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Via Overnight Delivery

May 24, 2017

Mr. David J. Collins
Executive Secretary
Maryland Public Service Commission
William Donald Schaefer Tower, 16th Floor
6 St. Paul Street
Baltimore, Maryland 21202-6806

FILED

MAY 25 2017

PUBLIC SERVICE COMM
OF MARYLAND

RECEIVED
Public Service Commission

MAY 25 2017

Re: Columbia Gas of Maryland, Inc. 2016 Annual Report

ACCOUNTING INVESTIGATIONS
DIVISION

Dear Mr. David J. Collins,

Columbia Gas of Maryland, Inc. ("Columbia") herewith submits its 2016 Annual Report in compliance with §6-205 of the Public Utilities Article, Annotated Code of Maryland.

In addition to e-filing the 2016 Annual Report, Columbia is delivering via overnight mail, one hard copy as well as a copy of the report on a CD as specified in item number eight (8) of the Instructions for Completing the 2016 Annual Report dated February 9, 2017.

Respectfully submitted,



Mike Casey
Manager, Columbia Gas of Maryland

Enclosure

ANNUAL REPORT

OF

COLUMBIA GAS OF MARYLAND, INC.

**121 CHAMPION WAY, SUITE 100,
CANONSBURG, PENNSYLVANIA 15317**

TO THE

MARYLAND PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2016

NATURAL GAS COMPANIES

ANNUAL REPORT

OF

COLUMBIA GAS OF MARYLAND, INC.

PRINCIPAL OFFICE:

121 CHAMPION WAY, SUITE 100, CANONSBURG, PENNSYLVANIA 15317

(ADDRESS)

(CITY)

(STATE)

(ZIP CODE)

TO THE

MAYRLAND PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2016

Name, title, address and telephone number (including area code) of the person to be contacted concerning this report.

Mike Casey - Accounting Manager
290 W. Nationwide Blvd.
Columbus, Ohio 43215
(614) 460-4815

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GENERAL INSTRUCTIONS

- 1 The word "Respondent" in the following inquiries means the person, firm, association or company in whose behalf the report is made.
- 2 The schedules and questions contained in this report were developed to be generally applicable to all natural gas companies. All instructions shall be followed and each question answered as fully and accurately as possible. Sufficient answer shall appear to show that no schedule, question or line item has been overlooked. If a particular line item or schedule does not apply to the respondent, indicate this by answering "none", "0(zero)", or "not applicable", as appropriate, where it truly and completely states the fact.
- 3 This report was prepared in conformance with the Uniform System of Accounts for Natural Gas Companies. All definitions and accounting terms are to be defined in accordance with that System of Accounts.
- 4 Customary abbreviations may be used except that the exact name of the respondent shall be shown in full on the "Title Page" and in the "Verification" page.
- 5 Where the space provided is insufficient for the required data or it is necessary or desirable to insert additional statements or schedules, the insert pages shall show the number and title of the schedule to which it pertains, as well as the name of the respondent and the year covered, and shall be on 8 ½ x 11" durable paper.
- 6 The information required with respect to any statement furnished is the minimum requirement. The respondent may add such further material information as it is necessary to ensure that the required statements are not misleading.
- 7 All copies filed with the Commission must be legible and permanent. All entries shall be made in permanent ink or by typewriter. Items of a reverse or contrary character shall be enclosed in parenthesis, or indicated by a minus sign followed by the amount.
- 8 Amounts on any schedule (except as otherwise provided therein), may, at the option of the respondent, be rounded off to whole dollars provided that amounts are appropriately adjusted to agree with the rounded total.
- 9 The annual report shall be signed by a duly elected officer of the respondent and it shall be notarized.
- 10 The information required in this report, unless otherwise indicated, is to be reported for the entire company and not for the State of Maryland only.

- 11 Totals should be provided as indicated. The respondent shall ensure that schedule totals and subtotals are mathematically correct.
- 12 If a line item is supported by a detailed schedule elsewhere in this report, the respondent should ensure that the detailed schedule is completed and that the amounts on both schedules match.
- 13 *Major*-Each natural gas company as defined in the Natural Gas Act whose combined gas sold for resale and gas transported or stored for a fee exceeds 50 million Mcf at 14.73 psi(60°F) in each of the three previous calendar years.
Nonmajor-Natural gas companies that are not classified as a "Major company" (as defined above), and had total gas sales of volume transactions exceeding 200,000 Mcf at 14.73 psi(60°F) in each of the three previous calendar years.
- 14 Please list all accounts and totals in whole dollars only. Make sure the rounded numbers equal to the original totals, when the original totals are rounded to the nearest dollar amount.

HISTORY

1.	Date of organization. July 1, 1958
2.	Date when operations began. July 1, 1958
3.	Under the laws of what Government, State or Territory organized? If more than one, name all. State of Delaware
4.	If a consolidated or merged company, name all constituent and all merged companies. No activity in 2016.
5.	Date and authority for each consolidation and each merger. No activity in 2016.
6.	State whether respondent is a corporation, a joint stock association, a firm or partnership, or an individual. Respondent is incorporated.
7.	If a reorganized company, given name of original corporation, refer to laws under which it was organized, and state the occasion for the reorganization. Not Applicable
8.	Where are the books and records of the company kept? 290 West Nationwide Blvd., Columbus, OH 43215
9.	General description of territory served by respondent. Respondent serves Allegany, Garrett and Washington Counties from operations centers in Hagerstown and Cumberland.
10.	Number of locations within Maryland. Respondent serves 16 incorporated municipalities from 2 operations centers, 1 construction office and 1 mobile operations deployment office.

FACTS PERTAINING TO CONTROL OF RESPONDENT

<p>1. Did any individual, association, corporation or corporations, control the respondent at close of year? Yes</p>
<p>If control was held, state:</p> <p>a) The form of control, whether sole or joint: Sole</p>
<p>b) The name of the controlling corporation or corporations: NiSource Gas Distribution Group, Inc.</p>
<p>c) The manner in which control was established: Stock Ownership</p>
<p>d) The extent of control: 100 Percent</p>
<p>e) Whether control was direct or indirect: Direct</p>
<p>f) The name of the intermediary through which control, if indirect, was established: Not Applicable</p>
<p>2. Did any individual, association or corporation, as trustee, control the respondent at close of year? No</p>
<p>If control was so held, state:</p> <p>a) The name of the trustee: Not Applicable</p>
<p>b) The name of the beneficiary or beneficiaries for whom the trust was maintained: Not Applicable</p>

IMPORTANT CHANGES DURING THE YEAR

Hereunder give particulars concerning the matters indicated below. Except as otherwise indicated data furnished should apply to the same period the report covers. Answers should be numbered in accordance with the inquiries and if "none" states the fact, it would be used. If information which answers an inquiry is given elsewhere in the report, identification of the other answer will be sufficient.

- 1 Purchase or sale of entire property, or of a part of property when service territory is included: Give brief description of each transaction, name of other party, date, consideration, and Commission authorization.

Columbia Gas of Maryland, Inc. sold the property known as the Hagerstown Propane facility, located in Washington County, Maryland, to Hellers Gas of Maryland effective May 17, 2016. The sale included equipment, structures and improvements, as well as the associated land.
- 2 Lease of property (to or from another) of the kind covered by the preceding inquiry: To the extent applicable give details corresponding to those required by the preceding inquiry.

Columbia Gas of Maryland, Inc. leased property at 21 Lane Avenue, LaVale, Maryland from NPL Construction Co. effective September 26, 2016 for a term of 41 months at an initial rate of \$2,977.08 per month.

Columbia Gas of Maryland, Inc. entered into a lease for 27 Resource Avenue, Oakland, Maryland 21550 with Joey Martin and Marvin Wayne Shreve effective November 8, 2016 for a term of 120 months at a rate of \$750.00 per month.
- 3 Capital stock and debt issued during the year: Identify the securities, give purpose of issuance, date, consideration received and Commission authorization.

On December 30, 2016, Columbia Gas of Maryland, Inc. issued \$5,000,000 in long term debt to NiSource Finance Corp., as authorized by the Maryland Public Service Commission in Case No. 9427 (Order No. 87908).
- 4 Changes in articles of incorporation: Give brief particulars of each change and date.

There were no changes in articles of incorporation in 2016.
- 5 Other important changes: Give brief particulars of each other important change which is not disclosed elsewhere in this report.

On April 15, 2016, Columbia Gas of Maryland, Inc. filed a base rate case with the Maryland Public Service Commission ("Commission"), seeking an annual revenue increase of \$6.5 million. The case was driven by Columbia Gas of Maryland, Inc.'s ongoing capital investment program and by operations and maintenance expenditures related to compliance with pipeline safety regulations. On July 27, 2016, the parties to the case filed a joint petition for approval of a proposed settlement that includes an annual revenue increase of \$3.7 million. On September 26, 2016, the assigned public utility law judge issued a proposed order approving the settlement without modification. There were no appeals to the administrative law judge's proposed order. As such, it became the order of the Commission, and rates went into effect on October 27, 2016, as authorized by the Commission in Case No. 9417 (Order No. 87851).

VOTING POWERS & ELECTIONS				
<p>1. In the schedule below, show the particulars called for concerning the stockholders of respondent who, at the date of the latest closing of the stock-book of respondent prior to the actual filing of this report, had the twenty highest voting powers of the respondent. If any such holder held in trust, attach a statement showing the beneficial owners. If the stock-book was not closed within the year, show twenty such stockholders as of the close of the year. In the space provided, show total shares and votes of all stockholders.</p>				
Line Number	Name & Address of Stockholders	Number of Shares Held	Number of Voting Shares	Other Vote Empowered Securities
1 2 3	NiSource Gas Distribution Group, Inc. 290 W. Nationwide Blvd. Columbus, OH 43215	2,883	2,883	-
	Total Listed Above	2,883	2,883	-
	Total All Stockholders	2,883	2,883	-

SCHEDULE:

BOARD OF DIRECTORS

Give the names of each person who was a member of the Board of Directors at any time during the year. Column (d) relates to Board Meetings only.

	(a) Name of Director and Address (City and State)	(b) Served Continuously From	(c) Term Expired or Current Term Will Expire	(d) Number of Meetings Attended During Year
Michael J. Davidson Mark Kempic Carl W. Levander Note: Term is until the next annual meeting or until their respective successor is elected and qualified.	121 Champion Way, Suite 100, Canonsburg PA 121 Champion Way, Suite 100, Canonsburg PA 290 W. Nationwide Blvd., Columbus, OH	8/8/2013 6/20/2012 7/1/2015	N/A 2/13/2017 N/A	In 2016, Board actions were by Unanimous Written Consent. In the year 2016, there were six (6) executed Written Consents.

