

**GAS ANNUAL REPORT
OF**

**The Peoples Natural Gas Company
d/b/a Dominion Peoples**

Exact legal name of reporting gas company or corporation

(If name was changed during year, show also the previous name and date of change)

625 Liberty Avenue, Pittsburgh, PA 15222-3197

(Address of principal business office at end of year)

FOR THE

YEAR ENDED DECEMBER 31, 2002

TO THE

COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

**Name, title, address and telephone number (including the area code), E-Mail Address,
and Web Site Address of the person to be contacted concerning this report:**

**Gregory A. Sciallo
Director, Subsidiary Accounting
625 Liberty Avenue
Pittsburgh, PA 15222-3197
412-690-1677
Gregory_A._Sciallo@Dom.com**

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**PA PUBLIC UTILITY COMMISSION
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GENERAL INSTRUCTIONS

1. The completed original and an electronic (e-mail) copy of this report shall be filed with the Pennsylvania Public Utility Commission, P.O. Box 3265, Harrisburg, Pennsylvania, 17105-3265 on or before the 30th of April following the end of the year to which the report applies.
2. All Natural Gas Distribution Companies subject to the jurisdiction of the Pennsylvania Public Utility Commission, upon which this report is served are required by statute to complete and file this report. The statute further provides that when any such report is defective or believed to be erroneous, the reporting corporation shall be duly notified and given a reasonable time within which to make the necessary amendments or corrections. All data comprising this report shall be submitted in electronic and permanent form.
3. All accounting terms and phrases used in this form are to be interpreted in accordance with the effective applicable Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission Title 18 under "Part 201-Uniform System of Accounts Prescribed for Natural Gas Companies Subject to the Provisions of the Natural Gas Act". (18 CFR Part 201). Whenever the term respondent is used, it shall mean the reporting company.
4. Standard accounting procedures will apply in determining the nature of any entry (e.g., Uncollectibles, a revenue item, is normally a debit entry, and should be entered as a "positive" number unless the reported balance is a credit). Entries of a reverse or contrary character shall be indicated by parenthesis around the number.
5. If the report is made for a period less than the calendar year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where the period covered is shown. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes). If the books are not closed as of that date, the data in the report should nevertheless be complete, and the amounts reported should be supported by information set forth in, or as part of, the books of account.
6. All instructions shall be followed and each question shall be answered fully and accurately. Sufficient answers shall appear to show that no question or schedule has been overlooked. The expression "none" or "not applicable" shall be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. Where information called for herein is not given, state fully the reason for its omission.
7. Extra copies of any page will be furnished upon request. If it is necessary or desirable to insert additional statements for the purpose of further explanation of accounts or schedules, they shall be legibly made on paper of durable quality and shall correspond to this form in size of page and width of margin. Additional sheets, ruled either vertically or horizontally, will be furnished on request. Inserts, if any, should be appropriately identified with the schedules to which they relate.
8. If the gas distribution service provider conducts operations both within and outside the Commonwealth of Pennsylvania, data should be reported so that there will be shown the number of subscribers within this state, and (separately by accounts) the operating revenues from sources within this state, and the plant investment as of the end of the year within the state.
9. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different figures were used.
10. Throughout the report, money items shall be shown in units of dollars adjusted to accord with footings. Omitting cents does not apply, however, to items in which cents are of significance, as for instance, in averages and in unit costs.
11. If this report is not completed electronically, the name of the respondent and the year to which the report relates shall be inserted on the top of each page.

GENERAL INFORMATION

1 Name and title of officer having custody of the general books of account and address of the office where such books are kept.

Maxwell R. Schools, Jr. Controller
Dominion Tower
625 Liberty Avenue
Pittsburgh, PA 15222-3197

2 Name of State under the laws of which respondent is incorporated and the date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.

Incorporated under the laws of Pennsylvania, June 26, 1885, Pennsylvania Natural Gas Act of May 29, 1885, PC No. 29

3 If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, (d) date when possession by receiver or trustee ceased

None

4 State the classes of utility and other services furnished by respondent during the year in each state in which the respondent operated.

Natural gas service in the State of Pennsylvania.

IMPORTANT CHANGES DURING YEAR

Hereunder give particulars concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry must be answered. However, if the word "None" states the fact, it may be used in answering any inquiry.

1. Changes in, and additions to franchise rights; describing (a) the actual consideration given therefor, and (b) from whom acquired. If acquired without the payment of any consideration, state that fact.
2. Acquisition of other companies, reorganization, merger or consolidation with other companies: give names of companies involved, particulars concerning the transactions, and references to Commission authorization, if any.
3. Purchase or sale of substantial operating units, such as generating stations, transmission lines or distribution lines, specifying items, parties, effective dates and also reference to Commission authorization, if any.
4. Important leaseholds (other than leaseholds for natural gas lands) acquired, given, assigned, or surrendered, giving effective dates, lengths of terms, names of parties, rents, Commission authorization, if any, and other conditions.
5. Important extensions of system, giving location, new territory covered by distribution systems, and dates of beginning operations. Give, also, the number of new customers of each class, and for each class of customers the estimated annual revenues.
6. Estimated increase or decrease in annual revenues due to important rate changes, and the approximate extent to which such increase or decrease is reflected in revenues for the reporting year.
7. Important wage scale changes, showing dates of changes, effect on operating expenses for the year, and estimated annual effect of such wage scale changes on operating expenses.
8. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue, and giving Commission authorization, if any.
9. Changes in articles of incorporation or amendments to charter: explain the nature and purpose of such changes or amendments.
10. Other important changes not elsewhere provided for.

1. None
2. None
3. None
4. None
5. None

6. Estimated increase or (decrease) in revenues during the year 2002 due to rate changes:

	Date	Included in 2002 Revenues	Annual
Tariff #43, Supplement Nos. 26, 27	1/01/02	(\$1,091,247)	(\$1,091,247)
Tariff #43, Supplement Nos. 28	4/01/02	\$1,187,494	\$2,326,371
Tariff #43, Supplement Nos. 29	4/10/02	(\$943,254)	(\$2,096,121)
Tariff #43, Supplement Nos. 31	8/04/02	(\$411,231)	(\$1,787,962)
Tariff #43, Supplement Nos. 32, 33, 34	10/01/02	\$6,473,426	\$30,615,152

7. A 3.50% wage increase was granted to hourly personnel under the bargaining unit contract with Gas Employees' Independent Union Local 666, effective May 1, 2002.

Estimated effect on 2002 Operating Expenses - \$374,360
 Estimated annual effect on Operating Expenses due to wage changes - \$561,540

8. None
9. None
10. None

DEFINITIONS

"Accounts" means the accounts prescribed in the Federal Code Regulations Title 18, Part 201.

"Amortization" means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, which may be over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

"Book Cost" means the amount at which property is recorded in the applicable account without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

"Control" (including the terms, "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, affiliated companies, contract or any other direct or indirect means.

"Cost" means the amount of money actually paid for property or service. When the consideration given is other than cash, the value of such consideration shall be determined on a cash basis.

"Debt Expense" means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen or marketing such evidences of debt; fees and expenses of listing on exchanges, and other like costs.

"Depreciation", as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of the utility plant in the course of providing service. This includes causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of regulatory bodies.

"Distribution Service Line", A distribution line that transports gas from a common source of supply to a customer meter or the connection to a customer's piping, whichever is further downstream, or the connection to a customer's piping if there is no customer meter.

DEFINITIONS
(Continued)

"Investment Advances" means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

"Minor Items of Property" means the associated parts or items of which retirement units are composed.

"Net Salvage Value" means the salvage value of property retired less the cost of removal.

"Nominally Issued", as applied to securities issued or assumed by the utility means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued directly to trustees of sinking funds in accordance with contractual requirements.

"Original Cost", as applied to utility plant, means the cost of such property to the person first devoting it to public service.

"Property Retired", as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

"Replacing or Replacement", when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.

"Retained Earnings" means the accumulated net income of the utility less distributions to stockholders and transfers to other capital accounts, and other adjustments.

"Salvage Value" means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

"Straight-Line Remaining Life Method", as applied to depreciation accounting, means the plan under which the service value of property is charged to operating expenses (and to clearing accounts if used), and credited to the accumulated depreciation account through equal annual changes during its service life. "Remaining Life" implies that estimates of the future life and salvage shall be reexamined periodically and that depreciation rates will be corrected to reflect any changes in these estimates.

100. VOTING POWERS AND ELECTIONS

1. Has each share of stock the right to one vote? Yes/No
Yes
2. Are voting rights attached only to stock? Yes/No (If the answer to either query 1 or 2 is "No," give particulars on a separate sheet.)
Yes
3. Give date of the latest closing of the stock book prior to end of year and state the purpose of such closing
December 6, 2002; record date of dividend.
4. Is cumulative voting permitted? Yes/No
No
6. State the date and place of the latest general meeting held prior to the end of the year for the election of directors?
June 11, 2002; Action taken by written consent in lieu of Annual Meeting.
7. State the total number of votes cast at the latest general meeting and the total number cast by proxy.
1,835,350 votes cast; all by proxy.
8. State the total number of voting security holders and the total of all voting securities as of such date.
One voting security holder. Total voting securities as of June 11, 2002; 1,835,350
9. If any security has preferences, special privileges, or restrictions in the election of directors, trustees or managers, or in the determination of any corporate action, give details
None
10. State the number of votes controlled by management, other than officers of the Corporation.
None

101 SECURITY HOLDER INFORMATION AND VOTING POWERS

1. Report the requested information for each holder of one percent or more of the voting securities or if there are fewer than ten such holders, the ten who hold the highest voting powers. Data should be the latest available nearest the end of the year. When the holder of record is a trustee, or other intermediate agency (except a corporation), the data should be reported opposite the names of the beneficial owners, designated as such, under a general heading identifying the trustee or other agency. Securities with contingent voting rights may be disregarded.
2. Attach hereto a certified copy of every effective voting trust established and a certified copy of every other agreement (trustee or otherwise) under which voting securities are held for beneficial owners. If any such agreement has been filed with a previous report, reference to the earlier report will be sufficient provided changes or modification since filing are shown.

