

June 15, 2016

Mr. Jeffrey R. Gaudiosi, Esq. Executive Secretary Public Utilities Regulatory Authority 10 Franklin Square New Britain, CT 06051

RE: Docket No. 92-10-09; DPUC Review of the Need for an Interim Rate Decrease for

Connecticut Natural Gas Corporation, Order No. 1

Docket No. 76-03-07; Investigation to Consider Rate Adjustment Procedures and Mechanisms Appropriate to Charge or Reimburse the Consumer for Changes in the Cost of Fossil Fuel

Dear Mr. Gaudiosi:

The enclosed monthly report for April 30, 2016 of Connecticut Natural Gas Corporation (the "Company") is furnished in compliance with Order No. 1 of the Decision in Docket No. 92-10-09, and a directive of the Public Utilities Regulatory Authority ("PURA"). This report contains financial information that is unaudited and preliminary and, as such, may be subject to subsequent adjustment.

I hereby certify service of this filing upon all parties and interveners of record in this proceeding. Since the electronic copy filed via the Web Filing System is the complete filing, only the original file is being submitted herewith.

Sincerely,

Michael A. Coretto
Vice President, Regulatory Affairs
UIL Holdings Corporation
As Agent for Connecticut Natural Gas Corporation



CONNECTICUT NATURAL GAS CORPORATION

REPORT TO THE CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY (PURA)

FOR THE MONTH ENDED APRIL 30, 2016

DATED: June 15, 2016

CONNECTICUT NATURAL GAS CORPORATION Statement of Income Twelve Months Ending April 30, 2016 (UNAUDITED)

Total Operating Revenue	\$	292,674,519
Operating Expenses Purchased Gas Expense O & M Expenses Depreciation and Amort Expenses Taxes Other than Income Income Taxes Total Operating Expenses		115,492,151 82,292,148 30,189,707 21,027,975 10,971,620 269,973,601
Total Operating Income (Loss)		32,700,918
Total Other (Income) and Deductions		10,516,424
Total Income (Loss) Before Interest Charges		22,184,494
Interest Charges: Interest on Long-Term Debt Amortization of Debt Discount and Exp. Other Interest Charges Total Interest Charges		8,741,000 92,521 1,008,363 9,841,884
Net Income (Loss)		12,342,610
Preferred Stock Dividends		27,177
BALANCE FOR COMMON STOCK	\$	12,315,433

CONNECTICUT NATURAL GAS CORPORATION Rate Base Summary Twelve Months Ending April 30, 2016 (UNAUDITED)

LINE			
<u>NO.</u>	DESCRIPTION		
		END OF PE	RIOD RATE BASE
1	UTILITY PLANT IN SERVICE	\$	804,052,493
2	PLUS WORKING CAPITAL		12,111,935
3	PLUS MATERIALS AND SUPPLIES		18,784,609
4	PLUS PREPAYMENT RESERVES		52,795
5	PLUS DEFERRED DEBITS		34,522,198
6 7	LESS ACCUMULATED RESERVE FOR DEPRECIATION		(443,406,986)
	LESS DEFERRED INCOME TAXES		(3,935,787)
8	LESS RESERVES / REGULATORY LIABILITIES		(12,541,353)
9		-	
10	TOTAL END OF PERIOD RATE BASE	\$	409,639,904
		TOTAL AVER	AGE RATE BASE
11	UTILITY PLANT IN SERVICE	\$	779,158,211
12	PLUS WORKING CAPITAL		13,538,740
13	PLUS MATERIALS AND SUPPLIES		23,919,797
14	PLUS PREPAYMENT RESERVES		51,200
15	PLUS DEFERRED DEBITS		33,785,653
16	LESS ACCUMULATED RESERVE FOR DEPRECIATION		(430,249,918)
17	LESS DEFERRED INCOME TAXES		(1,361,983)
18	LESS RESERVES / REGULATORY LIABILITIES		(12,567,075)
19 20	TOTAL AVERAGE RATE BASE	\$	406,274,625

CONNECTICUT NATURAL GAS CORPORATION Rate of Return on Common Equity Twelve Months Ending April 30, 2016 (UNAUDITED) (\$000)

