	1350	Total Distribution Equip't	2,616,190	82,167	0	0	2,698,357
		General Equipment					
29	1372.1	Office Equipment	70,787	670	0	0	71,457
30	1372.2	Merchandising Equipment					
31	1373	Transportation Equipment	323,711	129,698	(42,040)	0	411,369
32	1374	Stores Equipment					
33	1375	Shop Equipment	69,991	0	0	0	69,991
34	1376	Laboratory Equipment					
35	1377	General Tools and Implements					
36	1378	Communication Equipment	11,345	0	0	0	11,345
37	1379	Misc. General Equipment	5,264	0	0	0	5,264
38	1370	Total General Equipment	481,097	130,368	(42,040)	0	569,425
39	1390	Miscellaneous Tangible Property	545,405	(14,713)	0	0	530,692
40	1395	Unfinished Construction	45,137	886		0	46,023
41	100	Total Fixed Capital - Gas	4,575,690	202,470	(42,040)	0	4,736,119

TABLE 4. MANAGEMENT FEES AND EXPENSES

List all individuals, associations, corporations, or concerns with whom the company has any contract or agreement covering management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operations, etc., and show the total amount paid to each for the year. Designate by asterisk (*) those organizations which are "Affiliates" as defined in Chapter 182, section 1, Laws of 1933.

	Name	Date of contract	Date of expiration	Character of service	Amount paid or accrued for ea. class or service	Distribution of accruals or payments			
						To fixed capital	To operating expense	To other accounts	
	a	b	c	d	e	f	g	h	
1	Iberdrola USA*	1/1/2010	Open	Management Support	298,781		298,781		
2	Rochester Gas and Electric*			Benefits and Labor	13,796		13,796		
3	ADP Screening and Selection Services				(92)		(92)		
4	Data Control Corp.			Computer Maintenance	1,550		1,550		
5	Affiliated Healthcare Management				75		75		
6	Organic Plant Care				838		838		
7	GS Carpet Care Services				149		149		
8	Masieilo Employment Services				1,452		1,452		
9	Wells Fargo Financial Leasing				182		182		
10	Steven E. Patnaude			Legal	490		490		
11	Occupational Health and Wellness				81		81		
12	New England Imaging Product				120		120		
13	Northeast RecOrd Retention				258		258		
14	Nelson Kinder & Mosseau				6,692		6,692		
15	Subtotal - Acct 1794				324,371		324,371		
16									
17	Iberdrola USA*			Management Support	9,491		9,491		
18	New York State Electric and Gas*			Management Support	16,886		16,886		
19	Rochester Gas and Electric*			Management Support	2,698		2,698		
20				Totals	353,447		353,447		
21	Have copies of all such contracts or agreements been filed with the Commission?						YES		
Distribution of total charges in column (g) to operating expense accounts									
	Account no.	Title of account						Amount	
	j	k						l	
22	1794	Supervision fees and special services						324,371	
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39									
40									
41		Total						324,371	

TABLE 12.

NON-OPERATING PROPERTY
Account 110

	Description of property and use for which held	Balance	
		Beginning of year	End of year
		b	c
1	None		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			

TABLE 13.

PROPERTY ABANDONED
Account 141

	Description	Date of abandonment	Balance at beginning of year	Debits during year	Credits during year	Balance at end of year
	d	e	f	g	h	i
18	None					
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29	Totals					

TABLE 14.

LAND FOR FUTURE DEVELOPMENT
Account 307.8

	Description and use for which held	Date acquired	Balance at beginning of year	Debits during year	Credits during year	Balance at end of year
	j	k	l	m	n	o
30	Land held for development of future plant site.	3/1/2001	418,384	0	0	418,384
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	Totals					

TABLE 15.

INVESTMENTS IN AFFILIATES
Account 111

	Name of issuing company	Description of investment	Par or face value	Div. or int. rate	Date of issue	Maturity date	Cost to respondent	Book value at end of year
	a	b	c	d	e	f	g	h
1	None							
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18			Totals	* * *	**	**	**	

TABLE 16.