Name of Director & President – Mark Kempic
 Name of Secretary of Board – Samuel K. Lee

Number of Meetings of Board during the year – Six by unanimous written consent in lieu of an annual or special meeting.

Number of directors provided for by charter or by-laws, as amended to the end of the year – not less than one (1) nor more than five (5).

Number of directors required to constitute a quorum - A majority of the directors in office at the time of the meeting shall constitute a quorum and cannot be less than two (2).

SCHEDULE: 3

PRINCIPAL GENERAL OFFICERS

1. The persons to be listed herein are the chairman of the board, president, vice president, treasurer, general counsel, and comptroller. Respondents that do not have officers bearing the aforesaid titles shall list those officers who have the responsibilities normally associated with such titles.
2. Customary abbreviations may be used in showing titles and departments in columns (a) and (b).

Line No.	Title of General Officer (a)	Department Over Which Jurisdiction is Exercised (b)	Name of Person Holding The Office at End of Year (c)	Office Address (City and State) (d)
1	President		Mark Kempic	121 Champion Way, Ste. 100, Canonsburg, PA
2	Executive VP & President Columbia Gas		Pablo A. Vegas	290 W. Nationwide Blvd., Columbus, OH
3	Chief Executive Officer		Joseph Hamrock	290 W. Nationwide Blvd., Columbus, OH
4	Executive Vice President and CFO	Finance/Treasury	Donald E. Brown	290 W. Nationwide Blvd., Columbus, OH
5	Executive Vice President	Regulatory Policy and Corporate Affairs	Carl W. Levander	290 W. Nationwide Blvd., Columbus, OH
6	Sr. Vice President	Gas Operations	Donald A. Eckstein	290 W. Nationwide Blvd., Columbus, OH
7	Sr. Vice President	Safety, Environmental & Technical Training	David A. Monte	290 W. Nationwide Blvd., Columbus, OH
8	Sr. Vice President	Commercial and Corporate Services	Stanley J. Sagun	290 W. Nationwide Blvd., Columbus, OH
9	Sr. Vice President	Corporate Affairs	Julee C. Stephenson	290 W. Nationwide Blvd., Columbus, OH
10	Sr. Vice President	Customer Services and New Business Operations	Charles E. Shafer, II	290 W. Nationwide Blvd., Columbus, OH
11	Vice President and General Manager	Customer Services and New Business Operations	Michael J. Davidson	121 Champion Way, Ste. 100, Canonsburg, PA
12	Vice President	Distribution Operations	Kimra H. Cole	290 W. Nationwide Blvd., Columbus, OH
13	Vice President and Corporate Secretary	Corporate Secretary	Samuel K. Lee	801 E. 86th Avenue, Merrillville, IN
14	Vice President	Customer Programs and Billing	Heather Bauer	290 W. Nationwide Blvd., Columbus, OH
15	Vice President	Sales & Marketing	Douglas A. Nusbaum	7060 Fry Road, Middleburg Heights, OH
16	Vice President	Human Resources	Teresa M. Smith	290 W. Nationwide Blvd., Columbus, OH
17	Vice President	Tax Services	Charles A. Mannix	290 W. Nationwide Blvd., Columbus, OH
18	Vice President	Engineering and Construction, Gas	Robert V. Mooney	290 W. Nationwide Blvd., Columbus, OH
19	Vice President	Customer Contact Centers	Debra A. Owen	290 W. Nationwide Blvd., Columbus, OH
20	Vice President and CAO	Accounting	Joseph W. Muipas	801 E. 86th Avenue, Merrillville, IN
21	Vice President	Pipeline Safety and Compliance	Danny G. Cote	290 W. Nationwide Blvd., Columbus, OH
22	Vice President	Supply & Optimization	Michael D. Watson	290 W. Nationwide Blvd., Columbus, OH
23	Vice President	Training	Mark S. Chepke	103 Stoney Ridge Drive, Monaca, PA
24	Vice President	Planning and Analysis	Peter T. Dissler	801 E. 86th Avenue, Merrillville, IN
25	Vice President	Regulatory Strategy and Support	June M. Konold	290 W. Nationwide Blvd., Columbus, OH
26	Controller	Accounting	Julie Wozniak	290 W. Nationwide Blvd., Columbus, OH
27	Treasurer and Chief Risk Officer	Treasury/Risk Management	Shawn Anderson	290 W. Nationwide Blvd., Columbus, OH
28	Assistant Treasurer	Treasury	Mark S. Downing	290 W. Nationwide Blvd., Columbus, OH
29	Assistant Treasurer	Treasury	Brett R. Radulovich	290 W. Nationwide Blvd., Columbus, OH

SCHEDULE: 4					
Balance Sheet					
Acct. No.	Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
	Utility Plant				
101	Gas Plant in Service	18-21	164,448,740	170,546,285	6,097,545
101.1	Property Under Capital Leases		-	-	-
102	Gas Plant Purchased or Sold		-	-	-
103	Experimental Gas Plant Unclassified*		-	-	-
103.1	Gas Plant in Process of Reclassification+		-	-	-
104	Gas Plant Leased to Others		-	-	-
105	Gas Plant Held for Future Use		-	-	-
105.1	Production Prop. Held for Future Use*		-	-	-
106	Completed Constr. Not Classified-Gas*		2,876,816	8,358,452	5,481,636
107	Construction Work in Progress-Gas		3,509,310	960,646	(2,548,664)
108	Accum. Prov. for Deprec. of Gas Util. Plant*	22-25	(51,182,251)	(49,904,822)	1,277,429
110	Accum. Prov. for Deprec., Depletion & Amort. of Gas Util. Plant+		-	-	-
111	Accum. Prov. for Amort. & Depletion of Gas Util. Plant*		(1,488,059)	(1,644,517)	(156,458)
114	Gas Plant Acquisition Adjustments		-	-	-
115	Accum. Prov. for Amort. of Gas Plant Acquisition Adjustments*		-	-	-
116	Other Gas Plant Adjustments		-	-	-
117	Gas Stored Underground-Noncurrent*		-	-	-
118	Other Utility Plant		-	-	-
119	Accum. Prov. for Deprec. & Amort. of Other Util. Plant		-	-	-
	Net Utility Plant (101-119)		118,164,556	128,316,044	10,151,488
	Other Property and Investments				
121	Nonutility Property		699	699	-
122	Accumulated Prov. for Deprec. & Amort. of Nonutility Prop.		-	-	-
123	Investment in Assoc. Companies*		-	-	-
123.1	Investment in Subsidiary Companies*		-	-	-
124	Other Investments		-	-	-
125	Sinking Funds*	26	-	-	-
126	Depreciation Funds*	26	-	-	-
128	Other Special Funds*	26	-	-	-
129	Special Funds+	26	-	-	-
	Total Other Prop. and Investments (121-129)		699	699	-
	Current and Accrued Assets				
130	Cash & Working Funds+		-	-	-
131	Cash*		116,994	237,452	120,458
132	Interest Special Deposits*		-	-	-
	Subtotal		116,994	237,452	120,458

* Major only
+ Nonmajor only

SCHEDULE: 4					
Balance Sheet					
Acct. No.	Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
133	Dividend Special Deposits*		-	-	-
134	Other Special Deposits*		-	-	-
135	Working Funds		-	-	-
136	Temporary Cash Investment		-	-	-
141	Notes Receivable		-	-	-
142	Customer Accounts Receivable		2,154,118	2,637,402	483,284
143	Other Accounts Receivable		551,998	763,835	211,837
144	Accumulated Provision for Uncollectible		(144,749)	(119,859)	24,890
145	Notes Receivable from Assoc Cos.		-	-	-
146	Accounts Receivable from Assoc. Cos.		343,826	156,836	(186,990)
151	Fuel Stock*		396,388	-	(396,388)
152	Fuel Stock Expenses Undistributed*		-	-	-
153	Residuals & Extr. Prod*		-	-	-
154	Plant Materials and Operating Supplies		248,218	250,300	2,082
155	Merchandise*		-	-	-
156	Other Materials and Supplies*		-	-	-
163	Store Expense Undistr.*		-	-	-
164.1	Gas Stored Underground-Current		3,856,937	2,910,477	(946,460)
164.2	Liquefied Natural Gas Stored		-	-	-
164.3	Liquefied Natural Gas Held for Process*		-	-	-
165	Prepayments	27	132,930	124,465	(8,465)
166	Adv. for Gas Expl., Dev. & Prod.*		-	-	-
167	Other Advances for Gas*		-	-	-
171	Interest and Dividends Receivable*		-	-	-
172	Rents Receivable*		-	-	-
173	Accrued Utility Revenues*		3,096,285	4,542,376	1,446,091
174	Miscellaneous Current and Accrued Assets	27	813,318	894,093	80,775
175	Price Risk Asset - Current		-	-	-
	Total Current Accrued				
	Assets (130-174)		11,566,263	12,397,377	831,114
	Deferred Debits				
181	Unamortized Debt Discount and Expense		-	-	-
182.1	Extraordinary Property Losses	28	-	-	-
182.2	Unrecov. Plant & Reg. Study Costs	28	-	-	-
182.3	Other Regulatory Assets		8,409,909	8,142,906	(267,003)
183.1	Prelim. Nat. Gas Survey & Invest. Chrgs.*		-	-	-
183.2	Other Prelim. Survey & Invest. Chrgs.*		26,883	230,672	203,789
184	Clearing Accounts*		-	-	-
185	Temporary Facilities*		-	-	-
186	Miscellaneous Deferred Debits	29	271,771	241,759	(30,012)
187	Deferred Losses from Dispos. of Util Plant		-	-	-
188	Research, Devl., & Demon. Expend.*	29	-	-	-
	Subtotal (181-188)		8,708,563	8,615,337	(93,226)

