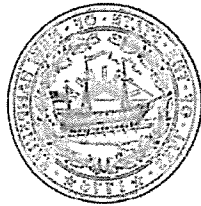


ANNUAL REPORT	SIGNED
ENTERED 3/19/13	D.P.M.
CHECKED	
AUDITED	
SUMMARIZED	
CLOSED	

Public Utilities Commission

Concord



ANNUAL REPORT

of

New Hampshire Gas

FOR THE YEAR END

2012

Officer to whom correspondence should be addressed
regarding this report:

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

INDEX

	Table	Page		Table	Page
A			N		
Abandoned property	13	104	New business and sales expenses	43	206
Accounts receivable	21	107	Non-operating property	12	104
Affiliate - investments in	15	105	Notes-long term debt	26	109
- payables to	28	110	-payable	27	110
-receivables from	22	107	O		
B			Oath		401
Balance sheet	10	100	Officers, list of	1	3
Bonded Indebtedness	26	109	Operating expenses-summary	42-S	203
C			-detail	42	204-205
Capital, fixed, accounts	11	102	Operating revenues	41	203
Capital stock	25	109	P		
Capital surplus	34	113	Payables-notes	27	110
Credits, miscellaneous unadjusted	32	112	-to affiliates	28	110
D			Payments	3	5
Debt - long term	26	109	Payments to individuals	18	106
-unamortized discount and expense	23	108	Property-abandoned	13	104
Depreciation - account	30	111	-for future development	14	104
-funds	17	106	-non-operating	12	104
-reserve	29	111	R		
Directors, list of	1	3	Rates, revenue by, summary	52	304
Dividends	24	108	Required securities	19	106
Donations and gifts	44	206	Receivables-accounts	21	107
E			-from affiliates	22	107
Earned surplus	35	113	Revenue by rates	52	304
F			Reserves-depreciation	29	111
Fixed capital accounts	11	102	-miscellaneous	31	112
Funds	17	106	S		
G			Sales and new business expenses	43	206
Gas summary	50	304	Securities, required	19	106
Gifts and donations	44	206	Shareholders and holdings	2	4
I			Sinking funds	17	106
Identity of respondent		2	Special funds	17	106
Income statement	40	200	Stock-capital	25	109
Individuals, payments to	3	5	-reacquired	19	106
Investments - in affiliates	15	105	Supervision, fees and expenses	4	103
-miscellaneous	16	105	Supplies and materials	20	107
L			Surplus-capital	34	113
Land for future development	14	104	-earned	35	113
Long term debt	26	109	Suspense, miscellaneous	36	113
M			T		
Management fees and expenses	4	103	Taxes	33	112
Materials and supplies - corporate	20	107	Towns served, list of		2
-gas department	48	303	U		
Miscellaneous suspense	36	113	Unamortized debt and expense	23	108
Miscellaneous unadjusted credits	32	112	V		
N			Voting powers	2	4

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 - 1,159 Population - 23,405
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				
15				
16				
17				
18				
19				
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					
36					
37					
38					
39					
40					
41					
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	15,456
25	BDM Sweeper Service Inc.	Keene, NH	12,620
26	FW Webb Co.	Bedford, MA	62,977
27	Internal Revenue Service	Andover, MA	110,910
28	Iberdrola USA	New Gloucester, ME	259,556
29	Iberdrola USA Management Company	New Gloucester, ME	243,558
30	K E Bergeron Mechanical	Dublin	25,920
31	Keene Propane Corp	Keene, NH	2,133,631
32	Labor Ready Northeast Inc.	Philadelphia, PA	19,514
33	New York State Electric & Gas	Binghamton, NY	12,056
34	Polypipe INC.	Dallas, TX	30,217
35	R&M Realty Inc.	Keene, NH	38,009
36	Rochester Gas & Electric	Rochester, NY	32,811
37	State of New Hampshire	Concord, NH	13,962
38	Structural Metal Fabricators Inc.	Palmerton	23,914
39	Tax Collector - City of Keene	Keene, NH	71,915
40	The Lane Construction Corp.	Cheshire	11,095