MISCELLANEOUS INVESTMENTS
Account 112

	Name of issuing company	Description of investment	Par or face value	Div. or int. rate	Date of issue	Maturity date	Cost to respondent	Book value at end of year
	i	j	k	l	m	n	o	p
19	None							
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35			Totals	* * *	**	**	**	

TABLE 17.

FUNDS
Accounts 113-114-115

	Account Number	Fund and how invested	Balance at beginning of year	Additions during year		Withdrawals during year	Balance at end of year
				Income from investment	Other additions		
		a	b	c	d	e	f
	113	Sinking Funds:					
1		None					
2							
3							
4							
5							
6							
7		Totals					
	114	Miscellaneous Special Funds:					
8		None					
9							
10							
11							
12							
13							
14							
15		Totals					
	115	Depreciation Funds:					
16		None					
17							
18							
19							
20							
21		Totals					

TABLE 18.

PREPAYMENTS
Account 132

		Balance at beginning of year	Debits during year	Credits during year	Balance at end of year
	g	h	i	j	k
22	Taxes and licenses	54,228	384,771	382,299	56,700
23	Insurance	61,958	112,941	100,498	74,401
24	Interest				
25	Rents	1,700	0	0	1,700
26	Prepaid Gas in Tanks	0	0	0	0
27	Employee Benefits				
28	Misc. Other Prepayments	3,530	162	162	3,530
29	Totals	121,416	497,874	482,959	136,331

TABLE 19.

REACQUIRED SECURITIES
Account 152

Do NOT include any securities held in sinking or other reserve funds.

	Description of security	Date acquired	Cost	Par or face value
	l	m	n	o
30	None			
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41	Totals	* *		

TABLE 20. MATERIALS AND SUPPLIES
Accounts 131

	Classification	Beginning of year	End of year	Increase or decrease
	a	b	c	d
1	Fuel Oil			
2	Coal			
3	Merchandise for Resale			
4	General Supplies for: Utility Operations	63,698	100,994	37,295
5	Merchandise Operations	107,393	102,430	(4,962)
6	Other Operations			
7	Miscellaneous	0	0	0
8				
9				
10				
11				
12	Totals	171,091	203,424	32,333

TABLE 21. ACCOUNTS RECEIVABLE
Account 125

		Beginning of year	End of year	Increase or decrease
	e	f	g	h
14	Electric Department			
15	Amounts due from sale of energy			
16	Amounts due from sale of appliances and job work			
17	Amounts due from other sources			
18	Totals-Electric Dep't			
19	Gas Department			
20	Amounts due from sale of gas	501,058	628,293	127,235
21	Amounts due from sale of appliances			
22	Amounts due from other sources			
23	Totals-Gas Dep't	501,058	628,293	127,235
24	Other Departments			
25	Amounts due from			
26				
27				
28				
29	Totals-Other Dep't			

TABLE 22. RECEIVABLES FROM AFFILIATED COMPANIES
Account 126

	Description of security	Balance at beginning of year	Debits during the year	Credits during the year	Balance at end of year
	i	j	k	l	m
29	None				
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44	Totals	0	0	0	0

TABLE 23.

UNAMORTIZED DEBT DISCOUNT AND EXPENSE

Accounts 141

If any credits represent charges to fixed capital accounts, or if rate of amortization of any item has been changed during the year, explain in note below this table.

	Description of item	Balance at beginning of year	Debits during year	Credits during year	Balance at end of year
	a	b	c	d	e
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	Totals				

Explanatory notes:

13	
14	
15	
16	
17	
18	
19	
20	

TABLE 24.

DIVIDENDS DECLARED DURING YEAR

	No. of shares or par value of stock on which dividend was declared	Dividend rate		Amount of dividend	Date	
		Regular	Extra		Declared	Payable
	f	g	h	i	j	k
21	None					
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Totals	**	**			**

TABLE 25.