* Major only
+ Nonmajor only

SCHEDULE: 4					
Balance Sheet					
Acct. No.	Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
189	Unamort. Loss on Reacquired Debt		-	-	-
190	Accum. Def. Income Taxes	32	9,360,534	11,928,601	2,568,067
191	Unrecov. Purchased Gas Costs		(2,268,722)	195,576	2,464,298
192.1	Unrecov. Incr. Gas Costs		-	-	-
192.2	Unrecov. Incr. Surcharges		-	-	-
	Total Deferred Debits (181-192.2)		15,800,375	20,739,514	4,939,139
	Total Assets and Other Debits		145,531,893	161,453,634	15,921,741
	Proprietary Capital				
201	Common Stock Issued	30	72,075	72,075	-
202	Common Stock Subscribed*		-	-	-
203	Common Stock Liability for Conversion*		-	-	-
204	Preferred Stock Issued	30	-	-	-
205	Preferred Stock Subscribed*		-	-	-
206	Preferred Stock Liability for Conversion*		-	-	-
207	Premium on Capital Stock*		-	-	-
208	Donations Received from Stockholders*		-	-	-
209	Reduction in Par or Stated Value of Capital Stock*		-	-	-
210	Gain on Resale or Cancellation of Reacquired Capital Stock*		-	-	-
211	Miscellaneous Paid-in Capital		20,110,037	20,110,037	-
212	Installments Received on Capital Stock		-	-	-
213	Discount on Capital Stock		-	-	-
214	Capital Stock Expense		-	-	-
215	Appropriated Retained Earnings		-	-	-
216	Unappropriated Retained Earnings	17	23,684,425	27,035,633	3,351,208
216.1	Unapprop. Undist. Subsid. Earnings*		-	-	-
217	Reacquired Capital Stock		-	-	-
218	Non Corp. Proprietorship		-	-	-
219	Other Comprehensive Income		-	-	-
	Total Proprietary Capital (201-219)		43,866,537	47,217,745	3,351,208
	Long-Term Debt				
221	Bonds		-	-	-
222	Reacquired Bonds*		-	-	-
223	Advances from Associated Companies	31	34,855,000	39,855,000	5,000,000
224	Other Long-Term Debt		-	-	-
225	Unamort. Prem. on Long-term Debt		-	-	-
226	Unamort. Disc. on Long-term Debt-debit		-	-	-
	Total Long-Term Debt (221-226)		34,855,000	39,855,000	5,000,000
* Major only					
+ Nonmajor only					

SCHEDULE: 4					
Balance Sheet					
Acct. No.	Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
	Other Noncurrent Liabilities				
227	Oblig. Under Cap. Leases-Noncurrent		-	-	-
228.1	Accum. Prov. for Prop. Insurance		-	-	-
228.2	Accum. Prov. for Injuries and Damages		7,581	11,536	3,955
228.3	Accum. Prov. for Pensions and Benefits		1,592,795	1,927,805	335,010
228.4	Accum. Misc. Oper. Prov.		171,407	-	(171,407)
229	Accum. Prov. for Rate Refunds		-	-	-
	Total Other Noncurrent Liabilities (227-229)		1,771,783	1,939,341	167,558
	Current and Accrued Liabilities				
231	Notes Payable		-	-	-
232	Accounts Payable		2,218,048	2,106,085	(111,963)
233	Notes Payable to Associated Companies		1,650,000	-	(1,650,000)
234	Accounts Payable to Associated Companies		5,854,083	10,884,641	5,030,558
235	Customer Deposits		464,025	424,628	(39,397)
236	Taxes Accrued		(829,012)	92,141	921,153
237	Interest Accrued		854	450	(404)
238	Dividends Declared*		-	-	-
239	Matured Long-term Debt*		-	-	-
240	Matured Interest*		-	-	-
241	Tax Collections Payable*		75,548	93,736	18,188
242	Misc. Current and Accrued Liabilities	34	6,748,877	5,740,836	(1,008,041)
243	Oblig. Under Cap. Leases-Current		-	-	-
244	Price Risk Liability		-	-	-
	Total Current Accrued Liabilities (231-244)		16,182,423	19,342,517	3,160,094
	Deferred Credits				
252	Cust. Adv. for Const.		271,716	241,759	(29,957)
253	Other Deferred Credits		8,278,363	8,757,457	479,094
254	Other Regulatory Liabilities		796,753	960,133	163,380
255	Accum. Def. Investment Tax Credits		157,673	127,013	(30,660)
256	Def. Gains from Dispos. of Utility Plant		-	-	-
257	Unamort. Gain on Reacqu. Debt		-	-	-
281	Accum. Def. Income Taxes-Accelerated Amortization		-	-	-
282	Accum. Def. Income Taxes-Liberalized Depreciation	33	37,664,036	41,198,632	3,534,596
283	Accum. Def. Income Taxes-Other	33	1,687,609	1,814,037	126,428
	Total Deferred Credits (252-283)		48,856,150	53,099,031	4,242,881
	Total Liabilities and Other Credits		145,531,893	161,453,634	15,921,741
* Major only					
+ Nonmajor only					

SCHEDULE: 4A

NOTES TO BALANCE SHEET

Capitalization

The respondent has 3,000 shares of common stock authorized; par value \$25 per share. At December 31, 2016, there were 2,883 shares of common stock outstanding; all of which were held by NiSource Gas Distribution Group, Inc.

Construction Program

The respondent's Construction Program for 2017 is estimated to require expenditures of approximately \$20,456,000. In connection with such construction program, the respondent has made substantial commitments for material and supplies. Funds for such expenditures to be made in 2017 will be provided from funds available at the beginning of the year and cash to be generated from operations.

SCHEDULE: 5			
INCOME STATEMENT			
Acct. No.	Account Title	Page No.	Amount
	UTILITY OPERATING INCOME		
400	Operating Revenues	35	41,939,645
	OPERATING EXPENSES		
401	Operating Expenses	36-42	25,365,584
402	Maintenance Expenses		2,242,412
403	Depreciation Expenses*		3,912,114
403.1	Depreciation and Depletion Expenses+		-
404	Amortization of Limited -Term Gas Plant+		-
404.1	Amortization and Depletion of Production, Natural Gas Land and Land Rights*		-
404.2	Amortization of Underground Storage Land & Land Rights*		-
404.3	Amortization of Other Limited-Term Gas Plant		110,514
405	Amortization of Other Gas Plant		312,237
406	Amortization of Gas Plant Acquisition Adjustment		-
407.1	Amortization of Extraordinary Property Losses, Unrecovered Plant and Regulatory Study Costs		-
407.2	Amortization of Conversion Expenses		-
408.1	Taxes Other Than Income Taxes, Utility Operating Income	44	2,787,670
409.1	Income Taxes, Utility Operating Income		989,964
410.1	Provision for Deferred Income Tax, Utility Operating Income		12,379,534
411.1	Income Taxes Deferred-Credit, Utility Operating Income		(11,297,913)
411.4	Investment Tax Credits Adjustment, Utility Operations		(30,660)
	TOTAL OPERATING EXPENSES (401-411.4)		36,771,456
	NET OPERATING INCOME = (400) LESS (401-411.4)		5,168,189
	OTHER OPERATING INCOME		
411.6	Gains from Disposition of Utility Property		-
411.7	Losses from Disposition of Utility Plant		-
412	Revenue from Gas Plant Leased to Other		-
413	Expense of Gas Plant Leased to Other		-
414	Other Utility Operation Income		-
	TOTAL OPERATING EXPENSES (401-411.4)		-
	OTHER INCOME AND DEDUCTIONS		
415	Revenues from Merchandising, Jobbing and Contract Work		-
416	Costs and Expenses of Merchandising, Jobbing and Contract Work		-
417	Revenues from Nonutility Operations		-
417.1	Expenses from Nonutility Operations		-
418	Nonoperating Rental Income		-
419	Interest and Dividend Income		1,016
419.1	Allowance for Funds used During Construction		-
421	Miscellaneous Nonoperating Income		275,491
421.1	Gains from Disposition of Utility Property		3
* Major only			
+ Nonmajor only			

SCHEDULE: 5			
INCOME STATEMENT			
Acct. No.	Account Title	Page No.	Amount
	OTHER INCOME AND DEDUCTIONS		
421.2	Loss on Disposition of Property		-
425	Miscellaneous Amortization		-
426.1	Donations		(36,860)
426.2	Life Insurance		-
426.3	Penalties		(1,105)
426.4	Expenditures for Certain Civic, Political and Related Activities; Derivatives, Loss and Options		-
426.5	Other Deductions, Total Other Income Deductions, Total Other Income and Deductions		(6,628)
	TOTAL OTHER INCOME AND DEDUCTIONS (415-426.5)		231,917
	TAXES ON OTHER INCOME AND DEDUCTIONS		
408.2	Taxes Other Than Income Taxes, Other Income and Deductions		-
409.2	Income Taxes, Other Income and Deductions		137,938
410.2	Provision for Deferred Income Taxes, Other Income and Deductions		17,492
411.2	Income Taxes Deferred in Prior Years-CR. , Other Income and Deductions		(23,498)
411.5	Investment Tax Credits Adjustments, Nonutility Operations		-
420	Investment Tax Credits		-
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS (408.2-420)		131,932
	NET OTHER INCOME AND DEDCUTIONS		99,985
	INTEREST CHARGES		
427	Interest on Long-Term Debt		-
428	Amortization of Debt Discount and Expense		-
428.1	Amortization of Debt Discount and Expense		-
429	Amortization of Debt Discount and Expense		-
429.1	Amortization of Debt Discount and Expense		-
430	Interest on Debt to Associated Companies		1,996,641
431	Other Interest Expense		5,075
432	Allowance for Funds Used During Construction-Cr. Borrowed Funds		(84,750)
	NET INTEREST CHARGES (427-432)		1,916,966
	INCOME BEFORE EXTRAORDINARY ITEMS		3,351,208
	EXTRAORDINARY ITEMS		
433	Extraordinary Income		-
426	Extraordinary Deductions		-
409.3	Income Taxes, Extraordinary Items		-
	TOTAL EXTRAORDINARY ITEMS (433-409.33)		-
	NET INCOME		3,351,208
* Major only + Nonmajor only			

SCHEDULE: 5A

NOTES TO INCOME STATEMENT**Depreciation**

The amount reserved during the year was determined by applying accrual rates, which have been approved by the Maryland Public Service Commission, in the most recent generic depreciation case, applicable to balances of Property, Plant and Equipment. The accrual rates were determined based on Actuarial Studies and analysis of Continuing Property Records.

Pension and Other Postretirement Benefits

The Respondent provides defined contribution plans and noncontributory defined benefit retirement plans that cover certain of its employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, the Respondent provides health care and life insurance benefits for certain retired employees. The majority of employees may become eligible for these benefits if they reach retirement age while working for the Respondent. The expected cost of such benefits is accrued during the employees' years of service.

Federal Income Taxes

The Respondent is included in the consolidated Federal Income Tax Return of the Parent Company. In connection therewith, the Respondent's Federal Income Taxes may have been affected due to tax adjustments allocated to it resulting from taxable activities of the Parent Company.