Line No.	Last Name (a)	First Name (b)	Street Address (c)	City (d)	State (e)	Zip (f)	Total Votes (g)	Common Stock (h)	Preferred Stock (i)	Other (j)	Nonvoting Securities (see instruction 2) Principal, Par Value, or Stated Value (Specify issue-omit cents) (k)
1	Total votes of all voting securities										
2	Total number of security holders										
3	Total votes of security holders listed below										
4							1,835,350	1,835,350			
5	Consolidated Natural Gas Company										
6			Dominion Tower	Pittsburgh	PA	15222	1,835,350	1,835,350			
7			625 Liberty Avenue								
8											
9											
10											
11											
12											
13											
14											
15											

102. COMPANIES CONTROLLED BY RESPONDENT

1. Show below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of the year, give particulars in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediates involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Street Address (c)	City (d)	State (e)	Zip (f)	Voicing % of Stock (g)	Footnote Ref. (h)
1								
2	None							
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16							0%	

103. Directors

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a) abbreviated full the directors who are officers of respondent.
2. Designate by an asterisk names of members of Executive Committee, and by double asterisk the Chairman of the Executive Committee.

Line No.	Directors Name and Title (a)	Principal Business Address					Term Began (i)	Term Ended (j)	Meetings Attended (k)	Fees Paid (l)
		Street Address (b)	City (c)	State (d)	Zip (e)	Telephone (h)				
1	Edgar M. Roach, Jr President & CEO	701 East Cary Street	Richmond	VA	23219	804-771-3995	12/01/2002	5*	None	
2										
3										
4	Jay L. Johnson President & CEO	701 East Cary Street	Richmond	VA	23219	804-771-3994	12/01/2002	0	None	
5										
6										
7										
8										
9										
10										
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16										
17										
18										
19										
20										
21										
22										
23										
24										

*All meetings held via written consent.

104. Officers

Line No	Official Title & Name (a)	Principal Business Address						
		Street Address (b)	City (c)	State (d)	Zip (e)	Telephone (f)	Fax (g)	Email (h)
1	President and Chief Executive Officer							
2	Jay L. Johnson	701 East Cary Street	Richmond	VA	23219	804-771-3994	804-771-3233	Jay_Johnson@Dom.com
3	Senior Vice Presidents:							
4	M. Stuart Bolton, Jr	701 East Cary Street	Richmond	VA	23219	804-771-3802	804-771-4066	Stuart_Bolton@Dom.com
5	Financial Management							
6	Thomas A. Hyman, Jr	701 East Cary Street	Richmond	VA	23219	804-771-4040	804-771-4066	Thomas_Hyman@Dom.com
7	Gas Distribution & Customer							
8	Vice Presidents:							
9	Mary C. Doswell	701 East Cary Street	Richmond	VA	23219	804-771-6070	804-771-4066	Mary_Doswell@Dom.com
10	Billing and Credit							
11	Pamela F. Faggert	5000 Dominion Boulevard	Glen Allen	VA	23060	804-273-3467	804-273-3410	Pamela_Faggert@Dom.com
12	Chief Environmental Officer							
13	Erie S. Hall	1201 East 55th Street	Cleveland	OH	44103	216-736-5760	216-736-5765	Erie_S_Hall@Dom.com
14	Gas Engineering							
15	Bruce C. Klink	1717 East Ninth Street	Cleveland	OH	44114	216-736-6325	216-736-6262	Bruce_C_Klink@Dom.com
16	Regulatory and Pricing							
17	Thomas E. Wester	625 Liberty Avenue	Pittsburgh	PA	15222	412-497-6881	412-690-1989	Thomas_E_Wester@Dom.co
18	Operations							
19	Senior Vice President and Treasurer							
20	G. Scott Heizer	100 Tredegar Street	Richmond	VA	23219	804-819-2113	804-819-2203	Scott_Heizer@Dom.com
21	Assistant Treasurers:							
22	James P. Carney	100 Tredegar Street	Richmond	VA	23219	804-819-2107	804-819-2203	James_Carney@Dom.com
23	Jerry G. Overman	100 Tredegar Street	Richmond	VA	23219	804-819-2736		Jerry_Overman@Dom.com
24	Controller							
25	Maxwell R. Schools, Jr	625 Liberty Avenue	Pittsburgh	PA	15222	412-690-1144	412-690-7630	Maxwell_Schools@Dom.com
26	Vice President and Secretary							
27	Patricia A. Wilkerson	100 Tredegar Street	Richmond	VA	23219	804-819-2120		Patty_Wilkerson@Dom.com
28	Assistant Secretaries:							
29	Susan G. George	625 Liberty Avenue	Pittsburgh	PA	15222	412-497-6891	412-497-6838	Susan_G_George@Dom.com
30	E. J. Marks, III	100 Tredegar Street	Richmond	VA	23219	804-819-2139	804-819-2232	E_J_Marks@Dom.com
31	Henry C. Riely	100 Tredegar Street	Richmond	VA	23219	804-819-2122		Henry_Riely@Dom.com
32								

200. COMPARATIVE BALANCE SHEET

ASSETS AND OTHER DEBITS

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No	Account Number and Title (a)	Schedule Page No (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	UTILITY PLANT				
2	101 0 Utility Plant in Service	205	\$704,150,390	\$738,991,765	\$34,841,375
3	101 1 Property Under Capital Leases	205	14,679	97,168	82,489
4	102 0 Gas Plant Purchased or Sold				0
5	103 0 Experimental Gas Plant Unclassified				0
6	104 0 Gas Plant Leased to Others				0
7	105 0 Gas Plant Held for Future Use		187,430	187,430	0
8	105.1 Production Properties Held For Future Use				0
9	106 0 Completed Construction Not Classified-Gas				0
10	107.0 Construction Work in Progress-Gas	208	7,314,822	9,428,316	2,113,494
11	108 0 Accumulated Provision for Depreciation of Gas Utility Plant	206	(246,111,184)	(257,198,103)	(11,086,919)
12	111 0 Accumulated Prov For Amortization & Depletion of Gas Utility Pl	206	(6,645,051)	(10,639,437)	(3,994,386)
13	114 0 Gas Plant Acquisition Adjustments	207			0
14	115 0 Accumulated Prov For Amortization & Depletion of Gas Plant Acquisition Adjustments	206			0
16	116 0 Other Gas Plant Adjustments				0
17	117 1 Gas Stored-Base Gas				0
18	117 2 System Balancing Gas				0
19	117 3 Gas Stored in Reservoirs and Pipelines-Noncurrent		1,627,777	1,611,530	(16,247)
20	117 4 Gas Owed to System Gas				0
21	118 0 Other Utility Plant Adjustments				0
22	119 0 Accumulated Provision for Depreciation and Amortization of Other Utility Plant	206			0
24	TOTAL UTILITY PLANT		\$460,538,863	\$482,478,670	\$21,939,807
25	OTHER PROPERTY AND INVESTMENTS				
26	121 0 Non-Utility Property		\$17,172	\$17,172	(\$0)
27	122 0 Accumulated Depreciation & Amortization of Non-Utility Property		(9,322)	(9,322)	0
28	123 0 Investments in Associated Companies	210			0
29	123.1 Other Investments	210			0
30	124 0 Other Investments	210	2	300,002	300,000
31	125 0 Sinking Funds				0
32	126 0 Depreciation Fund				0
33	128 0 Other Special Funds				0
34	TOTAL OTHER PROPERTY AND INVESTMENTS		\$7,852	\$307,852	\$300,000

**200. COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	CURRENT AND ACCRUED ASSETS				
2	131 0 Cash		\$6,631,422	\$1,976,998	(\$4,654,424)
3	132 0 Interest Special Deposits				0
4	133 0 Dividend Special Deposits				0
5	134 0 Other Special Deposits		2,292,167	2,808,720	516,553
6	135 0 Working Funds				0
7	136 0 Temporary Cash Investments	210			0
8	141 0 Notes Receivable	211	485,000	485,000	0
9	142 0 Customer Accounts Receivable		67,799,499	71,041,773	3,242,274
10	143 0 Other Accounts Receivable	211	4,240,306	4,921,074	680,768
11	144 0 Accumulated Provision for Uncollectible Accounts-Cr.		(9,069,139)	(6,115,333)	2,953,806
12	145 0 Notes Receivable from Associated Companies	212			0
13	146 0 Accounts Receivable for Associated Companies	213	407,117	242,275	(164,842)
14	151 0 Fuel Stock				0
15	152 0 Fuel Stock Expenses Undistributed				0
16	153 0 Residuals and Extracted Products				0
17	154 0 Plant Materials and Operating Supplies	215	1,797,962	1,734,429	(63,533)
18	155 0 Merchandise				0
19	156 0 Other Materials and Supplies				0
20	163 0 Stores Expense-Undistributed				0
21	164 1 Gas Stored-Current		30,498,377	25,243,960	(5,254,417)
22	164 2 Liquefied Natural Gas Stored				0
23	164 3 Liquefied Natural Gas Held for Processing				0
24	165 0 Prepayments		10,538,824	6,663,428	(3,875,396)
25	166 0 Advances for Gas Exploration, Development and Production				0
26	167 0 Other Advances for Gas				0
27	171 0 Interest and Dividends Receivable		80,025	80,025	0
28	172 0 Rents Receivable				0
29	173 0 Accrued Utility Revenues		21,205,000	24,364,000	3,159,000
30	174 0 Miscellaneous Current and Accrued Assets		15,021,822	12,726,095	(2,295,727)
31	TOTAL CURRENT & ACCRUED ASSETS		\$151,928,382	\$146,172,444	(\$5,755,938)
32	DEFERRED DEBITS				
33	181 0 Unamortized Debt Expense	216			0
34	182 1 Extraordinary Property Losses	217			0
35	182 2 Unrecovered Plant and Regulatory Study Costs	217			0
36	182 3 Other Regulatory Assets		\$170,102,830	\$195,656,045	\$25,553,215
37	183 1 Preliminary Natural Gas Survey and Investigation Charges				0
38	183 2 Other Preliminary Survey and Investigation Charges				0
39	184 0 Clearing Accounts		(15,900)	0	15,900
40	185 0 Temporary Facilities				0
41	186 0 Miscellaneous Deferred Debits		128,620,321	152,925,124	24,304,803
42	187 0 Deferred Losses from Disposition of Utility Plant				0
43	188 0 Research, Development and Demonstration Expenditures				0
44	189 0 Unamortized Loss on Recaptured Debt				0
45	190 0 Accumulated Deferred Income Taxes				0
46	191 0 Unrecovered Purchased Gas Costs		8,656,189	30,665,536	22,009,347
47	TOTAL DEFERRED DEBITS		\$307,363,440	\$379,246,706	\$71,883,266
48	TOTAL ASSETS & TOTAL DEBITS		\$919,838,537	\$1,008,205,672	\$88,367,135