CAPITAL STOCK
Account 200-201

	Description	Par value per share	Number of shares				Total amount capital stock outstanding	No. of stock-holders	Dividends declared	
			Author-ized	Issued	Re-acquired	Out-standing			Rate	Amount
	a	b	c	d	e	f	g	h	i	j
	Common: Parent Company	\$0.01	1,000	25				1		None
1										
2										
3										
	Preferred: None									
4										
5										
6										
7										
8										
9										
10	Totals	\$0.01	1,000	25	0	0			**	

TABLE 26.

LONG TERM DEBT
Account 210-211-212-213

	Description (Group as bonds, notes, certificates, etc.)	Date of		Interest		Total amount authorized	Amount actually issued	Amount actually outstanding	Interest	
		Issue	Maturity	Rate	Due Date				Accrued during year	Paid during year
	k	l	m	n	o	p	q	r	s	t
11	None									
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30	Totals	**	**	**	**					

TABLE 27.

NOTES PAYABLE
Account 220

	Payee	Date of issue	Date of maturity	Balance at beginning of year	Credits during year	Debits during year	Balance at end of year	Interest	
								Accrued during year	Paid during year
	a	b	c	d	e	f	g	h	i
1	None								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24	Totals	**	**						

TABLE 28.

PAYABLES TO AFFILIATED COMPANIES
Account 223

	Payee	Balance at beginning of year	Credits during year	Debits during year	Balance at end of year	Interest	
						Accrued during year	Paid during year
	j	k	l	m	n	o	p
25	New York State Elec. & Gas Corp.	13,321	(50,975)	62,154	2,142	0	0
26	Iberdrola USA Management Co.	65,510	(1,407,264)	1,436,908	35,866	0	0
27	Rochester Gas & Electric	11,108	(77,694)	82,325	6,476	0	0
28	CNE Energy Services	0	0	0	0	0	0
29	Maine Natural Gas	309	0	0	309		
30	Iberdrola USA Corp.	0	(309,437)	309,437	0		
31							
32							
33							
34	Totals	90,248	(1,845,369)	1,890,824	44,794	0	0

TABLE 29. DEPRECIATION RESERVE
Account 250

		Debits	Credits
	a	b	c
1	Balance at beginning of year		1,639,895
2	Transfers from Depreciation (Account 1503)		183,089
3	Other credits (explain below)		
4	NET SALVAGE		
5	Debits on account of fixed capital retirements	42,040	
6	Net costs of removal	2,575	
7	Other debits (explain below)		
8	Balance at end of year		1,778,369
9			
10	Explanatory notes:		
11	Other debits:		
12			
13			
14			
15			
16			
17			

TABLE 30. ANNUAL DEPRECIATION CHARGE

Indicate basis upon which charges were determined and the method by which the total charge for the year was derived. Show separately the rates used and the total depreciation for each different class of property.

	Class of property	Basis	Rate	Amount
	d	e	f	g
18	Distribution - Mains	Straight-line - 33 years	0.0300	53,659
19	Distribution - Mains	Straight-line - 20 years	0.0500	0
20	Distribution - M & R Stations	Straight-line - 20 years	0.0500	799
21	Distribution - Services	Straight-line - 16 years	0.0625	0
22	Distribution - Services	Straight-line - 20 years	0.0500	38,478
23	Distribution - Meters	Straight-line - 25 years	0.0400	5,125
24	Distribution - Meters	Straight-line - 16 years	0.0625	8,703
25	Distribution - Other Equipment	Straight-line - 20 years	0.0500	2,561
26	Transportation Equipment	Straight-line - 10 years	0.1000	31,601
27	Transportation Equipment	Straight-line - 7 years	0.1429	648
28	Shop Equipment	Straight-line - 10 years	0.1000	0
29	Office Furniture	Straight-line - 10 years	0.1000	0
30	Office Equipment	Straight-line - 3 years	0.3333	1,709
31	Power Operated Equipment	Straight-line - 7 years	0.1429	19,478
32	Production - Oth Gas Generating Eq	Straight-line - 20 years	0.0500	16,771
33	General Structures	Straight-line - 5 years	0.2000	448
34	Miscellaneous Equipment	Straight-line - 3 years	0.3333	2,705
35	Software	Straight-line - 7 years	0.1429	404
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49		Total	**	183,089

TABLE 31.