SCHEDULE: 6			
STATEMENT OF RETAINED EARNINGS			
Acct. No.	Account Title	Page No.	Amount
216	Unappropriated Retained Earnings (At Beginning of Period)		23,684,425
433	Balance Transferred From Income		3,351,208
436	Appropriations of Retained Earnings		0
437	Dividends Declared - Preferred Stock		0
438	Dividends Declared - Common Stock		0
439	Adjustments to Retained Earnings**		0
216	Unappropriated Retained Earnings (At End of Period)		27,035,633
Notes To Statement Of Retained Earnings:			

SCHEDULE: 7			
PARTNERSHIP CAPITAL STATEMENT (1)			
Acct. No.	Account Title	Page No.	Amount
	Partnership Capital (Beginning of Year)		
	Net Income (Loss for the Year)		
	Partners' Capital Contributions		
	Partners' Drawings		
	Miscellaneous Credits		
	Miscellaneous Credits		
	Total Partnership Capital (End of Year)		NONE
(1) This Statement Should Also Be Used By Sole Proprietors			

UTILITY PLANT IN SERVICE - ACCOUNT 101						
Acct. No.	Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Dr. or (Cr.) (e)	Balance End of Year (f)
	INTANGIBLE PLANT					
301	Organization	15,024	0	0	0	15,024
302	Franchise and Consents	0	0	0	0	0
303	Miscellaneous Intangible Plant	1,564,767	120,900	48,735	0	1,636,932
	TOTAL INTANGIBLE PLANT (301-303)	1,579,791	120,900	48,735	0	1,651,956
	PRODUCTION PLANT					
	NATURAL GAS & L.P.G. PRODUCTION AND GATHERING PLANT					
304	LPG Land	140,206	0	140,206	0	0
305	LPG Structures & Improvements	342,688	0	301,759	0	40,929
311	LPG Equipment	3,088,721	0	2,972,112	0	116,609
	TOTAL L.P.G. PROD. PLANT (304-311)	3,571,615	0	3,414,077	0	157,538
325	Land and Land Rights	0	0	0	0	0
326	Gas Well Structures	0	0	0	0	0
327	Field Compressor Station Structures	0	0	0	0	0
328	Field Meas. & Reg. Sta. Structures	0	0	0	0	0
329	Other Structures	0	0	0	0	0
330	Producing Gas Wells-Well Construction	0	0	0	0	0
331	Producing Gas Wells-Well Equipment	0	0	0	0	0
332	Field Lines	0	0	0	0	0
333	Field Compressor Station Equipment	0	0	0	0	0
334	Field Meas. & Reg. Sta. Equipment	0	0	0	0	0
335	Drilling and Cleaning Equipment	0	0	0	0	0
336	Purification Equipment	0	0	0	0	0
337	Other Equipment	0	0	0	0	0
338	Unsuccessful Exploration & Devel. Costs	0	0	0	0	0
	TOTAL NATURAL GAS PRODUCTION AND GATHERING PLANT (325-338)	0	0	0	0	0
	* Major Only					

UTILITY PLANT IN SERVICE - ACCOUNT 101						
Accl. No.	Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Dr. or (Cr.) (e)	Balance End of Year (f)
	PRODUCTS EXTRACTION PLANT					
340	Land and Land Rights	0	0	0	0	0
341	Structures and Improvements	0	0	0	0	0
342	Extraction and Refining Equipment	0	0	0	0	0
343	Pipe Lines	0	0	0	0	0
344	Extracted Products Storage Equipment	0	0	0	0	0
345	Compressor Equipment	0	0	0	0	0
346	Gas Meas. & Reg. Equipment	0	0	0	0	0
	TOTAL PROD. EXTRACT. PLANT (340-346)	0	0	0	0	0
	TOTAL PRODUCTION PLANT	3,571,615	0	3,414,077	0	157,538
	NAT.GAS STORAGE & PROC.PLANT UNDER STOR.PLANT					
350.1	Land	0	0	0	0	0
350.2	Right-of-Way	0	0	0	0	0
351	Structures and Improvements	0	0	0	0	0
352	Wells	0	0	0	0	0
352.1	Storage Leaseholds and Rights	0	0	0	0	0
352.2	Reservoirs	0	0	0	0	0
352.3	Non-recoverable Natural Gas	0	0	0	0	0
353	Lines	0	0	0	0	0
354	Compressor Station Equipment	0	0	0	0	0
355	Measuring Station Equipment	0	0	0	0	0
356	Purification Equipment	0	0	0	0	0
357	Other Equipment	0	0	0	0	0
	TOTAL NAT.GAS STORAGE PROC.PLANT UNDER STORAGE PLANT (350.1-357)	0	0	0	0	0
	OTHER STORAGE PLANT					
360	Land and Land Rights	0	0	0	0	0
361	Structures and improvements	0	0	0	0	0
362	Gas Holders	0	0	0	0	0
363	Purification Equipment	0	0	0	0	0
363.1	Liquefaction Equipment	0	0	0	0	0
	* Major Only					

UTILITY PLANT IN SERVICE - ACCOUNT 101						
Acct. No.	Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Dr. or (Cr.) (e)	Balance End of Year (f)
363.2	Vaporizing Equipment*	0	0	0	0	0
363.3	Compressor Equipment*	0	0	0	0	0
363.4	Meas. And Reg. Equipment*	0	0	0	0	0
363.5	Other Equipment	0	0	0	0	0
	TOTAL OTHER STOR. PLT. (360-363.5)	0	0	0	0	0
	BASE LOAD LIQUEFIED NATURAL GAS, TERMINATING AND PROC. PLANT					
364.1	Land and Rights*	0	0	0	0	0
364.2	Structures and Improvements*	0	0	0	0	0
364.3	LNG Processing Terminal Equipment*	0	0	0	0	0
364.4	LNG Transportation Equipment*	0	0	0	0	0
364.5	Measuring and Regulating Equipment*	0	0	0	0	0
364.6	Compressor Station Equipment*	0	0	0	0	0
364.7	Communications Equipment*	0	0	0	0	0
364.8	Other Equipment*	0	0	0	0	0
	TOTAL BASE LOAD LIQUEFIED NAT. GAS TERMINATE.& PROC. PLNT. (364.1-364.8)	0	0	0	0	0
	TOTAL NATURAL GAS STORAGE AND PROC. PLANT (342-364.8)	0	0	0	0	0
	TRANSMISSION PLANT					
365.1	Land and Land Rights	0	0	0	0	0
365.2	Right-of-Way	0	0	0	0	0
366	Structures and Improvements	0	0	0	0	0
367	Mains	0	0	0	0	0
368	Compressor Station Equipment	0	0	0	0	0
369	Measuring and Reg. Sta. Equipment	0	0	0	0	0
370	Communications Equipment	0	0	0	0	0
371	Other Equipment	0	0	0	0	0
	TOTAL TRANSMISSION PLANT (365.1-371)	0	0	0	0	0

* Major Only

UTILITY PLANT IN SERVICE - ACCOUNT 101						
Acct. No.	Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Dr. or (Cr.) (e)	Balance End of Year (f)
	DISTRIBUTION PLANT					
374	Land and Land Rights	835,145	39,489	0	0	874,634
375	Structures and Improvements	1,304,581	319,822	434	0	1,623,969
376	Mains	92,318,344	5,076,955	597,010	0	96,798,289
377	Compressor Station Equipment	0	0	0	0	0
378	Meas. And Reg. Sta. Equip.- General	2,204,846	25,638	411,728	10,740	1,829,496
379	Meas. And Reg. Sta. Equip.- City Gate	0	0	0	0	0
380	Services	48,501,826	5,466,370	1,060,223	0	52,907,973
381	Meters	6,041,277	104,017	45,513	0	6,099,781
382	Meter Installations	3,004,393	34,680	6,932	0	3,032,141
383	House Regulators	998,716	62,542	1,036	0	1,060,222
384	House Reg. Installations	354,882	0	0	0	354,882
385	Industrial Meas. And Reg. Sta. Equip.	737,840	37,411	4,828	0	770,423
386	Other Prop. On Customers' Premises	0	0	0	0	0
387	Other Equipment	881,676	373,935	10,740	(10,740)	1,234,131
	TOTAL DISTRIBUTION PLANT	157,183,526	11,540,859	2,138,444	0	166,585,941
	GENERAL PLANT					
389	Land and Land Rights	0	0	0	0	0
390	Structures and Improvements	0	0	0	0	0
391	Office Furniture and Equipment	286,630	57,871	201,539	0	142,962
392	Transportation Equipment	15,263	0	0	0	15,263
393	Stores Equipment	41,736	0	0	0	41,736
394	Tools, Shop and Garage Equipment	1,486,358	109,381	14,297	0	1,581,442
395	Laboratory Equipment	723	0	0	0	723
396	Power Operated Equipment	237,265	8,781	0	0	246,046
397	Communications Equipment	0	0	0	0	0
398	Miscellaneous Equipment	45,833	80,681	3,836	0	122,678
399	Other Tangible Equipment	0	0	0	0	0
	TOTAL GENERAL PLANT(389-398)	2,113,808	256,714	219,672	0	2,150,850
	TOTAL UTILITY PLT.IN SERV.	164,448,740	11,918,473	5,820,928	0	170,546,285

* Major Only

ACCUMULATED PROVISION FOR DEPRECIATION - ACCOUNT 108* (110+)

Account No.	Account Title	Balance First of Year (A)	Rate % Used (B)	Accruals During Year (C)	Book Cost of Plant Retired (D)	Cost of Removal (E)	Salvage (F)	Other Addition or Deductions		Balance End of Year (I)=(A)+(C)-(D)-(E)+(F)+(G)-(H)
								Debit (G)	Credit (H)	
	PRODUCTION PLANT									
	LIQUEFIED PETROLEUM GAS									
41	Land	-	-	-	140,207	-	-	-	140,207	-
5	Structures and Improvements	205,530	-	8,848	301,759	-	-	-	115,597	28,216
1	L. P. G. Equipment	2,367,672	-	44,268	2,972,112	-	-	-	688,657	108,485
	TOTAL LIQUEFIED PETROLEUM GAS	2,573,202	-	53,116	3,414,078	-	-	-	924,461	136,701
	Structures (326-329)									
	Producing Gas Wells - Const. & Equip. (330-331)									
2	Field Lines									
3	Field Compressor Station Equipment									
4	Field Meas. & Reg. Sta. Equipment									
5	Drilling and Cleaning Equipment									
6	Purification Equipment									
7	Other Equipment									
8	Unsuccessful Exploration & Devel. Costs									
	TOTAL PRODUCTION AND GATHERING PLANT (326 - 338)									
	PRODUCTS EXTRACTION PLANT									
1	Structures and Improvements									
2	Extraction and Refining Equipment									
3	Pipe Lines									
4	Extracted Products Storage Equipment									
5	Compressor Equipment									
6	Gas Meas. & Reg. Equipment									
7	Other Equipment									
	TOTAL PRODUCTS EXTRACTION PLANT (341-347)									
	TOTAL NAT. GAS PRODUCTION PLANT									
	MFD, GAS PROD. PLT. - SUBMIT SUPPL. STATE									
	TOTAL PRODUCTION PLANT	2,573,202	-	53,116	3,414,078	-	-	-	924,461	136,701