Capital Structure per Books: Long Term Debt \$ 140,000 27.98% 6.34% Short Term Debt 1,934 0.39% 7.96% Preferred Stock 340 0.07% 8.00% Common Equity 355,125 71.57% \$ 500,398 100.00% Adjustments: Long Term Debt (648) (3) Short Term Debt - Preferred Stock - Common Equity (181,759) (4) Adjusted Capital Structure: Long Term Debt \$ 139,352 43.82% 6.34% Short Term Debt 1,934 0.81% 7.98% (5) Preferred Stock 340 0.11% 8.00% Common Equity 176,367 55,46% Total \$ 317,993 100.00%		_:_				<u>.</u>						
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Common Equity 176,367 55.46% Total \$ 317,993 100.00% Notes: (1) This adjustment is to exclude the portion of taxes relating to debt expense not included in the return on rate base. (2) Weather impact on Utility Operating Income is adjusted through CNG's decoupling mechanism from Docket No. 13-06-08. (3) Long Term Debt Adjustments are as follows: Total \$ \$ Common Equity Adjustments are as follows: . To deduct unamortized debt expense. Total \$ \$ (4) Common Equity Adjustments are as follows: . To eliminate the effects of the portion of goodwill recorded to paid-in capital (Energy East Acquisition). . To eliminate the effects of purchase Accounting pertaining to the UIL Acquisition. . To eliminate the effects of goodwill impairments (therdrola - Sale of CNG to UIL).	0.01%	(3)										
Total \$ 317,993 100.00% Notes: (1) This adjustment is to exclude the portion of taxes relating to debt expense not included in the return on rate base. (2) Weather impact on Utility Operating Income is adjusted through CNG's decoupling mechanism from Docket No. 13-06-08. (3) Long Term Debt Adjustments are as follows: Total (4) Common Equity Adjustments are as follows: To eliminate the effects of the portion of goodwill recorded to paid-in capital (Energy East Acquisition). To eliminate the effects of purchase Accounting pertaining to the UIL Acquisition. To eliminate the effects of goodwill impairments (therdrola - Sale of CNG to UIL).	0.0176		0.0070									
Notes: (1) This adjustment is to exclude the portion of taxes relating to debt expense not included in the return on rate base. (2) Weather impact on Utility Operating Income is adjusted through CNG's decoupling mechanism from Docket No. 13-06-08. (3) Long Term Debt Adjustments are as follows: . To deduct unamortized debt expense. . Total (4) Common Equity Adjustments are as follows: . To eliminate the effects of the portion of goodwill recorded to paid-in capital (Energy East Acquisition). . To eliminate the effects of Purchase Accounting pertaining to the Util. Acquisition. . To eliminate the effects of goodwill impairments (liberdrola - Sale of CNG to UIL).	0.000	-							_	• •		
(2) Weather impact on Utility Operating Income is adjusted through CNG's decoupling mechanism from Docket No. 13-06-08. (3) Long Term Debt Adjustments are as follows: To deduct unamortized debt expense. Total (4) Common Equity Adjustments are as follows: To eliminate the effects of the portion of goodwill recorded to paid-in capital (Energy East Acquisition). To eliminate the effects of goodwill amortizations (Energy East Acquisition). To eliminate the effects of goodwill impairments ((berdrota - Sale of CNG to UIL).	2.83%					100.00%		317,993	-	Total		
(3) Long Term Debt Adjustments are as follows: . To deduct unamortized debt expense,				se.	rate bas	in the return on a	included	debt expense no	lating to	This adjustment is to exclude the portion of taxes n	(1) This	Notes:
. To deduct unamortized debt expense, Total (4) Common Equity Adjustments are as follows: . To eliminate the effects of the portion of goodwill recorded to paid-in capital (Energy East Acquisition) To eliminate the effects of goodwill amortizations (Energy East Acquisition) To eliminate the effects of purchase Accounting pertaining to the UIL Acquisition To eliminate the effects of goodwill impairments (therdrofa - Sale of CNG to UIL).				. 13-06-08.	ket No.	chanism from Doc	pling me	ugh CNG's decou	ited throu	Weather impact on Utility Operating Income is adju	(2) West	
(4) Common Equity Adjustments are as follows: . To eliminate the effects of the portion of goodwill recorded to paid-in capital (Energy East Acquisition). . To eliminate the effects of goodwill amortizations (Energy East Acquisition). . To eliminate the effects of Purchase Accounting pertaining to the URL Acquisition. . To eliminate the effects of goodwill impairments (iberdrola - Sale of CNG to UIL).	(648)							ense,		, To deduct unamortized	(3) Long	
. To eliminate the effects of the portion of goodwill recorded to paid-in capital (Energy East Acquisition) To eliminate the effects of goodwill amortizations (Energy East Acquisition) To eliminate the effects of Purchase Accounting pertaining to the UIL Acquisition To eliminate the effects of goodwilt impairments (Iberdrofa - Sale of CNG to UIL).	(648)	=							al		(4)	
. To eliminate the effects of goodwill amortizations (Energy East Acquisition). To eliminate the effects of Purchase Accounting pertaining to the UIL Acquisition. To eliminate the effects of goodwill impairments (Iberdrota - Sale of CNG to UIL).	(242 470)			v Fast Accessoration	(Epare	I to paid-in cardet	recorded	ortion of anadwill	of the n		(T) COM	
. To eliminate the effects of goodwill impairments (iberdrots - Sale of CNG to UIL).	(215,176) 7,612			heer sednering		East Acquisition),	(Energy	will amortizations	of goods	. To eliminate the effect		
■	(65,317)											
	90,923	-			UIL)	- sale of CNG to	Bionbreum	wii impaiments (nt Boody			
	(401,730)	=										

Short-term debt rate includes an apportioned cost of the UIL revolving credit facility fee.