MISCELLANEOUS RESERVES
Accounts 251-254-255-258.1-258.2-258.3

No. of acct.	Title of Account	Balance at beginning of year	Debits during year	Credits during year		Balance at end of year
				from revenue	other credits	
a	b	c	d	e	f	
1 258.3	Deferred Income Tax Liability	224,741	274,409	0	776,941	727,273
2						
3 254	Uncollectible Accounts Reserve	5,000	27,531	0	27,531	5,000
4						
5						
6						
7						
8						
9						
10						
11						
12	Totals	229,741	301,940		804,471	732,273

TABLE 32.

MISCELLANEOUS UNADJUSTED CREDITS

ACCOUNT 242

List every item of \$500.00 or more included on balance sheet under this account, and state number and aggregate of items less than \$500.00 each.

Items	Balance at beginning of year	Debits during year	Credits during year	Balance at end of year
g	h	i	j	k
13 None				
14				
15				
16				
17				
18				
19				
20				
21				
22	Totals			

TABLE 33.

TAXES

Include all taxes for the year. List each class of tax under its proper grouping, and apportion to operating or non-operating departments by name

Class of tax	Total Amount	Apportionment			
		Water fixed capital accounts	Account 2507 Water dept.	GAS dept.	dept.
l	m	n	o	p	q
23 Federal: F.I.C.A.	0			0	
24 F.U.I.A.	0			0	
25 Federal Income Tax	317,908			317,908	
26					
27					
28 State: Unemployment	0			0	
29 Real Estate	0			0	
30 Business Enterprise	0			0	
31 State Income Tax	97,974			97,974	
32					
33					
34 Local: Real Estate	127,740			127,740	
35					
36					
37					
38					
39					
40	Totals	543,623		543,623	

TABLE 34. CAPITAL SURPLUS Accounts 270			
	Items a	Debits b	Credits c
1	Balance at beginning of year		3,679,980
2	Miscellaneous credits:		0
3			
4			
5			
6	Miscellaneous debits:		0
7			
8			
9			
10	Balance at end of year		3,679,980

TABLE 35. EARNED SURPLUS Accounts 271				
	Account number	Items	Debits	Credits
	d	e	f	g
11		Balance at beginning of year	80,975	
12	501	Balance transferred from income	133,444	
13	502	Miscellaneous credits (Explain below)		
14				
15				
16	511	Appropriations to Reserves (Explain below)		
17	512	Dividend appropriations		
18	513	Miscellaneous debits (Explain below)		
19				
20				
21		Balance at end of year	214,419	
22				
Explanatory Notes:				
23				
24				
25				
26				
27				
28				

TABLE 36. MISCELLANEOUS SUSPENSE Accounts 146					
	Items	Balance at beginning of year	Debits during year	Credits during year	Balance at end of year
	h	i	j	k	l
29	Misc. Suspense - Deferred Income Tax	(110,891)	0	7,595	(118,486)
30					
31					
32					
33					
34					

TABLE 40.