Major Only
Non Major Only

ACCUMULATED PROVISION FOR DEPRECIATION - ACCOUNT 108* (110+)

CCCT NO	Account Title	Balance First of Year (A)	Rate % Used (B)	Accruals During Year (C)	Book Cost of Plant Retired (D)	Cost of Removal (E)	Salvage (F)	Other Addition or Deductions		Balance End of Year (J)=(A)+(C)-(D)-(E)+(F)+(G)-(H)
								Debit (G)	Credit (H)	
	NAT. GAS STOR. & PROC. PLANT UNDER STOR. PLANT									
1	Structures and Improvements									
2	Wells									
2.1	Storage Leaseholds and Rights									
2.2	Reservoirs									
2.3	Non-recoverable Natural Gas									
3	Lines									
4	Compressor Station Equipment									
5	Measuring and Reg. Equipment									
6	Purification Equipment									
7	Other Equipment									
	TOTAL UNDERGROUND STORAGE & PROC. PLANT UNDER STOR. PLANT (351 - 357)									
	OTHER STORAGE PLANT									
1	Structures and Improvements									
2	Environmental Remediation - Hagerstown MGP	(469,744)		60,567		194,985				(604,162)
3	Purification Equipment*									
3.1	Liquefaction Equipment*									
3.2	Vaporizing Equipment**									
3.3	Compressor Equip.									
3.4	Meas. and Reg. Equipment*									
3.5	Other Equipment									
	TOTAL OTHER STORAGE PLANT(361- 363.5)	(469,744)		60,567		194,985				(604,162)
	BASE LOAD LIQUEFIELD NATURAL GAS TERMINATING AND PROCESSING PLANT									
4.2	Structures and Improvements*									
4.3	LNG Processing Terminal Equipment*									
4.4	LNG Transportation Equipment*									

Major Only
Non Major Only

ACCUMULATED PROVISION FOR DEPRECIATION - ACCOUNT 108* (110+)

CCT NO.	Account Title	Balance First of Year (A)	Rate % Used (B)	Accruals During Year (C)	Book Cost of Plant Retired (D)	Cost of Removal (E)	Salvage (F)	Other Addition or Deductions		Balance End of Year (I)=(A)+(C)-(D)-(E)+(F)+(G)-(H)
								Debit (G)	Credit (H)	
4.5	Measuring and Regulating Equipment*									
4.6	Compressor Station Equipment*									
4.7	Communications Equipment*									
4.8	Other Equipment*									
	TOTAL BASE LOAD LIQUEFIED NATURAL GAS, TERM, AND PROCESSING PLANT (364.2 - 364.8)									
	TOTAL NAT. GAS STORAGE AND PROC. PLANT	(638,473)	-	60,567		194,985	-	-	-	(604,162)
	TRANSMISSION PLANT									
5.1	Land and Land Rights									
5.2	Rights - of - Way									
6	Structures and Improvements									
7	Mains									
8	Compressor Station Equipment									
9	Measuring and Reg. Sta. Equipment									
0	Communication Equipment									
1	Other Equipment									
	TOTAL TRANSMISSION PLANT (365.1 - 371)									
	DISTRIBUTION PLANT									
4	Land and Land Rights	369,349	1.13 (A)	11,474	-	-	-	-	-	370,823
5	Structures and Improvements	341,660	1.59	28,631	434	9	2,114	-	-	367,954
6	Mains	26,822,094	1.41	1,543,915	597,010	35,571	-	-	-	27,733,428
7	Compressor Station Equipment									
8	Meas. and Reg. Sta. Equip. - General	777,496	2.10	128,146	411,728	7,614	-	-	10,832	487,732
9	Meas. and Reg. Sta. Equip. - City Gate									
10	Services	14,869,235	3.42	1,836,585	1,060,223	335,820	-	-	-	15,140,777
11	Meters	2,654,475	1.57	269,114	45,513	-	25,599	-	1,283	2,904,958

Major Only
Non Major Only

ACCUMULATED PROVISION FOR DEPRECIATION - ACCOUNT 108* (110+)

CCT NO.	Account Title	Balance First of Year (A)	Rate % Used (B)	Accruals During Year (C)	Book Cost of Plant Retired (D)	Cost of Removal (E)	Salvage (F)	Other Addition or Deductions		Balance End of Year (I)=(A)+(C)-(D)-(E)+(F)+(G)+(H)
								Debit (G)	Credit (H)	
2	Meter Installations	1,550,290	1.52	40,207	6,933	-	-	-	-	1,553,564
3	House Regulators	376,763	1.97	43,161	1,036	-	-	-	-	420,888
4	House Reg. Installations	293,481	0.87	12,155	-	-	-	-	-	305,616
5	Industrial Meas. and Reg. Sta. Equip.	273,504	2.98	21,659	4,828	86	-	-	-	290,246
6	Other Prop. on Customers' Premises	-	-	-	-	-	-	-	-	-
7	Other Equipment	516,174	2.96 (A)	57,037	10,740	-	-	10,832	-	551,639
	TOTAL DISTRIBUTION PLANT (374 - 387)	48,865,521	-	3,794,284	2,138,445	378,503	25,599	12,946	12,115	50,167,625
	GENERAL PLANT	-	-	-	-	-	-	-	-	-
0	Structures and Improvements	-	-	-	-	-	-	-	-	-
1	Office Furniture and Equipment & Inf. Syst.	-	-	-	-	-	-	-	-	-
2	Transportation Equipment	6,284	8.20	1,219	-	-	-	-	-	7,513
3	Stores Equipment	-	-	-	-	-	-	-	-	-
4	Tools, Shop and Garage Equipment & CNG Equip.	(1,362)	-	-	-	-	-	-	-	(1,362)
5	Laboratory Equipment	-	-	-	-	-	-	-	-	-
6	Power Operated Equipment	215,207	-	2,928	-	-	-	-	-	218,135
7	Communication Equipment	-	-	-	-	-	-	-	-	-
8	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-
9	Other Tangible Property	-	-	-	-	-	-	-	-	-
	TOTAL GENERAL PLANT (390 - 399)	220,139	-	4,147	-	-	-	-	-	224,286
	TOTAL GAS PLANT	51,189,118	-	3,912,114	5,552,523	573,486	25,599	12,946	936,576	49,924,450
	RETIREMENT WORK IN PROGRESS	(6,867)	-	-	-	12,761	-	-	-	(19,628)
	PLANT HELD FOR FUTURE USE	-	-	-	-	-	-	-	-	-
	GAS PLANT LSD. TO OTHERS	-	-	-	-	-	-	-	-	-
	TOTAL ACCUM. PROVISION (304.1 - 399)	51,182,251	-	3,912,114	5,552,523	586,249	25,599	12,946	936,576	49,904,822

(A) Composite Rate

Major Only
Non Major Only

SCHEDULE: 10					
SPECIAL FUNDS - ACCOUNTS 125*, 126*, 128*, 129+					
Name of Fund (a)	Balance First of Year (b)	Principal Additions Principle Income (c) (d)		Deductions (e)	Balance End of Year (f)=(b)+(c)+(d)-(e)
Not Applicable					
TOTAL	0	0	0	0	NONE
* Major Only + Nonmajor Only					

SCHEDULE: 11				
PREPAYMENTS - ACCOUNT 165				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Ending Balance (e)=(b)+(c)-(d)
Prepaid Insurance	89,616	138,062	145,522	82,156
Other Payments (specify): Excess Liability Insurance	43,314	1,004,769	1,005,774	42,309
TOTAL	132,930	1,142,831	1,151,296	124,465

SCHEDULE: 12				
MISC. CURRENT AND ACCRUED ASSETS - ACCOUNT 174				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Ending Balance (e)=(b)+(c)-(d)
Property Taxes - Gross	813,318	1,856,792	1,776,017	894,093
TOTAL	813,318	1,856,792	1,776,017	894,093

SCHEDULE: 13				
EXTRAORDINARY PROPERTY LOSSES - ACCOUNT 182.1				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Ending Balance (e)=(b)+(c)-(d)
Not Applicable		-		
TOTAL				NONE

SCHEDULE: 14				
UNRECOVERED PLANT AND REGULATORY STUDY COST - ACCOUNT 182.2				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Ending Balance (e)=(b)+(c)-(d)
Not Applicable				
TOTAL				NONE

SCHEDULE: 15				
MISCELLANEOUS DEFERRED DEBITS - ACCOUNT 186				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Ending Balance (e)=(b)+(c)-(d)
Cust. Advance (deposit) post 12/31/99	271,771	0	30,012	241,759
TOTAL	271,771	0	30,012	241,759

SCHEDULE: 16				
RESEARCH DEVELOPMENT AND DEMONSTRATION EXPENDITURES (MAJOR ONLY) - ACCOUNT 188				
Description (a)	Beginning Balance (b)	Debits (c)	Credit (d)	Ending Balance (e)=(b)+(c)-(d)
Not Applicable				
TOTAL	0	0	0	NONE

EXHIBIT 17

CAPITAL STOCK - ACCOUNTS 201 & 204

CLASS & DESCRIPTION OF CAPITAL STOCK (A)	Par or Stated Value Per Share (B)	Shares Authorized (C)	Shares Issued & Outstanding (D)	Total Par Value of Stock Issues (E)=(B)X(D)	Dividends Declared Per Share for Year (F)	Total Declared Dividends (G)
COMMON: PREFER:	\$25.00	3,000	2,883	\$72,075		\$0
TOTALS		3,000	2,883	\$72,075		\$0

SCHEDULE 18

LONG-TERM DEBT - ACCOUNTS 221, 222*, 223, 224, 225, 226

1. List in account number order in column (a) a description of the long-term obligation, including those maturing in the coming year.
2. In the remaining columns (b) - (i) respondent shall furnish the appropriate data.