June 15, 2016

Mr. Jeffrey R. Gaudiosi, Esq. Executive Secretary Public Utilities Regulatory Authority 10 Franklin Square New Britain, CT 06051

Re: Docket No. 76-03-07 Investigation to Consider Rate Adjustment Procedures and Mechanisms Appropriate to Charge or Reimburse the Consumer for Changes in the Cost of Fossil Fuel and/or Purchased Gas for Electric and Gas Public Service Companies

Dear Mr. Gaudiosi:

The enclosed monthly report for April 30, 2016 of The Southern Connecticut Gas Company (the "Company") is furnished in compliance with a directive of the Public Utilities Regulatory Authority ("PURA"). This report contains financial information that is unaudited and preliminary and, as such, may be subject to subsequent adjustment.

I hereby certify service of this filing upon all parties and interveners of record in this proceeding. Since the electronic copy filed via the Web Filing System is the complete filing, only the original file is being submitted herewith.

Sincerely,

Michael A. Coretto
Vice President, Regulatory Affairs
UIL Holdings Corporation
As Agent for The Southern Connecticut Gas Company



THE SOUTHERN CONNECTICUT GAS COMPANY

REPORT TO THE CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY (PURA)

FOR THE MONTH ENDED April 30, 2016

DATED: June 15, 2016

THE SOUTHERN CONNECTICUT GAS COMPANY

Statement of Income Twelve Months Ending April 30, 2016 (UNAUDITED)

Total Operating Revenue	\$ 305,509,684
Operating Expenses Purchased Gas Expense O & M Expenses Depreciation and Amort Expenses Taxes Other than Income Income Taxes Total Operating Expenses	 126,267,293 91,405,160 23,296,350 21,645,451 10,090,323 272,704,577
Leased Land Income	 287,587
Total Operating Income (Loss)	33,092,694
Total Other (Income) and Deductions	4,894,620
Total Income (Loss) Before Interest Charges	28,198,075
Interest Charges: Interest on Long-Term Debt Amortization of Debt Discount and Exp. Other Interest Charges Total Interest Charges	 13,374,100 306,464 737,522 14,418,087
Net Income (Loss)	\$ 13,779,988

Southern Connecticut Gas Company Summary by Tariff

		Revenue	Revenue Mcf	
	KEY	Apr-16	Apr-16	
Residential				
General (RSG)	RSG	1,021,949	50,684	\$20.16
Heating (RSH)	RSH	17,583,914	1,436,502	12.24
Housing (RMDS)	RMDS	867,838	106,755	8.13
Total Firm Residential		19,473,701	1,593,942	\$12.22
Commercial & Industrial				
Small General Service (SGS)	SGSS	2,561,262	181,365	\$14.12
General Service (GS)	MGSS	2,660,818	297,811	8.93
Large General Service (LGS)	LGSS	3,233,787	514,665	6.28
Total Commercial & Industrial		8,455,867	993,841	\$8.51
Sub-Total Firm Sales	_	27,929,568	2,587,782	\$10.79
Firm Transportation				
Housing (RMDS)	RMDT	215,099	68,819	\$3.13
Small General Service (SGS)	SGST	62,887	9,169	6.86
General Service (GS)	MGST	286,076	71,025	4.03
Large General Service (LGS)	LGST	754,906	260,027	2.90
Sub-Total Firm Transportation		1,318,968	409,040	\$3.22
Special Contracts (FTA)	SPC	724,274	4,325	167
Sub-Total Transportation		2,043,242	413,364	\$4.94
Interruptible Service				
Manual Interruptible (IS)	MIS	1,108,014	322,829	\$3.43
Interruptible Transportation (ITS)	ITS	10,550	2,723	\$3.87
Natural Gas Vehicles (NGV)	NGV	599	53	11.29
Sub-Total Interruptible		1,119,164	325,606	\$3.44
Off System Sales	OFFEVE	4 444 224		
Total Operating Revenues	OFFSYS	1,114,231 32,206,204	3,326,752	\$9.68
			0,020,702	Ψ5.00