INCOME STATEMENT

	Account Number	Title of Account	Amount	Totals	Increase or decrease
	a	b	c	d	g
1	1501	Operating Revenues - Gas	****	3,761,293	380,469
2	1701-1812	Operation and Maintenance - Gas	3,236,535	****	(99,463)
3	1503	Depreciation - Gas	183,089	****	(8,722)
4	1504	Amortization - Gas	0	****	0
5	1507	Taxes - Gas	543,623	****	530,647
6		Total Revenue Deductions	****	3,963,247	422,462
7		Gas Operating Income	****	(201,953)	(41,992)
8	1508.1	Rent for Lease of Gas Plant		****	
9	1508.2	Rent from Lease of Gas Plant		****	
10	1508.3	Joint Facility Rents		****	
11	1508.4	Rent from Gas Appliances	14,804	****	39
12	1508.5	Miscellaneous Rents		****	
13	1508	Operating Rents - Net	****	14,804	39
14		Net Gas Operating Income	****	(187,149)	(41,953)
15	1509	Operating Income - Other Utility Operations	****		
16		Net Utility Operating Income	****	(187,149)	(41,953)
17	1522	Revenues from Non-Operating Property	131,364	****	17,310
18	1523	Dividend Income		****	
19	1524	Interest Income	4,703	****	(1,347)
20	1525	Income from Special Funds		****	
21	1526	Miscellaneous Non-Operating Revenues		****	
22		Non-Operating Property Revenue	****	136,067	15,963
23	1527	Non-Operating Revenue. Deductions	****	80,155	(1,293)
24		Non-Operating Property Income	****	55,912	17,256
25		Gross Income	****	(131,238)	(24,697)
26	1530	Interest on Long Term Debt		****	
27	1531	Amortization of Debt Discount and Expense		****	
28	1533	Taxes Assumed on Interest		****	
29	1535	Miscellaneous Interest Deductions	2,207	****	(901)
30	1536	Interest Charges to Property - Cr.		****	0
31	1537	Miscellaneous Amortization		****	0
32	1538	Miscellaneous Deductions from Income		****	0
33	1540	Contractual Appropriations of Income		****	
34		Deductions from Gross Income	****	2,207	(901)
35		Income Balance Transferred to Earned Surplus	****	(133,444)	(23,796)
36					
37					
38					
39					
40					

TABLE 41. OPERATING REVENUES - GAS
Accounts 1600-1610

	Account number	Title of Account	Revenue received	Thousand cubic feet sold	Revenue per M. cu. ft.	Number of Customers
	a	b	c	d	e	f
		GAS SERVICE REVENUES:				
1	1600	Domestic Regular Service	855,902	28,428	30.11	768
2	1600	Domestic Combination Service				
3	1602	Commercial Regular Service	2,752,760	106,879	25.76	438
4	1602	Commercial Combination Service				
5	1602	Industrial Service				
6	1604	Service to Public Authorities				
7	1605	Sales to Other Companies	0			
8	1607	Interdepartmental Sales				
9	1608	Other Sales				
10						
11		Total Gas Service Revenues	3,608,662	135,307.0	26.67	1,206
		OTHER GAS REVENUES:				
12	1609	Forfeited Discounts and Penalties	10,118			
13	1610	Miscellaneous Gas Revenues	142,513			
		Total Other Gas Revenues	152,631			
14		TOTAL OPERATING REVENUE - GAS	3,761,293			

TABLE 42-S. SUMMARY OF OPERATING EXPENSES - GAS

	Account number	Title of Account	Totals for year	Increase or decrease
	g	h	i	j
		Operation and Maintenance:		
15	1700-1737	Production Expenses	186,912	19,380
16	1738	Purchased Gas	2,057,873	(200,793)
17	1742	Production Expenses Transferred	0	0
18	1756-1772	Distribution Expenses	153,165	(52,085)
19	1779-1784	Customer Accounting and Collecting Expenses	156,884	(3,651)
20	1785-1789	Sales and New Business Expenses	10,878	357
21	1790-1812	Administration and General Expenses	670,824	137,329
22		Total Operation and Maintenance	3,236,535	(99,463)
		Other Operating Expenses		
23	1503	Depreciation - Gas	183,089	(8,722)
24	1504	Amortization - Gas	0	0
25	1507	Taxes - Gas	543,623	530,647
26	1508	Operating Rents	14,804	39
27				
28		Total Other Operating Expenses	741,516	521,964
29		Total Operating Expenses - Gas	3,978,051	422,501

TABLE 42.