**200. COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	LIABILITIES AND OTHER CREDITS				
2	PROPRIETARY CAPITAL				
3	201.0 Common Stock Issued		\$183,535,000	\$183,535,000	\$0
4	202.0 Common Stock Subscribed				0
5	203.0 Common Stock Liability for Conversion				0
6	204.0 Preferred Stock Issued				0
7	205.0 Preferred Stock Subscribed				0
8	206.0 Preferred Stock Liability for Conversion				0
9	207.0 Premium on Capital Stock				0
10	208.0 Donations Received from Stockholders				0
11	209.0 Reduction in Par or Stated Value of Capital Stock				0
12	210.0 Gain on Resale or Cancellation of Recquired Capital Stock				0
13	211.0 Miscellaneous Paid-In Capital		(2,122,203)	1,804,889	3,927,092
15	212.0 Installments Received on Capital Stock				0
16	213.0 Discount on Capital Stock				0
17	214.0 Capital Stock Expense				0
18	215.0 Appropriated Retained Earnings				0
19	216.0 Unappropriated Retained Earnings		113,110,242	124,541,385	11,431,143
20	216.1 Unappropriated Undistributed Subsidiary Earnings				0
21	217.0 Recquired Capital Stock				0
22	TOTAL PROPRIETARY CAPITAL		\$294,523,039	\$309,881,274	\$15,358,235
23	LONG-TERM DEBT				
24	221.0 Bonds	231			0
25	222.0 Recquired Bonds	231			0
26	223.0 Advances from Associated Companies		\$128,821,400	\$101,521,100	(\$27,300,300)
27	224.0 Other Long-term Debt	231			0
28	225.0 Unamortized Premium on Long-Term Debt				0
29	226.0 Unamortized Discount on Long-Term Debt-Debit				0
30	TOTAL LONG TERM DEBT		\$128,821,400	\$101,521,100	(\$27,300,300)
31					
32	OTHER NONCURRENT LIABILITIES				
33	227 Obligation Under Capital Leases-NonCurrent		\$7,226	\$49,758	\$42,532
34	228.1 Accumulated Provision for Property Insurance				0
35	228.2 Accumulated Provision for Injuries and Damages		400,000	400,000	0
36	228.3 Accumulated Provision for Pensions and Benefits		11,864,567	9,985,547	(1,879,020)
37	228.4 Accumulated Miscellaneous Operating Provisions				0
38	229 Accumulated Provision for Rate Refunds				0
39	TOTAL OTHER NONCURRENT LIABILITIES		\$12,271,793	\$10,435,305	(\$1,836,488)
40					

**200. COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No	Account Number and Title (a)	Schedule Page No (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	CURRENT AND ACCRUED LIABILITIES				
2	231 00 Notes Payable				0
3	232 00 Accounts Payable		\$38,318,535	\$50,760,539	\$12,442,004
4	233 00 Notes Payable to Associated Companies		143,857,300	215,933,300	72,076,000
5	234 00 Accounts Payable to Affiliated Companies		23,600,857	15,954,350	(7,646,507)
6	235 00 Customers' Deposits-Billing		2,025,017	2,039,528	14,511
7	236 10 Accrued Taxes, Taxes Other Than Income		5,017,993	5,968,015	950,022
8	236 20 Accrued Taxes, Income Taxes		4,902,439	(2,911,164)	(7,813,603)
9	237 10 Accrued Interest on Long-term Debt				0
10	237 20 Accrued Interest on Other Liabilities		327,564	327,237	(327)
11	238 00 Dividends Declared				0
12	239 00 Matured Long-term Debt				0
13	240 00 Matured Interest				0
14	241 00 Tax Collections Payable		544,501	518,231	(26,270)
15	242 00 Miscellaneous Current and Accrued Liabilities		19,641,396	18,077,210	(1,564,186)
16	243 00 Obligations Under Capital Leases-Current		5,750	20,386	14,636
17	TOTAL CURRENT AND ACCRUED LIABILITIES		\$238,241,352	\$306,687,633	\$68,446,281
18					
19	DEFERRED CREDITS				0
20	252 00 Customer Advances for Construction				0
21	253 00 Other Deferred Credits		\$6,796,495	\$824,500	(\$5,971,995)
22	254 00 Other Regulatory Liabilities		39,755,830	39,776,830	15,000
23	255 00 Accumulated Deferred Investment Tax Credits		6,762,031	6,284,031	(478,000)
24	256 00 Deferred Gains from Disposition of Utility Plant				0
25	257 00 Unamortized Gain on Reacquired Debt				0
26	281 00 Accum. Deferred Income Taxes-Assume. Amortization Property				0
27	282 00 Accum. Deferred Income Taxes-Other Property		133,919,000	138,867,000	4,948,000
28	283 00 Accum. Deferred Income Taxes-Other		58,747,597	93,934,000	35,186,403
26	TOTAL DEFERRED CREDITS		\$245,980,953	\$279,680,360	\$33,699,407
27					
28	TOTAL LIABILITIES & OTHER CREDITS		\$919,838,537	\$1,008,205,672	\$88,367,135

201. NOTES TO BALANCE SHEET

- The space below is provided for important notes regarding the balance sheet or any account thereof.
- Furnish particulars as to any contingent assets or liabilities existing at end of year. Minor items may be grouped by classes. For any dividends in arrears at the end of the year on cumulative preferred stock, state the date of the last dividend, the arrearage per share, and the total amount of the arrearage.
- For Other Plant Adjustments, Account 116, explain the origin of such amount, debits and credits during the year and plan of disposition contemplated, giving references to Commission orders or to other authorizations repeating classification of amounts as plant adjustments and requirements as to disposition thereof.
- If the notes to balance sheet, appearing in the annual report to the stockholders are applicable in every respect and furnish the data required by instructions 2 and 3 above, such notes may be attached hereto.

Account 216.0 - Unappropriated Retained Earnings

During 2002, The Peoples Natural Gas Company declared and paid dividends of \$51,200,000 to its parent, Consolidated Natural Gas Company.

- 1. Report by prescribed accounts the original cost of utility plant in service and the additions and retirements of such plant during the year.
- 2. Do not include as adjustments, corrections to additions and retirements for the current or preceding year. Such items should be included in appropriate Column (e) or (d).
- 3. Credit adjustments in Column (e) should be shown in red, or in black enclosed in parenthesis. State in a footnote the general character of any adjustments in Column (e).
- 4. Submit, in a footnote, an explanation of amounts included in Columns (e) and/or (f), Line 34, for lowering or changing the location of mains.