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	T. Rowe Price Trust Compan	Baltimore, MD	27,627
2	Twin Thirds Motors Inc.	Keene, NH	26,263
3	Wright Express	Boston, MA	24,001
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
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			
48			
49			
50			

TABLE 10.
SHEET 1 OF 2

BALANCE SHEET ACCOUNTS
Assets and Other Debits

	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
			Fixed Assets:			
1	4,313,008	100	Fixed Capital - Gas	102	4,575,690	262,682
2		108	Fixed Capital - Other			
3		110	Non-Operating Property	104		0
4	4,313,008		Total Fixed Assets		4,575,690	262,682
			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	7,264	120	Cash		36,067	28,804
12	595,000	121	Special Deposits		555,000	(40,000)
13	1,135	122	Working Funds		440	(695)
14		124	Notes Receivable			
15	521,705	125	Accounts Receivable	107	501,058	(20,647)
16		126	Receivables from Affiliated Companies	107		
17		127	Subscriptions to Capital Stock			
18		128	Interest and Dividends Receivable			
19	304,009	131	Materials and Supplies	107	171,091	(132,918)
20	95,851	132	Prepayments	106	121,416	25,565
21		133	Miscellaneous Current Assets			
22	1,524,964		Total Current Assets		1,385,073	(139,891)
			Deferred Debits:			
23		140	Unamortized Debt Discount & Expenses	108		
24		141	Property Abandon	104		
25	184,464	143	Clearing (CGA over/under collected)		79,565	(104,899)
26		145.1	Maintenance Work in Progress			
27		145.2	Jobbing Accounts			
28	(110,891)	146	Miscellaneous Suspense - Deferred Income Tax	113	(110,891)	0
29	73,573		Total Deferred Debits		(31,326)	(104,899)
			Company Securities Owned:			
30		152	Reacquired Securities	106		
31		154	Unissued Securities			
32			Total Company Securities Owned			
33	5,911,544		Total Assets and other Debits		5,929,436	17,892
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	318,646	222	Accounts Payable		286,735	(31,912)
16	41,950	223	Payables to Affiliated Companies	110	90,248	48,298
17		224	Dividends Declared	108		
18		225	Matured Bonds			
19		226	Matured Interest			
20	67,367	227	Customers' Deposits		65,782	(1,585)
21	173,275	228	Taxes Accrued		(61,148)	(234,423)
22		229	Interest Accrued			
23	0	230.1	Miscellaneous Current Liabilities		0	0
24	22,924	230.2	Miscellaneous Accruals		79,177	56,253
25	624,163		Total Current and Accrued Liab.		460,795	(163,369)
			Deferred Credits:			
26		240	Unamortized premiums on Bonds			
27		242	Miscellaneous Unadjusted Credits	112		
28	0		Total Deferred Credits		0	0
			Reserves:			
29	1,474,804	250	Depreciation Reserve	111	1,639,895	165,091
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	98,922	258.3	Miscellaneous Reserves (deferred income tax)	112	224,741	125,819
36	1,578,726		Total Reserves		1,869,636	290,910
			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	28,675	271	Earned Surplus	113	(80,974)	(109,649)
40	3,708,654		Total Surplus		3,599,005	(109,649)
41	5,911,543.50		Total Liabilities and other Credits		5,929,436	17,893

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	0	0	0	40,771
14	1308	Total Structures	40,771	0	0	0	40,771
		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	0	0	0	1,744,184
23	1358	Pumping and Regulating Equip't					
24	1359	Services	542,241	59,054	(14,056)	0	587,240
25	1360	Customers' Meters and Instal'ns	285,190	0	(425)	0	284,765
26	1361	Misc. Prop. on Customers' Prem.					
27	1363	Street Lighting Equipment					
28	1350	Total Distribution Equip't	2,571,615	59,054	(14,480)	0	2,616,190
		General Equipment					
29	1372.1	Office Equipment	70,787	0	0	0	70,787
30	1372.2	Merchandising Equipment					
31	1373	Transportation Equipment	333,913	0	(10,202)	0	323,711
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	491,299	0	(10,202)	0	481,097
39	1390	Miscellaneous Tangible Property	361,136	184,269	0	0	545,405
40	1395	Unfinished Construction	1,096	44,041		0	45,137
41	100	Total Fixed Capital - Gas	4,313,008	287,365	(24,682)	0	4,575,690