OPERATION AND MAINTENANCE - GAS

SHEET 1 OF 2

Accounts 1700-1812

	Account Number	Title of Account	Amount Class "A"	Amount Class "B"	Increase or decrease
	a	b	c	d	g
		Production			
1	1701	Superintendence			
2	1702	Boiler and Other Power Labor			
3	1703	Gas Generation Labor	150,086		9,724
4	1705	Purification Labor		* * * *	
5	1707	Other Production Labor			
6		Total Superintendence and Operating Labor	150,086		9,724
7	1711	Boiler Fuel			
8	1712	Coal Gas Fuel			
9	1713	Coal Carbonized			
10	1715	Water Gas Generator Fuel			
11		Total Fuel			
12	1717	Oil and Enriching Materials			
13	1718	Liquified Petroleum Gas		* * * *	
14	1719	Oil for Oil Gas		* * * *	
15	1720	Raw Materials for Other Gas Processes			
16	1722	Other Production Supplies and Expenses	36,826		9,656
17		Total Production Materials and Expenses	36,826		9,656
18	1723	Maintenance of Production Plant	* * * *		
19	1724	Maintenance of Structures		* * * *	
20	1725	Maintenance of Power Equipment		* * * *	
21	1726	Maintenance of Generating Equipment		* * * *	
22	1727	Maint. of Reforming, Purification & Misc. Equip.		* * * *	
23		Total Maintenance of Production Plant		* * * *	
24	1730	Steam Purchased or Transferred			
25	1735	Production Rents			
26	1736	Residuals Produced			
27	1737	Residuals Expense			
28		Residuals Net			
29	1738	Purchased Gas	2,057,873		(200,793)
30	1742	Production Expense Transferred	0		
31		Total Production Expense	2,244,785		(181,413)
		Distribution			
32	1756	Superintendence	(7,580)		11,399
33	1761	Operation of Distribution Lines	34,336		10,108
34	1762.1	Meter Operating Labor and Expense	14,221		(4,188)
35	1762.2	Other Expense on Customers' Premises	32,206		(13,628)
36		Total Distribution Operation	73,183		3,692
37	1765	Maintenance of Structures	33,349		(19,338)
38	1768	Maintenance of Distribution Lines	39,345		(10,056)
39	1771	Maintenance of Services	12,469		(14,371)
40	1772	Maintenance of Customers' Meters	(5,181)		(12,011)
41		Total Distribution Maintenance	79,982		(55,776)
42		Total Distribution Expense	153,165		(52,085)

TABLE 42.