Line No	Account Number and Title (a)	Balance Previous Year (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Balance End of Year (f)
1	INTANGIBLE PLANT	XXX	XXX	XXX	XXX	XXX
2	301 Organization					0
3	302 Franchises & Consents					0
4	303 Other Plant and Miscellaneous Equipment	\$12,815,235	\$111,382			\$12,926,617
5	Total Intangible Plant	\$12,815,235	\$111,382	0	0	\$12,926,617
6	MANUFACTURED GAS PRODUCTION PLANT	XXX	XXX	XXX	XXX	XXX
7	304 Land and Land Rights					0
8	305 Structures and Improvements					0
9	306 Boiler Plant Equipment					0
10	307 Other Power Equipment					0
11	308 Coke Ovens					0
12	309 Infiltrator Galleries and Tunnels					0
13	310 Producer Gas Equipment					0
14	311 Liquefied Petroleum Gas Equipment					0
15	312 Oil Gas Generating Equipment					0
16	313 Generating Equipment-Other Processes					0
17	314 Coal, Coke and Ash Handling Equipment					0
18	315 Catalytic Cracking Equipment					0
19	316 Other Reforming Equipment					0
20	317 Purification Equipment					0
21	318 Residential Refining Equipment					0
22	319 Gas Mixing Equipment					0
23	320 Other Equipment					0
23	Total Gas Manufacturing Plant	0	0	0	0	0
24	NATURAL GAS PRODUCTION & GATHERING PLANT	XXX	XXX	XXX	XXX	XXX
25	325.1 Producing Lands	\$6,320				\$6,320
26	325.2 Producing Leaseholds	473,654				473,654
27	325.3 Gas Rights	10,221				10,223
28	325.4 Rights of Way	816,822	\$330,585	\$647		1,140,760
29	325.5 Other Land and Land Rights	35,348				35,348
30	326 Other Plant and Miscellaneous Equipment	3,130				3,130
31	327 Field Compressor Station Structures	637,718	\$14,123			1,151,841
32	328 Field Measuring & Regulating Station Structures	46,496				46,490
33	329 Other Structures	746,569	31,034			777,403
34	330 Producing Gas Wells-Well Construction	9,221				9,221
35	331 Producing Gas Wells-Well Equipment	2,984				2,984
36	332 Field Lines	28,760,994	147,102	29,598		28,878,498
37	333 Field Compressor Station Equipment	8,791,729	7,985,371	62,916		16,714,166
38	334 Field Measuring & Regulating Station Equipment	3,886,063	363	25,323		3,861,107
39	335 Drilling & Cleaning Equipment	18,642				18,642
40	336 Purification Equipment					0
41	337 Other Equipment	74,087	11,277	20,811		64,553
42	338 Unsuccessful Exploration & Development Costs					0
43	Total Natural Gas Production & Gathering Plant	\$44,307,796	\$9,019,859	\$139,315	0	\$53,188,340
44	PRODUCTS EXTRACTION PLANT	XXX	XXX	XXX	XXX	XXX
45	340 Land and Land Rights					0
46	341 Other Plant and Miscellaneous Equipment					0
47	342 Extraction & Refining Equipment					0
48	343 Pipe Lines					0
49	344 Extracted Product Storage Equipment					0
50	345 Compressor Equipment					0
51	346 Gas Measuring and Regulating Equipment					0
52	347 Other Equipment					0
53	Total Products Extraction Plant	0	0	0	0	0
54	NATURAL GAS PRODUCTION & PROCESSING PLANT	XXX	XXX	XXX	XXX	XXX
54	350.1 Land	\$288,568				\$288,568
55	350.2 Rights of Way	32,292				32,292
56	351 Structures and Improvements	3,322,239				3,322,239
57	352 Wells	7,772,808	\$191,988	\$84,433		7,880,363
58	352.1 Storage Leaseholds and Rights	4,303,162				4,303,162
59	352.2 Reservoirs	77,482				77,482
60	352.3 Nonrecoverable Natural Gas	466,978				466,978
61	353 Lines	2,471,138				2,471,138

205. UTILITY PLANT IN SERVICE - Account No. 101.0

Line No.	Account Number and Title (a)	Balance Previous Year (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Balance End of Year (f)
62	354 Compressor Station Equipment	16,019,081	1,516,960	424		17,535,619
63	355 Measuring and Regulating Equipment	364,854				364,854
64	356 Purification Equipment					0
65	357 Other Equipment	92,424				92,424
66	Total Natural Gas Production and Processing Plant	\$35,206,028	\$1,708,945	\$84,857	0	\$36,830,119
67	OTHER STORAGE PLANT	XXX	XXX	XXX	XXX	XXX
68	360 Land & Land Rights					0
69	361 Structures and Improvements					0
70	362 Gas Holders					0
71	363 Purification Equipment					0
72	363.1 Liquefaction Equipment					0
73	363.2 Vaporizing Equipment					0
74	363.3 Compressor Equipment					0
75	363.4 Measuring and Regulating Equipment					0
76	363.5 Other Equipment					0
77	Total Other Storage Plant	0	0	0	0	0
78	BASE LOAD LIQUEFIED NATURAL GAS					0
79	TERMINATING AND PROCESSING PLANT	XXX	XXX	XXX	XXX	XXX
80	364.1 Land and Land Rights					0
81	364.2 Structures and Improvements					0
82	364.3 LNG Processing Terminal Equipment					0
83	364.4 LNG Transportation Equipment					0
84	364.5 Measuring and Regulating Equipment					0
85	364.6 Compressor Station Equipment					0
86	364.7 Communication Equipment					0
87	364.8 Other Equipment					0
88	Total Base Load Liquefied Natural Gas Term. & Proc. Plant	0	0	0	0	0
89	TRANSMISSION PLANT	XXX	XXX	XXX	XXX	XXX
90	365.1 Land and Land Rights	\$123,416				\$123,416
91	365.2 Rights of Way	2,178,278	\$69,577			2,247,855
92	366 Structures and Improvements	509,614	4,331			513,945
93	367 Mains	70,838,338	2,263,715	\$1,814		73,102,239
94	368 Compressor Station Equipment					0
95	369 Measuring and Regulating Station Equipment	4,748,022	\$12,258	105,713		5,554,567
96	370 Communication Equipment					0
97	371 Other Equipment	700,809	190,865			\$91,674
98	Total Transmission Plant	\$79,098,427	\$3,440,746	\$107,527	0	\$82,431,646
99	DISTRIBUTION PLANT	XXX	XXX	XXX	XXX	XXX
100	374 Land & Land Rights	\$2,612,758	\$206,969	\$537		\$2,819,190
101	375 Structures and Improvements	14,844,073	755,663	117		15,599,819
102	376 Mains	284,054,739	12,688,906	324,032		296,419,613
103	377 Compressor Station Equipment					0
104	378 Measuring & Regulating Station Equipment-General	17,085,664	733,241	7,629		17,811,276
105	379 Measuring & Regulating Station Equipment-City Gate C. St.					0
106	380 Services	124,641,546	4,319,738	169,466		128,791,832
107	381 Meters	20,058,592	886,799	9,036		20,936,335
108	382 Meter Installations	29,079,306	2,351,221	322,105		31,028,416
109	383 House Regulators					0
110	384 House Regulator Installations					0
111	385 Industrial Measuring and Regulating Station Equipment	4,946,214	190,520	612		5,36,227
112	386 Other Property on Customers' Premises	321,678				321,678
113	387 Other Equipment	4,105,953	75,649			4,381,602
114	Total Distribution Plant	\$90,750,511	\$27,208,726	\$833,514	0	\$117,257,031
115	GENERAL PLANT	XXX	XXX	XXX	XXX	XXX
116	389 Land & Land Rights	\$83,175				\$83,175
117	390 Structures and Improvements	3,714,436	(\$39,793)			3,654,643
118	391 Office Furniture & Equipment (see Note)	7,946,827	168,356	\$111,335	(\$38,457)	7,965,391
119	392 Transportation Equipment	4,246,831	65,749	76,120	24,422	4,360,882
120	393 Stores Equipment	23,492				23,492
121	394 Tools & Garage Equipment	3,108,283	19,117			3,127,400
122	395 Laboratory Equipment					0
123	396 Power Operated Equipment	3,247,665	683,507	283,161		5,648,015
124	397 Communication Equipment	3,149,058	102,645	895,494		4,356,208
125	398 Miscellaneous Equipment	1,467,301				1,467,301
126	399 Other Tangible Property					0
127	Total General Plant	\$30,987,072	\$979,581	\$1,366,110	(\$14,035)	\$30,586,508
128	Total Plant	\$704,165,069	\$37,469,242	\$2,531,343	(\$14,035)	\$739,058,933

Note: Includes Account No 101.1 Property Under Capital Leases of \$97,168, net of amortization

206. ACCUMULATED DEPRECIATION OF UTILITY PLANT -
Account Nos. 108, 111, 115 and 119

1 Report below an analysis of the changes in accumulated depreciation during the year and the amounts applicable to prescribed functional classifications
2 Explain and give particulars of important adjustments during the year

Line No	Item (a)	Total (b)	101 Utility Plant In Service (c)	104 Utility Plant Leased to Others (d)	105 Property Held for Future Use (e)	107 0 Construction Work In Progress (f)
1	Balance Beginning of Year	\$232,756,235	\$232,756,235			
2	Credits During Year	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
3	Depreciation Provisions charged to	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
4	403 Depreciation	\$17,518,265	\$17,518,265			
5	404 Amortization	1,384,638	1,384,638			
6	413 Income from Utility Plant Leased to Others					
7						
8						
9						
10	Total Depreciation Provisions	\$18,902,903	\$18,902,903	0	0	0
11	Recoveries from Insurance					
12	Salvage Realized from Retirements	\$215,820	\$215,820			
13	Other Credits (Describe)					
14						
15						
16						
17						
18	Total Credits During Year	\$215,820	\$215,820	0	0	0
19	Total Credits	\$19,118,723	\$19,118,723	0	0	0
20	Debits During Year	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
21	Retirement of Utility Plant	\$2,379,255	\$2,379,255			
22	Cost of Removal	1,658,163	1,658,163			
23	Other Debits (Describe)					
24						
25						
26						
27						
28	Total Debits During Year	\$4,037,418	\$4,037,418	0	0	0
29	Balance at End of Year	\$267,837,540	\$267,837,540	0	0	0

Describe the basis upon which depreciation provisions for the year were determined and attach worksheets showing the computations made in arriving at the annual provisions

207. GAS PLANT ACQUISITIONS ADJUSTMENTS - Account No. 114 0

Line No	Item (a)	Project No 1 Amount (b)	Project No 2 Amount (c)	Project No 3 Amount (d)	Project No 4 Amount (e)	Totals (f)
1	Book Plant - Net					0
2	PUC Difference (Reimaking)					0
3	Less Contributions (Net)		NONE			0
4	Net Utility Plant Acquired					0
5	Purchase Price					0
6	Acquisition Adjustment					0
7						
8						

SCHEDULE 206 - ACCUMULATED PROVISION FOR DEPRECIATION,
AMORTIZATION, AND DEPLETION OF PLANT AND ADJUSTMENTS
REMARKS

Annual depreciation and amortization charges are computed for each plant account by applying one twelfth of the annual rate to the monthly depreciable plant balance each month during the year.