Description of obligation (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	A/C 233 Short-Term Portion (h)	A/C 223 Long-Term Portion (i)
Inter-Company Promissory Note - CMD4	2006	2025	4,855,000	-	5.92%	5.92%	-	4,855,000
Inter-Company Promissory Note - CMD5	2008	2018	4,500,000	-	5.91%	5.91%	-	4,500,000
Inter-Company Promissory Note - CMD6	2010	2030	5,500,000	-	6.02%	6.02%	-	5,500,000
Inter-Company Promissory Note - CMD7	2012	2042	4,000,000		5.26%	5.26%		4,000,000
Inter-Company Promissory Note - CMD8	2013	2043	1,000,000		6.29%	6.29%		1,000,000
Inter-Company Promissory Note - CMD9	2014	2044	5,000,000		4.85%	4.85%		5,000,000
Inter-Company Promissory Note - CMD10	2014	2044	3,000,000		4.83%	4.83%		3,000,000
Inter-Company Promissory Note - CMD11	2015	2045	7,000,000		4.52%	4.52%		7,000,000
Inter-Company Promissory Note - CMD12	2016	2046	5,000,000		4.36%	4.36%		5,000,000
TOTAL			39,855,000				0	39,855,000

SCHEDULE: 19				
DEFERRED INCOME TAX - ACCOUNT 190				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Ending Balance (e)=(b)+(c)-(d)
Sect. 461H Rate Refunds	2,204	14,955	3,960	13,199
Sect. 463 Vacation Accrual	225,053	59,592	16,216	268,429
Customer Advances	107,176	1,859	13,675	95,360
Regulatory Effect- Income Taxes	102,709	1,420	21,392	82,737
CMEP & DAP	20,201	4,160	2,188	22,173
LIFO Storage	298,217	20,508	76,516	242,207
Environmental Costs	1,815,797	410,395	498,700	1,727,492
Capitalized Inventory Costs	50,606	409	6,120	44,895
Other Post Employment Benefits	171,530	39,110	64,263	146,377
OPEB: SFAS 112	0	36,981	2,469	34,512
Reg Liability: Asset Sales	0	121,402	40,478	80,924
Rate Base Increment	2,493	20	295	2,218
Off System Sales	14,711	32,119	8,508	38,322
Excess Bank Purchase	2,390	526	2,119	797
Injuries & Damages	3,059	3,701	2,105	4,655
OFO/OMO Penalties	8,987	27,161	10,324	25,824
Net Operating Loss Benefits	1,720,438	163,613	63,754	1,820,297
Federal NOL Carryforward	4,543,651	2,825,778	361,488	7,007,941
Charitable Contributions	0	23,498	4,437	19,061
Uncollectible Accounts	58,423	129,571	139,617	48,377
R & D Credit	27,232	0	13,055	14,177
Bonus Accrual	125,686	145,522	122,259	148,949
Deferred Credits	59,971	2,789	23,082	39,678
TOTAL	9,360,534	4,065,087	1,497,020	11,928,601

SCHEDULE: 20				
DEFERRED INCOME TAX - ACCOUNT 281				
Description (a)	Beginning Balance (b)	Credits (c)	Debits (d)	Ending Balance (e)=(b)+(c)-(d)
Not Applicable				
TOTAL				NONE

SCHEDULE: 21				
DEFERRED INCOME TAX - ACCOUNT 282				
Description (a)	Beginning Balance (b)	Credits (c)	Debits (d)	Ending Balance (e)=(b)+(c)-(d)
Liberalized Depreciation	35,932,601	6,421,645	1,146,113	41,208,133
Disallowed Bonus Depreciation	(1,421,631)	1,421,631	0	0
Property Removal Costs	405,454	0	405,454	0
Rate Base Increment	817,765	96,401	830,290	83,876
Loss on ACRS Property	2,564,438	0	2,564,437	1
Contribution in Aid of Construction	(501,112)	4,576	67,746	(564,282)
Offset Account	71,525	607,517	517	678,525
Regulatory Effect - Income Taxes	(205,004)	74,242	76,859	(207,621)
TOTAL	37,664,036	8,626,012	5,091,416	41,198,632

SCHEDULE: 22				
DEFERRED INCOME TAX - ACCOUNT 283				
Description (a)	Beginning Balance (b)	Credits (c)	Debits (d)	Ending Balance (e)=(b)+(c)-(d)
Deferred Gas Purchase Costs	0	84,587	5,647	78,940
Integrated Resource Planning	(14,475)	16,106	22,507	(20,876)
Pension Expense	596,166	44,425	133,396	507,195
Intercompany Gain	1	0	1	0
Property Taxes	320,024	1,636,430	1,605,370	351,084
Gas Cost Incentive Plan	9,083	54,914	15,579	48,418
Prepaid Assets	53,654	154,811	158,228	50,237
Rate Case Expenses	43,511	57,219	44,451	56,279
Federal Benefit on State Net Operating Loss	602,157	57,264	22,314	637,107
Reg Asset/Liability: RNA Program	43,179	158,136	165,417	35,900
Reg Asset/Liability: Stride Program	34,309	105,724	70,280	69,753
TOTAL	1,687,609	2,369,618	2,243,190	1,814,037

SCHEDULE: 23				
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES - ACCOUNT 242				
Description (a)	Beginning Balance (b)	Credits (c)	Debits (d)	Ending Balance (e)=(b)+(c)-(d)
Unclaimed Funds	47,740	21,861	12,292	57,309
Profit Sharing	44,677	92,678	89,353	48,002
Wage Payable	342,515	29,856,504	29,816,587	382,432
Accrued Vacations	386,165	894,765	817,715	463,215
Payroll Deductions	12,478	4,243,712	4,246,421	9,769
Audit Fees	14,495	55,836	68,576	1,755
Benefits Administration	7,247	44,071	48,635	2,683
Comprehensive Medical Plan	44,954	108,067	111,970	41,051
Prescription Drug	0	8,203	159	8,044
Dental Assistance Plan	5,100	18,254	17,510	5,844
Environmental Expenditures	1,400,000	47	950,047	450,000
Post Employment Benefits	0	11,242	0	11,242
Rate Refunds	5,462	47,023	19,784	32,701
Customer A/R Credit Balances	4,292,612	32,412,547	32,888,401	3,816,758
Exchange Gas	135,000	2,188,844	1,924,112	399,732
Heatshare Customer Contributions	432	4,451	4,584	299
Credit Deposits - Gas Supply	10,000	19,302,438	19,302,438	10,000
TOTAL	6,748,877	89,310,543	90,318,584	5,740,836

SCHEDULE 24

GAS OPERATING REVENUES

Account Title	DTH Sold Maryland	DTH Entire System	Revenues Maryland	Revenues Entire System
Natural Gas Service Revenues				
Residential Sales	2,209,421	2,209,421	22,164,906	22,164,906
Commercial & Industrial Sales				
Small (or Commercial)	1,381,048	1,381,048	11,833,659	11,833,659
Large (or Industrial)	31,432	31,432	213,779	213,779
Other Sales To Public Authorities				
Interdepartmental Sales				
Total Sales To Ultimate Consumers (480, 481, 482, & 484)				
Sales for Resale				
Total Natural Gas Service Revenues (480-484)				
Revenues From Manufactured Gas				
Total Gas Service Revenues	3,621,901	3,621,901	34,212,346	34,212,346
Other Operating Revenues				
Intracompany Transfers				
Forfeited Discounts		-	14,319	14,319
Miscellaneous Service Revenues			46,167	46,167
Revenue From Transportation Of Gas Of Others				
Sales Of Products Extracted From Natural Gas	2,270,460	2,270,460	4,077,202	4,077,202
Revenue From Natural Gas Processed By Others				
Incidental Gasoline & Oil Sales				
Rent From Gas Property				
Interdepartmental Rents				
Other Gas Revenues (includes Unbilled, Unaccounted For, Company Use, Off System Sales)	619,279	1,443,679	1,958,670	3,589,611
Total Other Operating Revenues (485-495)	2,889,739	3,714,139	6,096,358	7,727,299
Total Gas Operating Revenues	6,511,640	7,336,040	40,308,704	41,939,644
Provision For Rate Refunds				
Total Gas Operating Revenues Net Of Provision For Rate Refunds (480-496)	6,511,640	7,336,040	40,308,704	41,939,644

Note: The difference between Maryland and Entire System in account 495 reflects Off System Sales in the amount of \$1,630,941 and \$24,400 DTH.

SCHEDULE: 25 (Page 1 of 7)			
GAS OPERATING EXPENSE ACCOUNTS			
Acct. No.	Account Title	Maryland	Entire System
	Production Expenses		
	Manufactured Gas Production Liquefied Petroleum Gas - Air Operation		
717	Liquefied Petroleum Gas Expense	3,452	3,452
921	Office Supplies & Other Expenses	0	0
728	Liquefied Petroleum Gas	0	0
736	Rents		
	Total Operation (717, 921, 728, & 736)	3,452	3,452
	Operation Maintenance		
741	Structures and Improvements	96	96
742	Production Equipment	2,942	2,942
	Total Maintenance (741 - 742)	3,038	3,038
	Total Manufactured Gas Production (700 - 743)	6,490	6,490
	Natural Gas Production & Gathering Operation		
750	Operation Supervision & Engineering		-
751	Production Maps & Records		-
752	Gas Well Expense		-
753	Field Lines Expense		-
754	Field Compressor Station Expense		-
755	Field Compressor Station Fuel & Power		-
756	Field Measurement & Regulation Station Expense		-
757	Purification Expense		-
758	Gas Well Royalties		-
759	Other Expenses		-
760	Rents		-
	Total Operation (750 - 760)	0	0
	Maintenance		
761	Maintenance Supervision & Engineering		-
762	Maintenance Of Structures & Improvements		-
763	Maintenance Of Production Gas Wells		-
764	Maintenance Of Field Lines		-
765	Maintenance Of Field Compressor Station Equipment		-
766	Maintenance Of Field Measurement & Regulator Station Equipment		-
767	Maintenance Of Purification Equipment		-
768	Maintenance Of Drilling & Cleaning Equipment		-
769	Maintenance Of Other Equipment		-
	Total Maintenance (761 - 769)	-	-
	Total Natural Gas Production & Gathering (750 - 769)	-	-