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 of 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	200,901		200,901		
2	Rochester Gas and Electric*			Benefits and Labor	9,772		9,772		
3	ADP Screening and Selection Services				92		92		
4	Data Control Corp.			Computer Maintenance	2,535		2,535		
5	Arcomm Communications Corp.				50		50		
6	Organic Plant Care				718		718		
7	GS Carpet Care Services				397		397		
8	Symquest Group Inc				48		48		
9	Wells Fargo Financial Leasing				814		814		
10	Steven E. Patnaude			Legal	423		423		
11	Occupational Health and Wellness				115		115		
12	Subtotal - Acct 1794				215,866		215,866		
13									
14	Iberdrola USA*			Management Support	14,912		14,912		
15	New York State Electric and Gas*				12,124		12,124		
16	Rochester Gas and Electric*				907		907		
17									
18									
19									
20				Totals	243,809		243,809		
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						215,866	
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39									
40									
41		Total						215,866	

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	3/1/2001	418,384	0	0	418,384
31	plant site.					
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 a	Balance at beginning of year b	Additions during year		Withdrawals during year e	Balance at end of year f
				Income from investment c	Other additions d		
	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 h	Debits during year i	Credits during year j	Balance at end of year k
22	Taxes and licenses g	30,540	238,048	214,360	54,228
23	Insurance	63,169	93,744	94,955	61,958
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	442	11,830	8,742	3,530
29	Totals	95,851	343,622	318,057	121,416

TABLE 19.

REACQUIRED SECURITIES
Account 152

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

	Description of security l	Date acquired m	Cost n	Par or face value 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	213,312	63,698	(149,613)
5	Merchandise Operations	90,697	107,393	16,696
6	Other Operations			
7	Miscellaneous	0	0	0
8				
9				
10				
11				
12	Totals	304,009	171,091	(132,918)

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	521,705	501,058	(20,647)
21	Amounts due from sale of appliances			
22	Amounts due from other sources			
23	Totals-Gas Dep't	521,705	501,058	(20,647)
24	Other Departments			
25	Amounts due from			
26				
27				
28	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
	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
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 a	Date of issue b	Date of maturity c	Balance at beginning of year d	Credits during year e	Debits during year f	Balance at end of year g	Interest	
								Accrued during year h	Paid during year 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 j	Balance at beginning of year k	Credits during year l	Debits during year m	Balance at end of year n	Interest	
						Accrued during year o	Paid during year p
25	New York State Elec. & Gas Corp.	5,417	(59,552)	51,647	13,321	0	0
26	Iberdrola USA Management Co.	22,528	(1,057,804)	1,014,822	65,510	0	0
27	Rocehster Gas & Electric	13,696	(49,446)	52,034	11,108	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	(484,436)	484,436	0		
31							
32							
33							
34	Totals	41,950	(1,651,237)	1,602,939	90,248	0	0

TABLE 29.