The Southern Connecticut Gas Company Rate Base Summary Twelve Months Ended April 30, 2016 (UNAUDITED)

LINE NO.	DESCRIPTION	END OF F	PERIOD RATE BASE
1 2 3	UTILITY PLANT IN SERVICE PLUS WORKING CAPITAL PLUS MATERIALS AND SUPPLIES	\$	823,204,684 27,004,987 16,191,314
4	PLUS PREPAYMENT RESERVES		4,767
5	PLUS DEFERRED DEBITS / REGULATORY ASSETS		883,335
6 7	LESS ACCUMULATED RESERVE FOR DEPRECIATION		(304,506,319)
8	LESS DEFERRED INCOME TAXES LESS RESERVES / REGULATORY LIABILITIES		(54,361,593)
9	LEGG NEGERVEG / NEGGERT ORT LIABIETTEG		(9,748,521)
10	TOTAL END OF PERIOD RATE BASE	\$	498,672,654
		TOTAL AV	ERAGE RATE BASE
11	UTILITY PLANT IN SERVICE	\$	785,499,623
12	PLUS WORKING CAPITAL		29,383,041
13	PLUS MATERIALS AND SUPPLIES		21,391,808
14	PLUS PREPAYMENT RESERVES		45,141
15	PLUS DEFERRED DEBITS / REGULATORY ASSETS		6,764,114
16 17	LESS ACCUMULATED RESERVE FOR DEPRECIATION LESS DEFERRED INCOME TAXES		(295,299,407)
17	LESS RESERVES / REGULATORY LIABILITIES		(48,655,408) (10,066,400)
19	LEGG REGERVES / REGULATORY EIABIETTES		(10,000,400)
20	TOTAL AVERAGE RATE BASE	\$	489,062,511

The Southern Connecticut Gas Company Rate of Return on Common Equity Twelve Months Ended April 30, 2016 (UNAUDITED) (\$000)

	T	y Operating Income ax Rectification Adjustment					\$	33,093 (33 <u>5)</u>	(1)		
	M	sted Utility Operating Income /eather Impact on Utility Operating Income ther-Adjusted Utility Operating Income	\$	32,758 4.808 37,566	(2)						
	Aver	age Rate Base	\$	489,063							
	Rate	of Return on Rate Base (Adjusted UOI bef		6.70%							
	Exclu	ude Weighted Cost of Debt						-2.75%			
	Com	mon Equity Component						3.95%			
	Com	mon Equity Percent of Total Capitalization			-			54.31%		-	
		sted Return on Common Equity (before wea ther-Adjusted Return on Common Equity	ather impa	ect)				7.27% 9.07%			
	Unac	tjusted Return on Common Equity (before to	ax rectifica	ation and im	pact of	weather)		7.39%			
	Aver	age Capital Structure and Cost Rates	An	Capi	tal Struc	cture Weighting		_	C	ost o	f Debt Weighted Rate
	Capit	Capital Structure per Books:							11010		vieigilieu Itale
		Long Term Debt	\$	214,000		33.68%			6.50%		2.19%
		Short Term Debt Common Equity		18,410 402,917		2.90% 63.42%			1.31%	(5)	0.04%
		1	\$	635,327		100.00%					2.23%
	Adjus	Adjustments:									
	-	Long Term Debt		(31,026)	(3)						
		Short Term Debt Common Equity	((163,557)	(4)						
	Adius	sted Capital Structure:									
	1 10/00	Long Term Debt	\$	182,974		41.51%			6.50%		2.70%
		Short Term Debt		18,410		4.18%			1.31%	(5)	0.05%
		Common Equity		239,360		<u>54.31%</u>					
		Total	\$	440,745		100.00%					2.75%
Notes:	(1)	This adjustment is to exclude the portion of taxes re	elating to deb	ot expense not	included i	n the return on ra	te base	•			
	(2)	This adjusts for the impact of (colder) or warmer the	an normal we	ather on Utility	Operation	g Income.					
	(3)	Long Term Debt Adjustments are as follows:									
		To deduct unamortized					_	_			\$ (3,481)
		To eliminate the effect:		elated expense	es in SCG	's capital structur	e (Eneri	gy East Acquisition	on).		(27.544) \$ (31,026)
	(4)	Common Equity Adjustments are as follows:									(01,020)
		To eliminate the effects					Energy	East Acquisition).			\$ (245,937)
		To eliminate the effects. To eliminate the effects					ition				13,517 (110,022)
		To eliminate the effects	s of goodwill								178,885 \$ (163,557)
	Total										

Short-term debt rate includes an apportioned cost of the UIL revolving credit facility fee.