Annual accrual rates were developed in a depreciation study made by Gannett Fleming Valuation and Rates Consultants, Inc., based on the plant-in-service balance at December 31, 2001. Gas well construction and producing land and land rights are depreciated/depleted on the straight-line remaining reserves unit-of-production method. The annual depreciation is based on the remaining-life method using (1) remaining lives consistent with the average service-life procedure for plant installed prior to 1983 and (2) remaining lives consistent with the equal-life group procedure for plant installed in 1983 and subsequent years.

Certain general plant accounts use a vintage year group method of recording the loss of service life. This method recognizes retirement of all assets included in a vintage year once the useful life ends and the entire vintage has been fully depreciated.

SCHEDULE 206 ACCUMULATED PROVISION FOR DEPRECIATION
AMORTIZATION, AND DEPLETION OF PLANT AND ADJUSTMENTS
RATES

Annual Accrual Rate		Annual Accrual Rate	
Plant Acct. Number	Current Year	Plant Acct. Number	Current Year
<u>Production System</u>		<u>Transmission System</u>	
32941001	0.95	36521001	1.00
32701001	2.81	36601001	0.00
32803001	0.00	36602001	0.00
32901001	3.03	36603001	1.55
33101001	1.62	36701001	1.29
33102001	1.03	36901001	3.77
33201001	1.61	36902001	3.77
33301001	3.04	36903001	3.77
33401101	4.18	37101001	5.38
33401201	5.48		
33404101	1.55	<u>Distribution System</u>	
33404201	2.04	37404001	1.60
33406101	3.90	37501001	1.50
33406201	3.90	37502001	2.99
33502001	2.07	37503201	4.39
33701001	15.98	37601001	1.64
33703001	15.98	37602001	1.64
33001001	Depl	37801001	2.84
32521001	Depl	37802001	2.84
		38001001	2.82
		38003001	2.82
		38101001	3.27
<u>Storage System</u>		38201001	2.92
35011001	0.00	38203001	2.82
35021001	0.68	38501001	2.99
35102001	2.33	38502001	2.98
35103001	2.33	38503001	2.98
35104001	2.33	38601001	5.08
35201001	1.88	38701001	*
35202001	1.25		
35211001	1.99	<u>General System</u>	
35212001	1.88	38903001	1.72
35221001	1.34	39005001	2.25
35231001	2.81	39101001	*
35301001	1.86	39102001	*
35401001	2.34	39103001	*
35501001	1.32	39104001	*
35502001	1.32	39201201	0.00
35701001	4.17	39202101	13.51
		39202201	0.00
		39203101	7.29
		39205101	5.34
		39205201	0.00
		39205301	0.00

* Accounts amortized using vintage year group method. This recognizes retirement of all assets included in a vintage year once the useful life ends.

SCHEDULE 206 ACCUMULATED PROVISION FOR DEPRECIATION
 AMORTIZATION, AND DEPLETION OF PLANT AND ADJUSTMENTS
 RATES (Continued)

	Plant Acct. Number	Annual Accrual Rate Current Year
<u>General System (Continued)</u>		
	39235301	0.00
	39235401	0.00
	39235501	0.00
	39331001	*
	39431001	*
	39432001	*
	39433001	*
	39631301	8.03
	39731001	*
	39732001	*
	39734001	*
	39735001	*
	39801001	*

* Accounts amortized using vintage year group method. This recognizes retirement of all assets included in a vintage year once the useful life ends.

(Company Name)

208. CONSTRUCTION WORK IN PROGRESS - Account No. 107

1. Describe the particulars concerning utility plant in process of construction but not ready for service at end of the Calendar Year.
2. Describe separately each work order that exceeds the lesser of an estimated expenditure of \$300,000 or 10% of the book cost of utility plant at the beginning of the year. All other work orders may be grouped by nature of project.

Line No.	Description of Work (a)	Balance End of Year (b)	Estimate Total Cost of Construction (c)	Projected In-Service Date (d)
1	Projects greater than \$300,000:			
2	Project number			
3	IT SW DP GIS 8.2 Computer Software (see note)	\$339,835		
4	10675 Storage Compression Upgrades	303,632	\$400,000	Apr-03
5	10624 Production Compression Upgrades	1,189,849	1,535,000	Apr-03
6	10678 Production Compression Upgrades	326,909	332,000	Apr-03
7	5V05069761 Production Compression Upgrades	369,093	422,000	Jan-03
8	4S05053588 Transmission Mainline Upgrades	608,587	609,000	Dec-02
9	4S05179942 Transmission M&R Upgrades	442,454	460,000	Apr-03
10	FCDP BD114 OFFICE Distribution Office Upgrades	865,603	900,000	Jan-03
11				
12				
13				
14				
15	Remaining Projects:			
16	Production	794,197	1,112,000	
17	Storage	5,052	7,000	
18	Transmission	1,943,203	2,526,000	
19	Distribution	927,623	1,206,000	
20	General	657,245	1,052,000	
21	Intangible	655,034	1,146,000	
22				
23	note. This project will be reclassified in 2003 to Dominion Resources Service Company.			
24				
25	TOTALS	\$9,428,316	\$11,707,000	

210. INVESTMENTS (Accounts 123 - 123.1 - 124 - 136)

1. Report below investments in Accounts 123, Investments in Associated Companies 123.1, Investments in Subsidiary Companies, 124, Other Investments and 136, Temporary Cash Investments.
2. Provide a subheading for each account and list thereunder the information called for, observing the instructions below.
3. Investments in Securities - List and describe each security owned giving name of issuer. For bonds give also principal amount, date of issue, maturity, and interest rate. For capital stock state number of shares, class and series of stock. Minor investments may be grouped by classes.
4. Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are subject to repayment but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. Each note should be listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.
5. For any securities, notes, or accounts that were pledged, designate such securities acquired, designate such fact and in a footnote state the name of pledgee and purpose of the pledge.
6. If Commission approval was required for any advance made or security acquired, designate such fact and in a footnote give date of authorization and case or docket number.
7. Interest and dividend revenues from investments should be reported in column (g), including such revenues from securities disposed of during the year.
8. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price therefor, not including any dividend or interest adjustment includible in column (g).

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Book Costs* Beginning of Year (d)	Principal Amount or No. of Shares (e)	Book Cost End of Year (f)	Revenues For Year (g)	Gain or Loss From Invest Disposed of (h)
1	Account 124 Other Investments							
2								
3	Western PA Development Credit Corp	06/01/87		\$1	5,000 shares	\$1		
4								
5	PA Development Credit Corp	03/27/64		1	1,500 shares	1		
6								
7	Strategic Investment Fund Partners	05/01/02		0	300 units	300,000		
8	Limited Partnership - Class C Partner							
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10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
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22								
23								
24								
25								
26				\$2	0	\$300,002	0	0

* If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.

211. NOTES AND OTHER ACCOUNTS RECEIVABLE (Accounts 141, and 143)

If interest was derived during year from notes liquidated before the end of the year, include such interest revenue in column (d)

Line No.	Item (a)	Notes Receivable			Other Accounts Receivable	
		1/1/02 (b)	12/31/02 (c)	Interest Revenue (d)	1/1/02 (e)	12/31/02 (f)
1	Richard J Hoffman note due November 15, 2001	\$485,000	\$485,000			
2	State Relocations				\$318,260	\$1,060,531
3	Pooling and Metering				2,275,252	1,299,906
4	Damages/Relocations				784,672	1,075,994
5	Commonwealth of PA Sales Tax Refund				408,374	408,374
6	Employee Appliance Purchase Program				327,041	238,174
7	Miscellaneous				126,707	838,095
8	Total	\$485,000	\$485,000	0	\$4,240,306	\$4,921,074

212. NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (Account 145)

1. Furnish below the particulars indicated concerning notes receivable from associated companies at end of year
2. If any note was received in satisfaction of an open account indebtedness, state the period covered by such open account
3. Include in column (f) the amount of any interest revenue during the year on notes that were paid off before the end of year.
4. Give particulars of any notes pledged or discounted. This schedule shall include all transactions during the year with each affiliated interest affecting account 145 and account 233.

Line No.	Name of Associated Company (a)	Date of Issue (b)	Date of Maturity (c)	Amount End of Year (d)	Interest Rate (e)	Amount (f)
1	CNG - Money Pool Borrowings	01/01/02	01/31/02	(\$130,860,000)	2.643036%	\$301,493
2	CNG - Money Pool Borrowings	02/01/02	02/28/02	(\$118,279,000)	2.229296%	\$201,538
3	CNG - Money Pool Borrowings	03/01/02	03/31/02	(\$105,844,000)	2.286601%	\$209,008
4	CNG - Money Pool Borrowings	04/01/02	04/30/02	(\$101,758,000)	2.204917%	\$182,880
5	CNG - Money Pool Borrowings	05/01/02	05/31/02	(\$94,011,000)	2.163761%	\$164,961
6	CNG - Money Pool Borrowings	06/01/02	06/30/02	(\$112,071,000)	2.126637%	\$170,403
7	CNG - Money Pool Borrowings	07/01/02	07/31/02	(\$120,316,000)	2.104389%	\$200,162
8	CNG - Money Pool Borrowings	08/01/02	08/31/02	(\$124,604,000)	2.049216%	\$211,215
9	CNG - Money Pool Borrowings	09/01/02	09/30/02	(\$144,981,000)	2.019429%	\$217,873
10	CNG - Money Pool Borrowings	10/01/02	10/31/02	(\$156,299,000)	2.039175%	\$255,161
11	CNG - Money Pool Borrowings	11/01/02	11/30/02	(\$162,730,000)	1.908567%	\$243,257
12	CNG - Money Pool Borrowings	12/01/02	12/31/02	(\$188,633,000)	1.758005%	\$253,788
13						
14	CNG - Long Term Note (Current Portion)	05/31/94	07/31/03	(\$26,039,000)	6.100000%	\$1,588,379
15	CNG - Long Term Note (Current Portion)	12/21/90	11/30/03	(\$750,000)	7.400000%	\$55,500
16	CNG - Long Term Note (Current Portion)	01/01/87	12/01/03	(\$511,300)	9.500000%	\$48,574
17						
18	Account 233 Notes Payable to Associated Companies			(\$215,933,300)		

