

DEPARTMENT OF PUBLIC UTILITIES

This statement is filed in accordance with Chapter 164, Section 84A

CONDENSED FINANCIAL RETURN

FOR THE YEAR ENDED DECEMBER 31, 1978...

FULL NAME OF COMPANY.....COMMONWEALTH GAS COMPANY

675 Massachusetts Avenue

LOCATION OF PRINCIPAL BUSINESS OFFICE...Cambridge, Massachusetts 02139

STATEMENT OF INCOME FOR THE YEAR

Item	Current Year	Increase or (Decrease) from Preceding Year
OPERATING INCOME		
Operating Revenues	\$ 97 889 846	\$ (127 094)
Operating Expenses:		
Operation Expense	74 155 003	(1 133 677)
Maintenance Expense	3 022 273	483 311
Depreciation Expense	2 386 077	74 214
Amortization of Utility Plant	8 650	70
Amortization of Property Losses	257 680	(38 852)
Amortization of Investment Tax Credit	(72 767)	3 529
Taxes Other Than Income Taxes	5 976 159	(110 996)
Income Taxes	4 491 526	408 075
Provisions for Deferred Federal Income Taxes	536 792	90 617
Federal Income Taxes Deferred in Prior Years—Cr	(43 701)	(5 844)
Total Operating Expenses	90 717 692	(229 553)
Net Operating Revenues	7 172 154	102 459
Income from Utility Plant Leased to Others		
Other Utility Operating Income		
Total Utility Operating Income	7 172 154	102 459
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work	14 315	86 675
Income from Nonutility Operations		
Nonoperating Rental Income	106 375	80 555
Interest and Dividend Income	416 929	291 269
Miscellaneous Nonoperating Income	7 163	(86 195)
Total Other Income	544 782	372 304
Total Income	7 716 936	474 763
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization		
Other Income Deductions	1 586	738
Total Income Deductions	1 586	738
Income Before Interest Charges	7 715 350	474 025
INTEREST CHARGES		
Interest on Long-Term Debt	1 967 784	(124 682)
Amortization of Debt Discount and Expense	46 757	32 009
Amortization of Premium on Debt — Credit	(12 053)	(878)
Interest on Debt to Associated Companies	1 810	(26)
Other Interest Expense	721 179	470 726
Interest Charged to Construction — Credit	(28 320)	(23 088)
Total Interest Charges	2 697 157	354 061
Net Income	5 018 193	119 964

BALANCE SHEET

Title of Account		Balance End of Year	Title of Account		Balance End of Year
UTILITY PLANT		\$	PROPRIETARY CAPITAL		\$
Utility Plant		84 305 731	CAPITAL STOCK		
OTHER PROPERTY AND INVESTMENTS			Common Stock Issued		22 050 000
Nonutility Property		1 925 388	Preferred Stock Issued		
Investment in Associated Companies			Capital Stock Subscribed		2 113 533
Other Investments		9 001	Premium on Capital Stock		
Special Funds		9 734	Total		24 163 533
Total Other Property and Investments		1 944 123	SURPLUS		
CURRENT AND ACCRUED ASSETS			Other Paid-In Capital		
Cash		387 652	Earned Surplus		2 590 392
Special Deposits			Surplus Invested in Plant		2 461 000
Working Funds		41 900	Total		5 051 392
Temporary Cash Investments		1 250 000	Total Proprietary Capital		29 214 925
Notes and Accounts Receivable		5 031 611	LONG-TERM DEBT		
Receivables from Associated Companies		659 238	Bonds		24 798 000
Materials and Supplies		7 152 024	Advances from Associated Companies		
Prepayments		2 492 431	Other Long-Term Debt		
Interest and Dividends Receivable			Total Long-Term Debt		24 798 000
Rents Receivable		15 468	CURRENT AND ACCRUED LIABILITIES		
Accrued Utility Revenues		10 133 703	Notes Payable		
Misc. Current and Accrued Assets			Accounts Payable		17 741 710
Total Current and Accrued Assets		27 164 027	Payables to Associated Companies		74 079
DEFERRED DEBITS			Customer Deposits		534 007
Unamortized Debt Discount and Expense		598 178	Taxes Accrued		7 951 232
Extraordinary Property Losses		151 720	Interest Accrued		639 947
Preliminary Survey and Investigation Charges			Dividends Declared		
Clearing Accounts		7 607	Matured Long-Term Debt		
Temporary Facilities			Matured Interest		
Miscellaneous Deferred Debits		551 017	Tax Collections Payable		78 329
Total Deferred Debits		1 308 522	Misc. Current and Accrued Liabilities		165 180
CAPITAL STOCK DISCOUNT AND EXPENSE			Total Current and Accrued Liabilities		27 184 484
Discount on Capital Stock			DEFERRED CREDITS		
Capital Stock Expense			Unamortized Premium on Debt		81 255
Total Capital Stock Discount and Expense			Customer Advances for Construction		
REACQUIRED SECURITIES			Other Deferred Credits		1 799 331
Reacquired Capital Stock			Total Deferred Credits		1 880 586
Reacquired Bonds			RESERVES		
Total Reacquired Securities			Reserves for Depreciation		20 083 880
Total Assets and Other Debits		114 722 403	Reserves for Amortization		69 287
			Reserve for Uncollectible Accounts		642 188
			Operating Reserves		1 227 273
			Reserve for Depreciation and Amortiza- tion of Nonutility Property		112 323
			Reserves for Deferred Federal Income Taxes		9 509 457
			Total Reserves		31 644 408
			CONTRIBUTIONS IN AID OF CONSTRUCTION		
			Contributions in Aid of Construction		
			Total Liabilities and Other Credits		114 722 403