OPERATION AND MAINTENANCE - GAS

SHEET 2 OF 2

Accounts 1700-1812

	Account Number	Title of Account	Amount Class "A"	Amount Class "B"	Increase or decrease
	a	b	c	d	g
		Customers' Accounting and Collecting			
1	1780	Customers' Orders, Meter Reading and Collecti	13,931		1,265
2	1781	Customers' Billing and Accounting	125,818		1,196
3	1783	Uncollectible Accounts - Gas	2,828		(4,591)
4	1784	Customers' Accounting and Collecting Rents	14,306		(1,521)
5		Total Customers'Acctng & Collecting Expense	156,884		(3,651)
		Sales and New Business			
6	1786	Salaries and Commissions			
7	1787	Demonstrations, Advertising & Other Expenses	10,878		357
8	1788	Sales and New Business Rents			
9	1789.1	Appliance and Job Work Sales			
10	1789.2	Cost of Appliance and Job Work Sold			
11	1789.2	Appliance and Jobbing Bills			
12		Total Sales and New Business Expenses	10,878		357
		Administrative and General			
13	1791	General Office Salaries	120,500		31,880
14	1793	General Office Supplies and Expense	47,749		10,489
15	1794	Supervision Fees and Special Services	324,371		108,505
16	1797	Regulatory Commission Expense	14,610		6,673
17	1798	Insurance	0		0
18	1799	Injuries and Damages	140		(5,885)
19	1800	Employees welfare and Relief	210		(15)
20	1801	Miscellaneous General Expense	5,235		(3,884)
21	1802	Maintenance of General Property	4,950		(570)
22	1803	General Rents	55,157		10,033
23	1805	Franchise Requirements			
24	1806	Duplicate Miscellaneous Charges			
25	1807	Miscellaneous Expense Transferred			
26	1810	Stores, Shop and Laboratory Expense	0		(13,269)
27	1811	Transportation Expense	97,902		(6,628)
28	1812	Inventory Adjustments			
29		Total Administrative and General Expense	670,824		137,329
30		Total Operations & Maintenance	3,236,535		(99,463)

TABLE 43.

ANALYSIS OF SALES AND NEW BUSINESS EXPENSES

	Account Number	Item	Total	Appliance sales	Job work Sales	New Business
	a	b	c	d	e	f
1	1789.1	Appliance and Job Work Sales				
2		Gross Sales	131,364		131,364	
3		Discounts and Allowances	0		0	
4		Merchandise Returns				
5	1789.21	Cost of Appliances and Job Work Sold				
6		Cost of Appliances and Job Materials	39,716		39,716	
7		Transportation				
8		Installation and Job Labor	26,727		26,727	
9		Merchandise Store Expenses				
10		Servicing				
11		Reconditioning				
12		Merchandise Taxes				
13		Finance Expenses				
14		Other Expenses	13,712		13,712	
15		Gross Profit - Appliance and Job Work Sales	51,209		51,209	
16	1789.24	Uncollectible Items				
17	1786	Salaries and Commissions				
18	1787	Demonstrations, Advertising & Other Expenses				
19		Demonstrations				
20		Advertising				
21		Other Expenses				
22	1788	Sales and new Business Rents				
23	2789	Installation Allowances				
24		Total Other Sales & New Business Expenses	0		0	
24		Steam Purchased or Transferred				
25		Net Sales and New Business Expenses	51,209		51,209	

TABLE 44.

DONATIONS AND GIFTS

List each class of recipient, such as Red Cross units, Community Chests, service clubs or Y.M.C.A., the purpose of the transaction, total amount for each class, and classification number of the account to which charged.

	Class of Recipient	Purpose	Chgd. to acct. no.	Amount
	g	h	i	j
25	American Red Cross	Annual Fund Drive	1538	200
26	Firefighters of Keene	Donation	1538	250
27	Keene Police Benevolent Association	Donation	1538	150
28	NHSALC	Missing Children Donation	1538	95
29	New Hampshire VFW	Donation	1538	95
30	New Hampshire Troopers Association	Troopers Magazine	1538	100
31	The NE Assoc. of Chiefs of Police	Training for Offices/Scholarships	1538	100
32	Stodard Fire and Rescue	Memorial Fund	1538	100
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43			Total	1,090

TABLE 47.