SCHEDULE: 25 (Page 2 of 7)			
GAS OPERATING EXPENSE ACCOUNTS			
Acct. No.	Account Title	Maryland	Entire System
	Products Extraction Operation		
770	Operation Supervision & Engineering		-
771	Operation Labor		-
772	Gas Shrinkage		-
773	Fuel		-
774	Power		-
775	Materials		-
776	Operation Supplies & Expenses		-
777	Gas Processed For Others		-
778	Royalties On Products Extracted		-
779	Marketing Expenses		-
780	Products Purchased For Resale		-
781	Variation In Products Inventory		-
782	Extracted Products Used By The Utility - Credit		-
783	Rents		-
	Total Operation (770 - 783)	0	0
	Maintenance		
784	Maintenance Supervision & Engineering		-
785	Maintenance of Structures & Improvements		-
786	Maintenance of Extraction & Refining Equipment		-
787	Maintenance of Pipe Lines		-
788	Maintenance of Extracted Products Storage Equipment		-
789	Maintenance of Compressor Equipment		-
790	Maintenance of Gas Measurement & Regulation Equipment		-
791	Maintenance of Other Equipment		-
	Total Maintenance (784 - 791)	0	0
	Exploration & Development Operation		
795	Delay Rents		-
796	Nonproduct Well Drilling		-
797	Abandoned Leases		-
798	Other Exploration		-
	Total Exploration & Development (795 - 798)	0	0
	Total Products Extraction (770 - 798)	0	0

SCHEDULE: 25 (Page 3 of 7)

GAS OPERATING EXPENSE ACCOUNTS

Acct. No.	Account Title	Maryland	Entire System
	Other Gas Supply Expenses Operation		
800	Natural Gas Well Head Purchases		-
800.1	Natural Gas Well Head Purchases, Intracompany transactions		-
801	Natural Gas Field Line Purchases		-
802	Natural Gas Gasoline Plant Outlot Purchases		-
803	Natural Gas Transmission Line Purchases	13,420,268	15,051,209
804	Natural Gas City Gate Purchases	17,000	17,000
804.1	Liquefied Natural Gas Purchases		-
805	Other Gas Purchases	0	-
805.1	Purchase Gas Cost Adjustment	(2,434,985)	(2,434,985)
	Total Purchased Gas (800 - 805.1)	11,002,283	12,633,224
806	Exchange Gas	264,732	264,732
807.1	Well Expense - Purchased Gas		-
807.2	Operation Of Purchased Gas Measurement Station	106,225	106,225
807.3	Maintenance Of Purchased Gas Measurement Station		-
807.4	Purchase Gas Calculations Expense		-
807.5	Other Purchased Gas Expenses	14,345	14,345
	Total Gas Purchased Gas Expenses (806 - 807.5)	385,302	385,302
808.1	Gas Withdrawn From Storage - Debit	946,460	946,460
808.2	Gas Delivered To Storage - Credit	0	-
809.1	Withdrawals Of Liquefied Natural Gas For Processing - Debit		-
809.2	Deliveries Of Natural Gas For Processing - Credit		-
	Gas Used in Utility Operations - Credit		-
810	Gas Used for Compressor Station Fuel - Credit		-
811	Gas Used Products Extraction - Credit		-
812	Gas Used For Other Utility Operations - Credit	(6,991)	(6,991)
812.1	Gas Used in Utility Operations - Credit	0	-
	Total Gas Used In Utility Operations - Credit (810 - 812.1)	939,469	939,469
813	Other Gas Supply Expenses	75	75
	Total Production Expense (750 - 813)	12,327,129	13,958,070

SCHEDULE: 25 (Page 4 of 7)			
GAS OPERATING EXPENSE ACCOUNTS			
Acct. No.	Account Title	Maryland	Entire System
	Natural Gas Storage, Terminating & Processing Expense		
	Underground Storage Operation Expense		
814	Operation Supervisor & Engineering		-
815	Maps & Records		-
816	Well Expense		-
817	Lines Expense		-
818	Compressor Station Expense		-
819	Compressor Station Fuel & Power		-
820	Measurement & Regulator Station Expense		-
821	Purification Expense		-
822	Exploration & Development		-
823	Gas Losses		-
824	Other Expenses		-
825	Storage Well Royalties		-
826	Rents		-
	Total Operation (814 - 826)	0	0
	Maintenance		
830	Maintenance Supervision & Engineering		-
831	Maintenance of Structures & Improvements		-
832	Maintenance of Reservoirs & Wells		-
833	Maintenance of Lines		-
834	Maintenance of Compressor Station Equipment		-
835	Maintenance of Measurement & Regulation Station Equipment		-
836	Maintenance of Purification Equipment		-
837	Maintenance of Other Equipment		-
839	Maintenance of Local Storage Plant		-
	Total Maintenance (830 - 839)	0	0
	Total Underground Storage Expenses (814 - 839)	0	0
	Other Storage Operation Expenses		
840	Operation		-
841	Operation Labor & Expenses		-
842	Rents		-
842	Fuels		-
842	Power		-
842	Gas Losses		-
	Total Operation (840 - 842)	0	0
	Maintenance		
843.1	Maintenance Supervision & Engineering		-
843.2	Maintenance of Structures & Improvements		-
843.3	Maintenance of Reservoirs & Wells		-
843.4	Maintenance of Lines		-
843.5	Maintenance of Compressor Station Equipment		-
843.6	Maintenance of Measurement & Regulation Station Equipment		-
843.7	Maintenance of Purification Equipment		-
843.8	Maintenance of Other Equipment		-
843.9	Maintenance of Local Storage Plant		-
	Total Maintenance (843.1 - 843.9)	0	0
	Total Other Storage Expense (840 - 843.9)	0	0

SCHEDULE: 25 (Page 5 of 7)			
GAS OPERATING EXPENSE ACCOUNTS			
Acct. No.	Account Title	Maryland	Entire System
	Liquefied Natural Gas Terminating & Processing Expense		
	Operation		
844.1	Operation Supervisor & Engineering		-
844.2	Liquefied Natural Gas Processing Terminal Labor & Expense		-
844.3	Liquefaction Processing Labor & Expense		-
844.4	Liquefaction Transportation Labor & Expense		-
844.5	Measurement & Regulation Labor & Expense		-
844.6	Compressor Station Labor & Expense		-
844.7	Communication System Expense		-
844.8	System Control & Load Dispatching		-
845.1	Fuel		-
845.2	Power		-
845.3	Rents		-
845.5	Wharfage Receipts - Credit		-
845.6	Processing Liquefied or Vaporized Gas By Others		-
846.1	Gas Losses		-
846.2	Other Expenses		-
	Total Operation (844.1 - 846.2)	0	0
	Maintenance		
847.1	Maintenance Supervision & Engineering		-
847.2	Maintenance of Structures & Improvements		-
847.3	Maintenance of Liquefied Natural Gas Processing Terminal Equipment		-
847.4	Maintenance of Liquefied Natural Gas Transportation Equipment		-
847.5	Maintenance of Measurement & Regulation Equipment		-
847.6	Maintenance of Compressor Station Equipment		-
847.7	Maintenance of Communication Equipment		-
847.8	Maintenance of Other Equipment		-
	Total Maintenance (847.1 - 847.8)	0	0
	Total Liquefied Natural Gas Terminating & Processing Expenses (844.1 - 847.8)	0	0
	Total Natural Gas Storage (814 - 847.8)	0	0
	Transmission Expenses		
850	Operation Supervision & Engineering		-
851	System Control & Load Dispatching		-
852	Communication System Expense		-
853	Compressor Station Labor & Expense		-
854	Gas For Compressor Station Fuel		-
855	Other Fuel & Power For Compressor Stations		-
856	Mains Expense		-
857	Measurement & Regulation Station Equipment		-
858	Transmission & Compression Of Gas By Others		-
859	Other Expenses		-
860	Rents		-
	Total Operation (850 - 860)	0	0
	Maintenance		
861	Maintenance Supervision & Engineering		-
862	Maintenance of Structures & Improvements		-
863	Maintenance of Mains		-
864	Maintenance of Compressor Station Equipment		-
865	Maintenance of Measurement & Regulation Station Equipment		-
866	Maintenance of Communication Equipment		-
867	Maintenance of Other Equipment		-
	Total Maintenance (861 - 867)	0	0
	Total Transmission Expenses (850 - 867)	0	0

SCHEDULE: 25 MAJOR (Page 6 of 7)

GAS OPERATING EXPENSE ACCOUNTS

Acct. No.	Account Title	Maryland	Entire System
	Distribution Expenses		
	Operation		
870	Operation Supervisor & Engineering	488,347	488,347
871	Distribution Load Dispatching	17,824	17,824
872	Compressor Station Labor & Expense	0	-
873	Compressor Station Fuel & Power	0	-
874	Mains & Services Expense	1,081,120	1,081,120
875	Measurement & Regulator Station Expense - General	51,544	51,544
876	Measurement & Regulator Station Expense - Industrial	35,631	35,631
877	Measurement & Regulator Station Expense - City Gas Check Station	0	-
878	Meter & House Regulator Expense	224,659	224,659
879	Customer Installation Expense	339,400	339,400
880	Other Expenses	622,789	622,789
881	Rents	127,611	127,611
	Total Operation (840 - 881)	2,988,925	2,988,925
	Maintenance		
885	Maintenance Supervision & Engineering	3,796	3,796
886	Maintenance of Structures & Improvements	11,601	11,601
887	Maintenance of Mains	850,278	850,278
888	Maintenance of Compressor Station Equipment	0	-
889	Maintenance of Measurement & Regulator Station Equipment - General	108,062	108,062
890	Maintenance of Measurement & Regulator Station Equipment - Industrial	20,697	20,697
891	Maintenance of Measurement & Regulator Station Equipment - City Gas Check Station	0	-
892	Maintenance of Services	1,003,670	1,003,670
893	Maintenance of Meters & House Regulators	40,681	40,681
894	Maintenance of Other Equipment	65,848	65,848
	Total Maintenance (885 - 894)	2,104,633	2,104,633
	Total Distribution Expense (870 - 894)	5,093,558	5,093,558
	Customer Accounts Expense		
901	Operation Supervision & Engineering	0	-
902	Meter Reading Expense	81,013	81,013
903	Customer Records & Collection Expense	680,098	680,098
904	Uncollectible Accounts	181,009	181,009
905	Miscellaneous customer Accounts Expense	65	65
	Total Customer Accounts Expense (901 - 905)	942,185	942,185

SCHEDULE: 25 MAJOR (Page 7 of 7)			
GAS OPERATING EXPENSE ACCOUNTS			
Acct. No.	Account Title	Maryland	Entire System
	Customer Service & Information Expense		
907	Maintenance Supervision & Engineering	0	-
908	Customer Assistance Expense	1,425	1,425
909	Informational & Instructional Expense	20,826	20,826
910	Miscellaneous Customer Service & Information Expense	72,355	72,355
	Total Customer Service & Information Expense (907 - 910)	94,606	94,606
	Sales Expense		
911	Supervision	1,122	1,122
912	Demonstrating & Selling Expense	92,479	92,479
913	Advertising Expense	41,140	41,140
916	Miscellaneous Sales Expense		
	Total Maintenance (911 - 916)	134,741	134,741
	Administrative & General Expense		
920	Administrative & General Salaries	2,747,637	2,747,637
921	Office Supplies & Other Expense	412,205	412,205
922	Administrative Expenses Transferred - Credit	0	-
923	Outside Services Employed	1,878,590	1,878,590
924	Property Insurance	7,296	7,296
925	Injuries & Damages	263,960	263,960
926	Employee Pensions & Benefits	1,278,253	1,278,253
927	Franchise Requirements	0	-
928	Regulatory Commission Expense	195,433	195,433
929	Duplicate Charges - Credit	0	-
930.1	General Advertising Expense	58,350	58,350
930.2	Miscellaneous General Expenses	(42,140)	(42,140)
931	Rents	378,317	378,317
932	Maintenance Of General Plant	200,445	200,445
	Total Administrative & General Expenses (920 - 935)	7,378,346	7,378,346
	Total Operating Expenses - See Footnote	25,977,055	27,607,996

Footnote: The difference between Maryland and Entire System totals reflects Off System Sales expense in account 803 for \$1,630,941.