**213. ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCOUNT 146)
AND ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCOUNT 234)**

- 1 Furnish below the particulars called for concerning Account Receivables and Payables from Associated Companies.
- 2 The term "Services Received" set forth on line 20 of this schedule means the Management, Construction, Engineering, Purchasing Legal, Accounting or other similar service which has been rendered to respondent under written, oral or implied contracts.
- 3 The term "Joint Expenses Transferred" set forth on lines 5 and 21 means Central office and/or other expenses continuously assessed against respondent covering all locations of common operating costs.
- 4 This schedule shall include all transactions during the year with each affiliated interest affecting Accounts 146 and 234.

in No.	Item (a)	Entries During Year (b)
1	Debits During Year	
2	Cash Dispersed	\$218,776,077
3	Materials and Supplies Sold	29,181
4	Services Rendered	479,430
5	Joint Expense Transferred	
6	Interest and Dividends Receivable	
7	Rents Receivable	587,599
8	Securities Sold	
9	Other Debits (Specify)	
10	Pooling and Storage fees	11,379,549
11	Federal Income Tax	2,400,000
12	Asset Sales	132,680
13	Total Debits During Year	\$233,784,516
14		
15	Credits During Year	
16	Cash Received	(\$16,068,019)
17	Gas Purchased	(39,006,377)
18	Fuel Purchased	
19	Materials and Supplies Purchased	(38,067)
20	Services Received	(24,858,092)
21	Joint Expense Transferred	
22	Interest and Dividends Payable	(62,944,883)
23	Rents Payable	(28,032)
24	Securities Purchased	
25	Transferred to Account "145"	
26	Other Credits (Specify)	
27	Convenience payments	(8,984,789)
28	Commodity billings for Peoples Plus	(70,122,933)
29	Warranty Program billings for Peoples Plus	(4,240,698)
30	Asset Purchases	(10,961)
31	Total Credits During Year	(\$226,302,851)
32	Balance at Beginning of Year	(\$23,193,740)
33	Balance at End of Year	(\$15,712,075)

215. PLANT MATERIALS AND OPERATING SUPPLIES (Account 154)

1. Summarize below by character of materials and supplies, the balances in account 154 at the beginning and end of the year.
2. Account entries totaling \$300,000 or 1% of gross revenues, (whichever is less), during the year shall be explained, showing the class of materials affected and the various classes of accounts (operating expenses, clearing accounts, plant accounts, etc.) debited or credited.

Line No.	Classification of Materials And Supplies (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase /Decrease (d)
1	Box, curb/valve/part	\$2,942	\$2,447	(\$495)
2	Cable, electric	295	139	(156)
3	Chemical - production	100	71	(29)
4	Coatings, specialized	55	198	143
5	Compressor station parts	1,159,869	1,159,869	0
6	Corrosion protection	19,188	10,075	(9,113)
7	Environmental material	227	147	(80)
8	Fasteners	179	51	(128)
9	Gas measuring equipment	95,752	73,959	(21,793)
10	Pipe	161,826	159,438	(2,388)
11	Pipe fittings	253,020	296,172	43,152
12	Miscellaneous	104,509	31,863	(72,646)
13				
14				
15				
16				
17	Total	\$1,797,962	\$1,734,429	(\$63,533)

216. UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (Accounts 181, 215)

1. Report under separate subheadings for Unamortized Debt Discount and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parenthesis.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premium, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than by debit or credit to Surplus.
6. Set out separately and identify amounts applicable to issues which have been redeemed, although those amounts, prior to the effective date of the Uniform System of Accounts may have prior to the effective date of the Uniform System of Accounts may have been combined with the discount and expense on the refunding issue.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt.

Line No.	Designation of Long-Term Debt (a)	PRINCIPAL AMOUNT OF SECURITIES TO WHICH OR PREMIUM RELATES (b)	TOTAL DISCOUNT AND EXPENSE OR NET PREMIUM (c)	Amortization Period From (d) To (e)	Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
1								
2								
3	NONE							
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15	Total	0	0	0	0	0	0	0

217. EXTRAORDINARY PROPERTY LOSSES (Account 182)

1. Report below the information indicated concerning this account, grouping the items by departments and showing totals for each department.
2. Include in the description the date property was abandoned or other extraordinary loss incurred.

Line No.	Description of Property Loss Or Damage (a)	Comm. Auth. No. (b)	Amortization Period (Give Year Only) From (c) To (d)	Total Amount of Loss (e)	Previously Written off (f)	Written off During Year Amount (g)	Balance At End of Year (h)
1							
2							
3	NONE						
4							
5							
6							
7							
8	Total						0

231. LONG-TERM DEBT (Accounts 221,222,224)

(Excluding Advances from Affiliated Companies)

1. Give below the particulars indicated of the long-term debt at end of year represented by unmatured obligations issued or assumed by the respondent, exclusive of advances from affiliated companies
2. Group entries according to accounts and show the total for each account
3. For obligations assumed by the respondent show in column (e) the name of the issuing company and the class and series of such obligations
4. For Receivers' Certificates show the name of the court and date of court order under which such certificates were issued
5. If respondent has pledged any of its long-term debt securities give particulars in a footnote, including name of the pledge name of the pledge and purpose of pledge
6. If interest expense was incurred during the year on any obligations retired or reacquired before end of year include such interest expenses in column (g)
7. If interest was matured but unpaid on any obligation, state in a footnote the class and series and principal amount of such obligation and the amount of interest matured thereon.

Line No.	Class and Series of Obligations (e)	Nominal Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (c)	Interest For Year			Held By Respondent		
						Rate (f)	Amount (g)	As Reacquired Lg.-Term Debt (h)	In Sinking & Other Funds (i)		
1											
2											
3	NONE										
4											
5											
6											
7											
8											
9											
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29											
30											
31											
32											
33											
34											
35	TOTAL			0	0			0	0	0	0

*Total amount outstanding without reduction for amount held by respondent.

**400. INCOME STATEMENT
REVENUES AND EXPENSES**

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Previous Year (c)	Balance End of Year (d)	Increase/ Decrease (e)
1	OPERATING EXPENSES				
2	401 Operation Expenses		\$284,269,520	\$184,436,282	(\$99,833,238)
3	402 Maintenance Expenses		20,022,862	14,622,887	(5,399,975)
4	403 Depreciation Expenses		16,757,003	17,518,265	761,262
5	404.1 Amort & Depletion of Prod. Natural Gas Land & Rights		1,492,162	1,337,278	(154,884)
6	404.2 Amort Of Underground Storage Land & Land Rights		86,780	85,819	(961)
7	404.3 Amort Of Other Limited-Term Gas Plant				0
8	405.0 Amortization of Other Gas Plant				0
9	406.0 Amortization of Gas Plant Acquisition Adjustments				0
10	407.1 Amort. Of Prop. Losses, Unrec Plant & Reg. Study C				0
11	407.2 Amortization of Conversion Expense				0
12	407.3 Regulatory Debits				0
13	407.4 Regulatory Credits				0
14	408.1 Taxes Other Than Income Taxes, Utility Opr. Income	408	6,452,430	7,702,566	1,250,136
15	409.1 Income Taxes, Utility Operating Income	409	40,402,000	904,287	(39,497,713)
16	410.1 Provision for Deferred Income Taxes, Ut. Opr. Income	411	(10,814,000)	17,605,000	28,419,000
17	411.1 Prov For Def Income Taxes-Credit, Ut. Opr. Income	412	(16,169,000)	(3,208,000)	12,961,000
18	411.4 Investment Tax Credit Adjustments, Ut. Operations		(486,793)	(478,000)	8,793
19	411.6 Gains from Disposition of Utility Plant				0
20	411.7 Losses from Disp. of Utility Plant				0
21	Total Utility Operating Expenses		\$342,012,964	\$240,526,384	(\$101,486,580)
22	OTHER OPERATING INCOME				0
23	412.0 Revenues from Gas Plant Leased to Others				0
24	413.0 Expenses of Gas Plant Leased to Others				0
25	414.0 Other Utility Operating Income				0
26	Total Other Operating Income		0	0	0
27	OTHER INCOME				0
28	415.0 Rev. from Merchandising, Jobbing and Contract Work		\$55,613	\$117,686	\$62,073
29	416.0 Costs and Exp. of Merchandising Jobbing & Contract Wk		(11,083)	(30,302)	(19,219)
30	417.0 Revenue from Non-Utility Operations				0
31	418.0 Non Operating Rental Income				0
32	418.1 Equity in Earnings of Subsidiary Companies				0
33	419.0 Interest & Dividend Income		3,483,896	993,138	(2,490,758)
34	419.1 Allowance for Other Funds Used During Construction				0
35	421.0 Miscellaneous Non Operating Income		(314,402)	355,675	670,077
36	421.1 Gain on Disposition of Property, Total Other Income			8,171	8,171
37	Total Other Income		\$3,214,024	\$1,444,369	(\$1,769,655)
38	OTHER INCOME DEDUCTIONS				0
39	421.2 Loss on Disposition of Property				0
40	425.0 Miscellaneous Amortization				0
41	426.1 Donations		\$606,216	\$467,319	(\$138,897)
42	426.2 Life Insurance				0
43	426.3 Penalties		25,000	500	(24,500)
44	426.4 Exp. for Certain Civic, Political & Related Activities				0
45	426.5 Other Deductions		84	(2,179)	(2,263)
46	Total Other Income Deductions		\$631,300	\$465,640	(\$165,660)
47	TAXES APPLICABLE TO OTHER INCOME & DED.				0
48	408.2 Taxes Other Than Income Taxes, Otr. Income & Ded		\$872	\$870	(\$2)
49	409.2 Income Taxes, Other Income & Deductions		(12,000)	405,748	417,748
50	410.2 Prov. for Deferred Income Taxes, Otr. Income & Ded.		1,306,000	0	(1,306,000)
51	411.2 Prov. for Def Income Taxes, Credit, Otr Income & Ded				0
52	411.5 Investment Tax Cr. Adjustments, Nonutility Operations				0
53	420.0 Investment Tax Credits				0
54	Total Taxes on Other Income and Deductions		\$1,294,872	\$406,618	(\$888,254)
55	Net Other Income and Deductions		\$1,287,852	\$572,111	(\$715,741)