DETAILS OF FUEL ACCOUNT

	Items	Heavy Oil			Light Oil		
		Gallons	Cost	Average per gal.	Gallons	Cost	Average per gal.
1	On hand beginning of year						
2	Received during year						
3	Total Available						
4	Used during year - production						
5	Used during year - boiler fuel						
6	Transferred or sold						
7	Adjustments						
8	Total Used						
9	On hand at end of year						
	Items	Gas Coal			Coke		
		Tons	Cost	Average per ton	Tons	Cost	Average per ton
10	On hand beginning of year						
11	Received during year						
12	Total Available						
13	Used during year - production						
14	Used during year - boiler fuel						
15	Transferred or sold						
16	Adjustments						
17	Total Used						
18	On hand at end of year						
	Items	Liquid Petroleum-Propane			Liquid Petroleum-Butane		
		Gallons	Cost	Average per gal.	Gallons	Cost	Average per gal.
19	On hand beginning of year	47,773	63,698	1.3334			
20	Received during year	1,610,441	2,313,851	1.4368			
21	Total Available	1,658,214	2,377,550	1.4338			
22	Used during year	50,720	74,621	1.4712			
23	Transferred or sold	1,547,388	2,201,935	1.4230			
24	Adjustments						
25	Total Used	1,598,108	2,276,556	1.4245			
26	On hand at end of year	60,106	100,994	1.6803			

TABLE 48.

MATERIALS AND SUPPLIES

	Items	Beginning of year	Debits	Credits	End of Year
27	Coal				
28	Coke				
29	Oil				
30	Liquid Petroleum	63,698	138,502	101,207	100,994
31	Residual - tar				
32	Purification materials				
33	Appliances for resale				
34	General supplies - gas operations	0	0	0	0
35	General supplies-merchandise oper'ns	129,116	46,798	73,483	102,430
36	Miscellaneous	(21,723)	52,080	30,357	0
37					
38					
39	Totals	171,092	237,380	205,047	203,424

TABLE 50. SUMMARY OF GAS PLANT OPERATIONS

1	Name of Plant:	Keene Gas						
2	Type of gas:	Propane Air						
3	Made or purchased							
		Therms	Therms	Therms	Therms	Therms		
4	January	246,943						
5	February	229,589						
6	March	158,919						
7	April	105,818						
8	May	61,552						
9	June	27,644						
10	July	50,987						
11	August	50,624						
12	September	76,698						
13	October	86,144						
14	November	147,716						
15	December	230,952						
16	Totals	1,473,586						
17	Type of Gas	Made or Purchased	Oil Used		Coal & Coke Used		L.P.G. Used	
18		Therms	Gals.	per therm	Tons	lb./therm	Gals.	per therm
19	Water							
20	Oil							
21	Reformed Hy-Carb.							
22	Propane Air	1,517,299						
23	Natural		: Total Cost \$ 2,276,556		:Cost per Therm \$ 1.4245			
24	Gallons Water Gas Tar recovered:		:Gallons per Therm Gas Made:					
25	Gas on hand beginning of year	Therms	43,713	Sold to public		Therms		1,353,001
26	Made or purchased	Therms	1,473,586	Sold to other gas utilities				
27	Total available gas	Therms	1,517,299	Used by other departments				
28	Unaccounted for 4.14%	Therms	62,890	Used by gas department				46,410
29	On hand at end of year	Therms	54,998					
30	Amount sold or used	Therms	1,399,411	Total sold or used				1,399,411

TABLE 52. REVENUE BY RATES

	Rate designation	Revenue account classification number	Number of customers billings	Dekatherms	Total revenue from rate	Average revenue per Dth
31	D-Residential-Combined	1600	9,243	28,428.0	855,902	30.11
32	G-Commercial-Combined	1602	5,151	106,879.0	2,752,760	25.76
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ANNUAL REPORT
of
New Hampshire Gas
TO THE
State of New Hampshire
PUBLIC UTILITIES COMMISSION
For the year ended December 31, 2013

OATH

State of New York.

County of Monroe ss.

We, the undersigned, R. Scott Mahoney and Michael Eastman
of the New Hampshire Gas Corporation utility, on our oath do severally say that the fore-
going return has been prepared, under our direction, from the original books, papers and records of said utility, that we
have carefully examined the same, and declare the same to be a complete and correct statement of the business and af-
fairs of said of said utility, in respect to each and every matter and thing therein set forth to the best of our knowledge, infor-
mation and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial opera-
tions of said utility during the period for which said report is made.

R. Scott Mahoney Secretary

Michael Eastman Treasurer