DEPRECIATION RESERVE

Account 250

		Debits	Credits
	a	b	c
1	Balance at beginning of year		1,474,804
2	Transfers from Depreciation (Account 1503)		191,812
3	Other credits (explain below)		
4	NET SALVAGE		
5	Debits on account of fixed capital retirements	24,682	
6	Net costs of removal	2,038	
7	Other debits (explain below)		
8	Balance at end of year		1,639,895
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	49,648
19	Distribution - Mains	Straight-line - 20 years	0.0500	0
20	Distribution - M & R Stations	Straight-line - 20 years	0.0500	839
21	Distribution - Services	Straight-line - 16 years	0.0625	0
22	Distribution - Services	Straight-line - 20 years	0.0500	33,291
23	Distribution - Meters	Straight-line - 25 years	0.0400	5,854
24	Distribution - Meters	Straight-line - 16 years	0.0625	7,446
25	Distribution - Other Equipment	Straight-line - 20 years	0.0500	2,692
26	Transportation Equipment	Straight-line - 10 years	0.1000	31,828
27	Transportation Equipment	Straight-line - 7 years	0.1429	0
28	Shop Equipment	Straight-line - 10 years	0.1000	4,982
29	Office Furniture	Straight-line - 10 years	0.1000	0
30	Office Equipment	Straight-line - 3 years	0.3333	9,806
31	Power Operated Equipment	Straight-line - 7 years	0.1429	19,419
32	Production - Oth Gas Generating Ec	Straight-line - 20 years	0.0500	16,771
33	General Structures	Straight-line - 5 years	0.2000	3,762
34	Miscellaneous Equipment	Straight-line - 3 years	0.3333	5,474
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49		Total	**	191,812

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	98,922	361,921	0	487,740	224,741
2							
3	254	Uncollectible Accounts Reserve	5,000	23,900	0	23,900	5,000
4							
5							
6							
7							
8							
9							
10							
11							
12		Totals	103,922	385,821		511,640	229,741

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.T.A.	0			0	
25	Federal Income Tax	(58,470)			(58,470)	
26						
27						
28	State: Unemployment	0			0	
29	Real Estate	0			0	
30	Business Enterprise	0			0	
31	State Income Tax	(15,519)			(15,519)	
32						
33						
34	Local: Real Estate	86,965			86,965	
35						
36						
37						
38						
39						
40	Totals	12,976			12,976	

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 d	Items e	Debits f	Credits g
11		Balance at beginning of year	(28,675)	
12	501	Balance transferred from income	109,649	
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	80,974	
22				

Explanatory Notes:

23	
24	
25	
26	
27	
28	

TABLE 36.

MISCELLANEOUS SUSPENSE
Accounts 146

	Items h	Balance at beginning of year i	Debits during year j	Credits during year k	Balance at end of year l
29	Misc. Suspense - Deferred Income Tax	(110,891)	0	0	(110,891)
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	* * * *	3,380,824	(499,075)
2	1701-1812	Operation and Maintenance - Gas	3,335,998	* * * *	(40,407)
3	1503	Depreciation - Gas	191,812	* * * *	40,403
4	1504	Amortization - Gas	0	* * * *	0
5	1507	Taxes - Gas	12,976	* * * *	(181,524)
6		Total Revenue Deductions	* * * *	3,540,785	(181,528)
7		Gas Operating Income	* * * *	(159,961)	(317,548)
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	14,765	* * * *	840
12	1508.5	Miscellaneous Rents		* * * *	
13	1508	Operating Rents - Net	* * * *	14,765	840
14		Net Gas Operating Income	* * * *	(145,196)	(316,708)
15	1509	Operating Income - Other Utility Operations	* * * *		
16		Net Utility Operating Income	* * * *	(145,196)	(316,708)
17	1522	Revenues from Non-Operating Property	114,054	* * * *	24,804
18	1523	Dividend Income		* * * *	
19	1524	Interest Income	6,049	* * * *	947
20	1525	Income from Special Funds		* * * *	
21	1526	Miscellaneous Non-Operating Revenues		* * * *	
22		Non-Operating Property Revenue	* * * *	120,104	25,751
23	1527	Non-Operating Revenue. Deductions	* * * *	81,448	(1,996)
24		Non-Operating Property Income	* * * *	38,655	27,748
25		Gross Income	* * * *	(106,541)	(288,961)
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	3,107	* * * *	949
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	* * * *	3,107	949
35		Income Balance Transferred to Earned Surplus	* * * *	(109,649)	(289,909)
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	860,362	25,843	33.29	811
2	1600	Domestic Combination Service				
3	1602	Commercial Regular Service	2,589,201	92,468	28.00	440
4	1602	Commercial Combination Service				
5	1602	Industrial Service				
6	1604	Service to Public Authorities				
7	1605	Sales to Other Companies	3,933			
8	1607	Interdepartmental Sales				
9	1608	Other Sales				
10						
11		Total Gas Service Revenues	3,453,497	118,311.0	29.19	1,251
		OTHER GAS REVENUES:				
12	1609	Forfeited Discounts and Penalties	8,858			
13	1610	Miscellaneous Gas Revenues	(81,531)			
		Total Other Gas Revenues	(72,673)			
14		TOTAL OPERATING REVENUE - GAS	3,380,824			