NOTES:

STATEMENT OF EARNED SURPLUS		
Unappropriated Earned Surplus (at beginning of period)	\$ 1 938 099	(305 571)
Balance Transferred from Income	5 018 153	119 964
Miscellaneous Credits to Surplus		
Miscellaneous Debits to Surplus		
Appropriations of Surplus		
Net Additions to Earned Surplus	5 018 153	119 964
Dividends Declared — Preferred Stock		
Dividends Declared — Common Stock	4 365 900	(837 900)
Unappropriated Earned Surplus (at end of period)	2 590 352	652 293

ELECTRIC OPERATING REVENUES		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF ELECTRICITY		
Residential Sales	\$	\$
Commercial and Industrial Sales		
Small (or Commercial)		
Large (or Industrial)		
Public Street and Highway Lighting		
Other Sales to Public Authorities		
Sales to Railroad and Railways		
Interdepartmental Sales		
Miscellaneous Electric Sales		
Total Sales to Ultimate Consumers		
Sales for Resale		
Total Sales of Electricity		
OTHER OPERATING REVENUES		
Forfeited Discounts		
Miscellaneous Service Revenues		
Sales of Water and Water Power		
Rent from Electric Property		
Interdepartmental Rents		
Other Electric Revenues		
Total Other Operating Revenues		
Total Electric Operating Revenues		

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES			
Functional Classification	Operation	Maintenance	Total
Power Production Expenses	\$	\$	\$
Electric Generation:			
Steam Power			
Nuclear Power			
Hydraulic Power			
Other Power			
Other Power Supply Expenses			
Total Power Production Expenses			
Transmission Expenses			
Distribution Expenses			
Customer Accounts Expenses			
Sales Expenses			
Administrative and General Expenses			
Total Electric Operation and Maintenance Expenses			

GAS OPERATING REVENUES

Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF GAS		
Residential Sales	\$ 51 700 436	\$ (1 858 335)
Commercial and Industrial Sales		
Small (or Commercial)	21 051 875	(514 772)
Large (or Industrial)	20 512 741	138 977
Other Sales to Public Authorities	3 663 178	509 609
Interdepartmental Sales		
Miscellaneous Gas Sales	(750 425)	1 639 554
Total Sales to Ultimate Consumers	96 177 805	(84 967)
Sales for Resale	863 140	(174 602)
Total Sales of Gas	97 040 945	(259 569)
OTHER OPERATING REVENUES		
Forfeited Discounts	159 596	(18 438)
Miscellaneous Service Revenues	574 228	126 945
Revenues from Transportation of Gas of Others		
Sales of Products Extracted from Natural Gas		
Revenues from Natural Gas Processed by Others		
Rent from Gas Property	113 170	43 815
Interdepartmental Rents		
Other Gas Revenues	1 907	(19 847)
Total Other Operating Revenues	848 901	132 475
Total Gas Operating Revenues	97 889 846	(127 094)

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Steam Production	\$	\$	\$
Manufactured Gas Production	52 147	59 997	112 144
Other Gas Supply Expenses	57 422 677		57 422 677
Total Production Expenses	57 474 824	59 997	57 534 821
Local Storage Expenses			
Transmission and Distribution Expenses	4 647 382	2 796 552	7 443 934
Customer Accounts Expenses	4 134 198		4 134 198
Sales Expenses	1 436 341		1 436 341
Administrative and General Expenses	6 462 258	165 724	6 627 982
Total Gas Operation and Maintenance Expenses	74 155 003	3 022 273	77 177 276

March 30, 1979, I hereby certify that the foregoing statements are full, just and true to the best of my knowledge and belief. This statement is signed under the penalties of perjury.


 Financial Vice President
 John A. Whalen
 Comptroller

RECEIVED BY
COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE CITY CLERK
APR 2 10 11 AM '79
CAMBRIDGE, MASS.

March 30, 1979

Clerk
City of Cambridge
City Hall
Cambridge, Massachusetts 02139

Dear Sir:

The attached statement is filed in accordance with General Laws, as amended, Chapter 164, Section 84A.

Very truly yours,



F. J. McDonough
Accounting Manager

CG
KJC:rmp
Enclosures



5-197

Financial Return of the Commonwealth Gas Company
for the year ended Dec. 31, 1978.

In City Council,

April 9, 1979

Placed on File -