400. INCOME STATEMENT
REVENUES AND EXPENSES

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Previous Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	INTEREST CHARGES				
2	427 Interest on Long-Term Debt				0
3	428 Amortization of Debt Discount and Expense				0
4	428.1 Amortization of Loss on Reacquired Debt				0
5	429 Amortization of Premium on Debt-Credit				0
6	429.1 Amortization of Gain on Reacquired Debt-Credit				0
7	430 Interest on Debt to Associated Companies		\$14,707,818	\$11,744,883	(\$2,962,935)
8	431 Other Interest Expense		146,607	299,680	153,073
9	432 Allowance for Borrowed Funds Used During Construction-Cr		(431,961)	(183,355)	248,606
10	Net Interest Charges		\$14,422,464	\$11,861,209	(\$2,561,255)
11	EXTRAORDINARY ITEMS				0
12	434 Extraordinary Income				0
13	435 Extraordinary Deductions				0
14	409.3 Income Taxes-Extraordinary Items				0
15	Net Income		\$48,735,957	\$62,631,143	(\$13,895,186)
16					
17					
18					
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405. OPERATION AND MAINTENANCE EXPENSES

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No	Account Number and Title (a)	Schedule Page No. (b)	Balance Previous Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	MANUFACTURED GAS PRODUCTION EXPENSES		XXX	XXX	XXX
2	Steam Production Expenses				
3	Operation				
4	700 0 Operation Supervision and Engineering				0
5	701 0 Operating Labor				0
6	702 0 Boiler Fuel				0
7	703 0 Miscellaneous Steam Expenses				0
8	Total Steam Production Operation Expenses		0	0	0
9	Maintenance				
10	704 0 Steam Transferred-Credit				0
11	705 0 Maintenance, Supervision and Engineering				0
12	706 0 Maintenance of Structures and Improvements				0
13	707 0 Maintenance of Boiler Plant Improvement				0
14	708 0 Maintenance of Other Steam Production Plant				0
	Total Steam Production Maintenance Expenses			0	0
15	Manufactured Gas Production				
16	710 0 Operation Supervision and Engineering				0
17	Production Labor and Expenses				
18	711 0 Steam Expenses				0
19	712 0 Other Power Expenses				0
20	713 0 Coke Oven Expenses				0
21	714 0 Producer Gas Expenses				0
22	715 0 Water Gas Generating Expenses				0
23	716 0 Oil Gas Generating Expenses				0
24	717 0 Liquefied Petroleum Gas Expenses				0
25	718 0 Other Process Production Expenses				0
	Total Production Labor and Expenses		0	0	0
26	Gas Fuels				
27	719 0 Fuel Under Coke Ovens				0
28	720 0 Producer Gas Fuel				0
29	721 0 Water Gas Generator Fuel				0
30	722 0 Fuel for Oil Gas				0
31	723 0 Fuel for Liquefied Petroleum Gas Process				0
32	724 0 Other Gas Fuels				0
	Total Gas Fuels Expenses		0	0	0
33	Gas Raw Materials				
34	725 0 Coal Carbonized in Coke Ovens				0
35	726 0 Oil for Water Gas				0
36	727 0 Oil for Oil Gas				0
37	728 0 Liquefied Petroleum Gas Expenses				0
38	729 0 Raw Materials for Other Gas Processes				0
39	730 0 Residuals Expenses				0
40	731 0 Residuals Produced-Credit				0
41	732 0 Purification Expenses				0
42	733 0 Gas Mixing Expenses				0
43	734 0 Duplicate Charges-Credit				0
44	735 0 Miscellaneous Production Expenses				0
45	736 0 Rents				0
	Total Gas Raw Materials Expenses		0	0	0
46	Maintenance				
47	740 0 Maintenance Supervision and Engineering				0
48	741 0 Maintenance of Structures and Improvements				0
49	742 0 Maintenance of Production Equipment				0
	Total Maintenance Expenses		0	0	0
	Total Manufactured Gas Production Expenses		0	0	0
50	NATURAL GAS PRODUCTION EXPENSES		XXX	XXX	XXX
51	Production and Gathering				
52	Operation				
53	750 0 Operating Supervision and Engineering				0
53	751 0 Production Maps and Records		\$21,906	\$28,999	\$7,093
54	752 0 Gas Wells Expenses		2,190	2,477	287

405. OPERATION AND MAINTENANCE EXPENSES (Continue)

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No	Account Number and Title (a)	Schedul Page No. (b)	Balance Previous Year (c)	Balance End of Year (d)	Increase/ Decrease (e)
1	753.0 Field Lines Expenses		106,852	146,143	39,291
2	754.0 Field Compressor Station Expenses		632,955	1,046,404	413,449
3	755.0 Field Compressor Station Fuel and Power		2,176,265	2,327,296	151,031
4	756.0 Field Measuring and Regulating Station Expenses		9,263	15,101	5,838
5	757.0 Purification Expenses				0
6	758.0 Gas Well Royalties				0
7	759.0 Other Expenses		303,745	321,023	17,278
8	760.0 Rents		1,109	828	(281)
	Total Production & Gathering Operation Expenses		\$3,254,285	\$3,888,270	\$633,985
9	Maintenance				
10	761.0 Maintenance Supervision and Engineering				0
11	762.0 Maintenance of Structures and Improvements		\$290	(\$453)	(\$743)
12	763.0 Maintenance of Producing Gas Wells		164		(164)
13	764.0 Maintenance of Field Lines		1,166,791	1,102,208	(64,583)
14	765.0 Maintenance of Field Compressor Station Equipment		478,146	916,637	438,491
15	766.0 Maintenance of Field Measuring and Reg. Station Equip.		88,345	188,876	100,481
16	767.0 Maintenance of Purification Equipment				0
17	768.0 Maintenance of Drilling and Cleaning Equipment				0
18	769.0 Maintenance of Other Equipment				0
	Total Production & Gathering Maintenance Expenses		\$1,733,736	\$2,207,219	\$473,483
19	Products Extraction				
20	Operation				
21	770.0 Operation Supervision and Engineering				0
22	771.0 Operating Labor				0
23	772.0 Gas Shrinkage				0
24	773.0 Fuel				0
25	774.0 Power				0
26	775.0 Materials				0
27	776.0 Operation Supplies and Expenses				0
28	777.0 Gas Processed by Others				0
29	778.0 Royalties on Products Extracted				0
30	779.0 Marketing Expenses				0
31	780.0 Products Purchased for Resale				0
32	781.0 Variation in Products Inventory				0
33	782.0 Extracted Products Used by the Utility-Credit				0
34	783.0 Rents				0
	Total Products Extraction Operation Expenses		0	0	0
35	Maintenance				
36	784.0 Maintenance Supervision and Engineering				0
37	785.0 Maintenance of Structures and Improvements				0
38	786.0 Maintenance of Extraction and Refining Equipment				0
39	787.0 Maintenance of Pipe Lines				0
40	788.0 Maintenance of Extracted Products Storage Equipment				0
41	789.0 Maintenance of Compressor Equipment				0
42	790.0 Maintenance of Gas Measuring & Regulating Equipment				0
43	791.0 Maintenance of Other Equipment				0
	Total Products Extraction Maintenance Expenses		0	0	0
	Total Natural Gas Production Expenses		\$4,988,021	\$6,095,489	\$1,107,468
44	EXPLORATION AND DEVELOPMENT EXPENSES				
45	Operation				
46	795.0 Delay Rentals				0
47	796.0 Nonproductive Well Drilling				0
48	797.0 Abandoned Leases				0
49	798.0 Other Exploration				0
	Total Exploration and Development Operation Exp.		0	0	0
50	OTHER GAS SUPPLY EXPENSES				
51	Operation				
52	800.0 Natural Gas Well Head Purchases				0
53	801.0 Natural Gas Well Head Purchases, Intercompany Trans.		\$28,407,783	\$28,438,920	\$31,137
54	802.0 Natural Gas Gasoline Plant Outlet Purchases				0
55	803.0 Natural Gas Transmission Line Purchases		132,551,841	103,049,919	(29,501,922)
56	804.0 Natural Gas City Gate Purchases		1,502,814	1,744,043	241,229