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	167,532	(17,858)
16	1738	Purchased Gas	2,258,666	(198,479)
17	1742	Production Expenses Transferred	0	0
18	1756-1772	Distribution Expenses	205,250	52,756
19	1779-1784	Customer Accounting and Collecting Expenses	160,534	2,281
20	1785-1789	Sales and New Business Expenses	10,521	4,458
21	1790-1812	Administration and General Expenses	533,495	116,435
22		Total Operation and Maintenance	3,335,998	(40,407)
		Other Operating Expenses		
23	1503	Depreciation - Gas	191,812	40,403
24	1504	Amortization - Gas	0	0
25	1507	Taxes - Gas	12,976	(181,524)
26	1508	Operating Rents	14,765	840
27				
28		Total Other Operating Expenses	219,552	(140,281)
29		Total Operating Expenses - Gas	3,555,550	(180,688)

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	140,362		8,498
4	1705	Purification Labor		* * * *	
5	1707	Other Production Labor			
6		Total Superintendence and Operating Labor	140,362		8,498
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	27,170		(26,356)
17		Total Production Materials and Expenses	27,170		(26,356)
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	2,258,666		(198,479)
30	1742	Production Expense Transferred	0		
31		Total Production Expense	2,426,198		(216,336)
		Distribution			
32	1756	Superintendence	(18,979)		4,687
33	1761	Operation of Distribution Lines	24,228		(1,699)
34	1762.1	Meter Operating Labor and Expense	18,409		(12,394)
35	1762.2	Other Expense on Customers' Premises	45,834		16,972
36		Total Distribution Operation	69,492		7,565
37	1765	Maintenance of Structures	52,687		44,759
38	1768	Maintenance of Distribution Lines	49,400		(3,362)
39	1771	Maintenance of Services	26,840		4,073
40	1772	Maintenance of Customers' Meters	6,830		(280)
41		Total Distribution Maintenance	135,758		45,190
42		Total Distribution Expense	205,250		52,756

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	114,054		114,054	
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	44,128		44,128	
7		Transportation				
8		Installation and Job Labor	25,870		25,870	
9		Merchandise Store Expenses				
10		Servicing				
11		Reconditioning				
12		Merchandise Taxes				
13		Finance Expenses				
14		Other Expenses	11,450		11,450	
15		Gross Profit - Appliance and Job Work Sales	32,606		32,606	
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	32,606		32,606	

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 Cancer Society	Relay for Life Donation	1538	50
26	American Red Cross	Annual Fund Drive	1538	250
27	Keene Police Benevolent Association	Donation	1538	250
28	Monadnock Area Foster Parent Assoc.	Donation	1538	100
29	New Hampshire VFW	Donation	1538	95
30	NH Association of Letter Carriers	NH Convention Booklet	1538	95
31	New Hampshire Troopers Association	Troopers Magazine	1538	100
32	The Community Kitchen	Donation	1538	250
33	The NE Assoc. of Chiefs of Police	Continue Ed program etc.	1538	100
34				
35				
36				
37				
38				
39				
40				
41				
42				
43			Total	1,290

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	115,607	213,312	1.8451			
20	Received during year	1,338,246	1,903,119	1.4221			
21	Total Available	1,453,853	2,116,431	1.4557			
22	Used during year	44,830	67,602	1.5080			
23	Transferred or sold	1,361,250	1,985,131	1.4583			
24	Adjustments						
25	Total Used	1,406,080	2,052,733	1.4599			
26	On hand at end of year	47,773.00	63,698	1.3334			

TABLE 48.