SCHEDULE: 26				
GENERAL INFORMATION - NATURAL GAS				
<p>1. Does the respondent use any process for mixing, reforming or stabilizing the heat content of natural gas?</p> <p style="text-align: right;">Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>				
<p>2. Give location and capacity of mixing, reforming or stabilizing plants.</p>				
<p>3. Give a brief description of the process or processes used.</p>				
<p>4. Volume of gas mixed, reformed or stabilized by separate plants.</p>				
	Plant	Plant	Plant	Plant
Natural Gas Input (DTH)				
Highest Avg. BTU of Input Natural Gas				
Lowest Avg. BTU of Input Natural Gas				
Mixing or Stabilizing Gas Input (DTH)				
Highest Avg. BTU of Mixing or Stabilizing Gas				
Lowest Avg. BTU of Mixing or Stabilizing Gas				
Highest Avg. BTU of Mixed or Stabilized Gas				
Lowest Avg. BTU of Mixed or Stabilized Gas				
Annual Output of Mixed or Stabilized Gas (DTH)				

SCHEDULE: 26	
TAXES OTHER THAN INCOME TAXES - OPERATING ACCOUNT 408.1	
TYPE OF TAX	AMOUNT
Property Taxes	1,733,116
Gross Receipts Tax	830,969
F. I. C. A.	196,679
Federal Unemployment Insurance	1,617
State Unemployment Insurance	748
License and Franchise Tax	10,947
Other	13,594
Total Account (408.1)	2,787,670

SCHEDULE: 27							
EMPLOYEE COMPENSATION							
	Number of Employees As of December 31			Total Compensation for Year Ending December 31	Distribution of Wages		
	Male	Female	Total		Operation & Maintenance Accounts	Construction	Other (Specify)* Cost of Removal
Part-Time Employees	0	0	0	\$ -	\$ -	\$ -	\$ -
Full-Time Employees	54	6	60	\$ 4,980,714	\$ 2,818,776	\$ 2,192,162	\$ (30,224)
Total All Employees	54	6	60	\$ 4,980,714	\$ 2,818,776	\$ 2,192,162	\$ (30,224)
* See Page 45-A							

SCHEDULE: 28
AFUDC RATE USED DURING YEAR & CALCULATION OF RATE
AFUDC Rate(s) used during year. 7.533%
Calculation AFUDC rate(s) used:
See Page 45-B

SCHEDULE : 29	
NUMBER OF CUSTOMERS	
TYPE OF CUSTOMERS:	NUMBER OF CUSTOMERS
Residential	29,428
Commercial	3,549
Industrial	11
Transportation	256
Public Authorities	0
Interdepartmental	0
Ultimate Consumers	0
Sales for Resale	0
Special Contract	0
Miscellaneous	0
Other	0
TOTAL	33,244

SCHEDULE: 27

**EMPLOYEE COMPENSATION
Distribution of Wages – Other**

	Retirement Work In Progress	Clearing Accounts	Vacation & N-P Time Net	Misc.	Total Other Wages
Part-Time Employees	0	0	0	0	0
Full-Time Employees	<u>57,534</u>	<u>33,016</u>	<u>(121,610)</u>	<u>837</u>	<u>(30,224)</u>
Total All Employees	<u>57,534</u>	<u>33,016</u>	<u>(121,610)</u>	<u>837</u>	<u>(30,224)</u>

SCHEDULE: 28

CALCULATION OF AFUDC

Note: Per Order No. 87851 of the Maryland Public Service Corporation in Case Number 9417 issued November 16, 2016 approving the Company's settlement, the Company calculates Allowance for Funds Used During Construction using the settled return on rate base of 7.533 percent.

1. Components of Formula (Derived from actual book balances and actual cost rates)*

Line No.	Title		Amount	Capitalization Ratio (Percent)	Cost Rate Percentage
1	Average Short-Term Debt	S			
2	Short-Term Debt				s
3	Long-Term Debt	D			d
4	Preferred Stock	P			p
5	Common Equity	C			c
6	Total Capitalization				
7	Average Construction Work In Progress Balance	W			

2. Gross Rate for Borrowed Funds $s(S/W)+d(D/D+P+C)(1-S/W)$ **

3. Rate for other Funds $(1-S/W)\{p(P/D+P+C)+c(C/D+P+C)\}$ **

4. Weighted Average Rate Actually Used for the Year:
 a. Rate for Borrowed Funds - 0.00%
 b. Rate for Other Funds - 0.00%

* Amounts used in computation are based on the regulatory capital structure of the Columbia Gas of Maryland.

** These Formulas were not applicable in 2016

VERIFICATION

The foregoing report must be verified by the President or Chief Officer of the company. The oath 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

State of Ohio
County of Franklin

_____ Joseph Mulpas _____ makes oath and says that
(Insert here the name of the affiant.)

he is the _____ Vice President and Chief Accounting Officer _____
(Insert here the name of the deponent.)

of _____ Columbia Gas of Maryland, Inc. _____
(Insert here the exact legal title or name of the respondent.)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including January 1, 2016 to and including December 31, 2016.

Joseph Mulpas
(Signature of affiant.)

Subscribed and sworn to before me, a Notary Public
this 16 day of May 2017.

Mary Tractow

(Seal)



Mary Tractow
Notary Public, State of Ohio
My Commission Expires 10-27-2019

ADDENDUM TO ANNUAL REPORT

**MARYLAND JURISDICTIONAL
GAS SALES STATISTICS**

Name of Respondent	This Report is:	Date of Report	Year of Report
Columbia Gas of Maryland, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) A Resubmission	(Mo, Da, Yr) May 31, 2017	December 31, 2016
GAS OPERATING REVENUES (ACCOUNT 400)			
<p>1. Report below natural gas operating revenues for each prescribed account, and manufactured gas.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufa</p> <p>for each group of meters added. The average number of customers means the average of twelve figures a the close of each month.</p> <p>4. Report quantities of natural gas sold in DTH(14.73 psia at</p>			
Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES		
2	480 Residential Sales	22,164,908	24,649,356
3	481 commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	11,833,659	13,786,264
5	Large (or Ind.) (See Instr. 6)	213,779	399,952
6	482 Other Sales to Ultimate Consumers		
7	484 Interdepartmental Sales		
8	TOTAL Sales to Ultimate Consumers	34,212,346	38,835,572
9	483 Sales for Resale		
10	TOTAL Nat. Gas Service Revenues	34,212,346	38,835,572
11	Revenues from Manufactured Gas		
12	TOTAL Gas Service Revenues	34,212,346	38,835,572
13	OTHER OPERATING REVENUES		
14	485 Intracompany Transfers		
15	487 Forfeited Discounts	14,319	13,961
16	488 Misc. Service Revenues	46,167	44,226
17	489 Rev. from Trans. Of Gas of Others	4,077,202	3,370,254
18	490 Sales of Prod. Ext. from Nat. Gas		
19	491 Rev. from Nat. Gas Proc. By Others		
20	492 Incidental Gasoline and Oil Sales		
21	493 Rent from Gas Property		
22	494 Interdepartmental Rents		
23	495 Other Gas Revenues	3,589,611	(130,489)
24	TOTAL Other Operating Revenues	7,727,299	3,297,952
25	TOTAL Gas Operating Revenues	41,939,645	42,133,524
26	(Less) 496 Provision for Rate Refunds		
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	41,939,645	50,601,226
28	Dist. Type Sales by States (inc. Main Line Sales to Resid. And Comm. Custrs)		
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)		
30	Sales for Resale		
31	Other Sales to Pub. Auth. (Local Dist. Only)		
32	Interdepartmental Sales		
33	TOTAL (Same as Line 10. Columns (b) and (c))	34,212,346	38,835,572

Name of Respondent Columbia Gas of Maryland, Inc.		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) May 31, 2017	Year of Report December 31, 2016
GAS OPERATING REVENUES (ACCOUNT 400) (Continued)				
6. Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) Regularly used by the respondent if such basis of classification is not generally greater than 200			7. See pages 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.	
MCF OF NATURAL GAS SOLD		CUSTOMERS		
Quantity for Year (d)	Quantity for Previous Year (e)	Amount for year (b)	Amount for Previous Year (c)	Line No.
7,336,040	6,434,907	33,244	33,047	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
		NOTES		11
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ADDENDUM TO ANNUAL REPORT

**MARYLAND PROPERTY AND
ENERGY TAXES PAID IN 2016**

**COLUMBIA GAS OF MARYLAND, INC
2016 PROPERTY TAX PAYMENTS**

JURISDICTION	Amount Paid
ALLEGANY COUNTY	575,291
BARTON	1,082
CUMBERLAND	256,542
DEER PARK	443
FROSTBURG	30,690
FUNKSTOWN	3,944
GARRETT COUNTY	79,692
GRANTSVILLE	864
HAGERSTOWN	293,182
HANCOCK	2,870
KITZMILLER	4,143
LOCH LYNN	1,121
LUKE	1,072
MOUNTAIN LAKE	3,220
OAKLAND	10,288
PRINCE GEORGE COUNTY	602
WASHINGTON COUNTY	528,256
WILLIAMSPORT	127
TOTAL	1,793,429