MATERIALS AND SUPPLIES

	Items	Beginning of year	Debits	Credits	End of Year
27	Coal				
28	Coke				
29	Oil				
30	Liquid Petroleum	213,312	96,617	246,230	63,698
31	Residual - tar				
32	Purification materials				
33	Appliances for resale				
34	General supplies - gas operations	44,132	0	0	44,132
35	General supplies-merchandise oper'ns	46,565	83,430	66,734	63,261
36	Miscellaneous	0	119,509	119,509	0
37					
38					
39	Totals	304,010	299,556	432,473	171,091

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	209,645					
5	February	161,509					
6	March	126,331					
7	April	79,104					
8	May	61,444					
9	June	35,064					
10	July	51,996					
11	August	51,164					
12	September	52,090					
13	October	86,222					
14	November	127,599					
15	December	182,353					
16	Totals	1,224,521					
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	1,330,913					
23	Natural		: Total Cost \$ 2,052,733		: Cost per Therm \$ 1.4599		
24	Gallons Water Gas Tar recovered:		:Gallons per Therm Gas Made:				
25	Gas on hand beginning of year	Therms	106,392	Sold to public	Therms	1,184,215	
26	Made or purchased	Therms	1,224,521	Sold to other gas utilities			
27	Total available gas	Therms	1,330,913	Used by other departments			
28	Unaccounted for 4.66%	Therms	61,966	Used by gas department		41,020	
29	On hand at end of year	Therms	43,713				
30	Amount sold or used	Therms	1,225,235	Total sold or used		1,225,235	

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	9,309	25,843.0	860,362	33.29
32	G-Commercial-Combined	1602	4,603	92,468.0	2,589,201	28.00
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						

ANNUAL REPORT
of
New Hampshire Gas
TO THE
State of New Hampshire
PUBLIC UTILITIES COMMISSION
For the year ended December 31, 2012

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 examd 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.

MICHELE ENGLAND
Notary Public
State of Maine
My Comm. Exp. November 10, 2018

Michele England
Subscribed and sworn to before me this
18 day of MARCH 2013
CUMBERLAND COUNTY

R. Scott Mahoney Secretary

Michael Eastman Treasurer

Subscribed and sworn to before me this
7th day of MARCH 2013
COUNTY OF MONROE

GREGORY A. GEORGE
Notary Public, State of New York
No. 4962860
Qualified in Monroe County
My Commission Expires February 26, 2014

Gregory A. George

March 18, 2013

Ms. Denise McKeen
Public Utilities Commission
State of New Hampshire
21 South Fruit St., Suite 10
Concord, NH 03301-2429

RE: New Hampshire Gas Corporation

Dear Ms. McKeen,

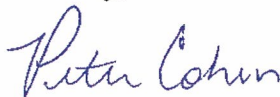
Enclosed you will find the following documents:

1. Annual Report for the period ended December 31, 2012
2. Information Sheet

Article 2.8 from DG 07-083 Iberdrola, S.A., Energy East Corporation and New Hampshire Gas Corp. Joint Petition for Approval of Stock Acquisition Settlement Agreement and the associated Commission's Order Approving Settlement Agreement (Order No. 24,812) requires the Company to identify in its Annual Reports any accounting changes or impacts resulting from the approved transaction and to confirm that the commitment set forth in Article 2.6 has been fulfilled. This filing contains no such accounting changes or impact, thereby confirming that the commitment set forth in Article 2.6 has been fulfilled.

If you have any questions please do not hesitate to contact me at (207) 688-4333.

Sincerely,



Peter Cohen
Director, Regulatory
Iberdrola USA
Providing Affiliate Services to New Hampshire Gas Corporation

Enclosure