405. OPERATION AND MAINTENANCE EXPENSES (Continued)
 Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule Page No. (b)	Balance Previous Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	804.1 Liquefied Natural Gas Purchases				0
2	805.0 Other Gas Purchases				0
3	805.1 Purchases Gas Cost Adjustments		71,320,315	(21,501,044)	(92,821,359)
4	806.0 Exchange Gas		485,530	270,188	(215,342)
5	807.0 Purchased Gas Expenses		14,212	(9,668)	(23,880)
6	808.1 Gas Withdrawn from Storage-Debit		56,939,220	65,693,765	8,754,545
7	808.2 Gas Delivered to Storage-Credit		(80,981,282)	(60,439,348)	20,541,934
8	809.1 Withdrawals of Liquefied Nat. Gas Held for Processing				0
9	809.2 Deliveries of Natural Gas for Processing				0
10	810.0 Gas Used for Compressor Station Fuel-Credit		(3,751,763)	(3,665,375)	86,388
11	811.0 Gas Used for Products Extraction-Credit				0
12	812.0 Gas Used for Other Utility Operations-Credit		(7,664,989)	(3,659,046)	4,005,943
13	813.0 Other Gas Supply Expenses				0
	Total Gas Supply Operation Expenses		\$198,823,681	\$109,922,353	(\$88,901,328)
14	Natural Gas Storage, Terminating & Processing Exp.				
	Underground Storage Expenses				
15	814.0 Operation Supervision and Engineering				0
16	815.0 Maps and Records				0
17	816.0 Wells Expenses		\$114,258	\$62,841	(\$51,417)
18	817.0 Lines Expenses		6,964	231	(6,733)
19	818.0 Compressor Station Expenses		106,174	42,232	(63,942)
20	819.0 Compressor Station Fuel and Power		1,579,289	1,344,908	(234,381)
21	820.0 Measuring and Regulating Station Expenses		699,942	1,249,553	549,611
22	821.0 Purification Expenses				0
23	822.0 Exploration and Development				0
24	823.0 Gas Losses		7,489,072	3,468,781	(4,020,291)
25	824.0 Other Expenses		297,932	338,755	40,823
26	825.0 Storage Well Royalties		46,472	45,386	(86)
27	826.0 Rents		42,247	13,429	(28,818)
	Total Underground Storage Expenses		\$10,382,350	\$6,567,115	(\$3,815,235)
28	Maintenance				0
29	830.0 Maintenance Supervision and Engineering				0
30	831.0 Maintenance of Structures and Improvements		\$21,062	\$8,688	(\$12,374)
31	832.0 Maintenance of Reservoirs and Wells		181,417	90,531	(90,886)
32	833.0 Maintenance of Lines		59,110	131,287	72,177
33	834.0 Maintenance of Compressor Station Equipment		69,712	28,492	(41,220)
34	835.0 Maintenance of Measuring & Regulating Station Equip.		355,750	629,490	273,740
35	836.0 Maintenance of Purification Equipment				0
36	837.0 Maintenance of Other Equipment				0
	Total Maintenance Expenses		\$687,051	\$888,488	\$201,437
37	Other Storage Expenses				0
38	Operation				
39	840.0 Operating Supervision and Engineering				0
40	841.0 Operation Labor and Expenses				0
41	842.0 Rents				0
42	842.1 Fuel				0
43	842.2 Power				0
44	842.3 Gas Losses				0
	Total Operation Expenses		0	0	0
45	Maintenance				
46	843.1 Maintenance Supervision and Engineering				0
47	843.2 Maintenance of Structures and Improvements				0
48	843.3 Maintenance of Gas Holders				0
49	843.4 Maintenance of Purification Equipment				0
50	843.5 Maintenance of Liquefaction Equipment				0
51	843.6 Maintenance of Vaporizing Equipment				0
52	843.7 Maintenance of Compressor Equipment				0
53	843.8 Maintenance of Measuring and Regulatory Equipment				0
54	843.9 Maintenance of Other Equipment				0
	Total Maintenance Expenses		0	0	0

405. OPERATION AND MAINTENANCE EXPENSES (Continued)
 Balances at Beginning of Year must be consistent with balances at end of previous year

Line No	Account Number and Title (a)	Schedule Page No. (b)	Balance Previous Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1					
2	LIQUEFIED NATURAL GAS TERMINATING AND				
3	PROCESSING EXPENSES		XXX	XXX	XXX
4	Operation				
5	844.1 Operation Supervision and Engineering				0
6	844.2 LNG Processing Terminal Labor and Expenses				0
7	844.3 Liquefaction Processing Labor and Expenses				0
8	844.4 LNG Transportation Labor and Expenses				0
9	844.5 Measuring and Regulating Labor and Expenses				0
10	844.6 Compressor Station Labor and Expenses				0
11	844.7 Communication System Expenses				0
12	844.8 System Control and Load Dispatching				0
13	845.1 Fuel				0
14	845.2 Power				0
15	845.3 Rents				0
16	845.4 Demurrage Charges				0
17	845.5 Warfare Receipts-Credit				0
18	845.6 Processing Liquefied or Vaporized Gas by Others				0
19	846.1 Gas Losses				0
20	846.2 Other Expenses				0
	Total Liq. N.G. Term & Proc. Operation Expenses		0	0	0
21	Maintenance				
22	847.1 Maintenance Supervision and Engineering				0
23	847.2 Maintenance of Structures and Improvements				0
24	847.3 Maintenance of LNG Processing Terminal Equipment				0
25	847.4 Maintenance of LNG Transportation Equipment				0
26	847.5 Maintenance of Measuring and Regulating Equipment				0
27	847.6 Maintenance of Compressor Station Equipment				0
28	847.7 Maintenance of Communication Equipment				0
29	847.8 Maintenance of Other Equipment				0
	Total Liq. N.G. Term. Proc. Maintenance Expenses		0	0	0
30	TRANSMISSION EXPENSES		XXX	XXX	XXX
31	Operation				
32	850.0 Operating Supervision and Engineering		\$35,187	\$7,937	(\$27,250)
33	851.0 System Control and Load Dispatching				0
34	852.0 Communication System Expenses				0
35	853.0 Compressor Station Labor and Expenses			258	258
36	854.0 Gas for Compressor Station Fuel				0
37	855.0 Other Fuel and Power for Compressor Stations				0
38	856.0 Mains Expenses		171,431	224,042	52,611
39	857.0 Measuring and Regulating Station Expenses		53,471	80,673	27,202
40	858.0 Transmission and Compression of gas by Others		21,024,288	21,190,691	166,403
41	859.0 Other Expenses		27,104	17,478	(9,626)
42	860.0 Rents		9,735	10,961	1,226
	Total Transmission Operation Expenses		\$21,321,216	\$21,532,040	\$210,824
43	Maintenance				
44	861.0 Maintenance Supervision and Engineering				0
45	862.0 Maintenance of Structures and Improvements				0
46	863.0 Maintenance of Mains		\$741,848	\$596,806	(\$235,042)
47	864.0 Maintenance of Compressor Station Equipment		32,501	67,647	35,146
48	865.0 Maintenance of Measuring and Regulating Station Equip.		253,155	293,823	40,668
49	866.0 Maintenance of Communication Equipment				0
50	867.0 Maintenance of Other Equipment				0
	Total Transmission Maintenance Expenses		\$1,027,504	\$868,276	(\$159,228)
51	DISTRIBUTION EXPENSES		XXX	XXX	XXX
52	Operation				
53	870.0 Operation Supervision and Engineering		\$109,816	\$83,433	(\$26,383)
54	871.0 Distribution Load Dispatching		2,195	64	(\$2,131)
55	872.0 Compressor Station Labor and Expenses				0
56	873.0 Compressor Station Fuel and Power (Major Only)				0
57	874.0 Mains and Services Expenses		1,949,096	3,363,061	1,413,965
58	875.0 Measuring and Regulating Station Expenses-General		517,618	1,318,623	801,005

405. OPERATION AND MAINTENANCE EXPENSES (Continued)
Balances at Beginning of Year must be consistent with balances at end of previous year

Line No	Account Number and Title (a)	Schedule Page No (b)	Balance Previous Year (c)	Balance End of Year (d)	Increase/Decrease (e)
1	876.0 Measuring and Regulating Station Expenses-Industrial		2,595		(2,595)
2	877.0 Measuring and Regulating Station Expenses-City Gate				0
3	878.0 Meter and House Regulator Expenses		2,031,179	2,135,909	104,730
4	879.0 Customer Installations Expenses		2,616,156	2,101,915	(514,241)
5	880.0 Other Expenses		2,816,459	2,960,210	143,751
6	881.0 Rents		13,884	8,041	(5,843)
7	Total Distribution Operation Expenses		\$10,058,998	\$11,971,256	\$1,912,258
7	Maintenance				
8	885.0 Maintenance Supervision and Engineering				0
9	886.0 Maintenance of Structures and Improvements		\$1,152,530	\$936,469	(\$216,061)
10	887.0 Maintenance of Mains		12,903,222	4,910,880	(7,992,342)
11	888.0 Maintenance of Compressor Station Equipment				0
12	889.0 Maintenance of Measuring & Reg. Station Equip.-Genl.		342,420	517,606	175,186
13	890.0 Maintenance of Measuring & Reg. Station Equip.-Indtrl				0
14	891.0 Maintenance of Measuring & Reg. Station Equip.-City G				0
15	892.0 Maintenance of Services		1,174,725	3,234,886	2,060,161
16	893.0 Maintenance of Meters & House Regulators		39,940	38,415	(1,525)
17	894.0 Maintenance of Other Equipment		215,510	498,024	282,514
	Total Maintenance Expenses		\$15,828,347	\$10,136,279	(\$5,692,068)
18	CUSTOMER ACCOUNTS EXPENSES		XXX	XXX	XXX
19	Operations				
20	901.0 Supervision				0
21	902.0 Meter Reading Expenses		\$2,843,429	\$2,353,968	(\$479,461)
22	903.0 Customer Records & Collection Expenses		509,252	892,332	383,080
23	904.0 Uncollectable Accounts		8,342,554	11,659,490	3,316,936
24	905.0 Miscellaneous Customer Accounts Expenses				0
	Total Customer Account Operations Expenses		\$11,695,235	\$14,915,789	\$3,220,554
25	CUSTOMER SERVICE & INFORM. EXPENSES		XXX	XXX	XXX
26	Operations				
27	907.0 Supervision		\$2,293,707	\$1,743,208	(\$550,499)
28	908.0 Customer Assistance Expenses		423,364	1,174,128	750,764
29	909.0 Informational & Instructional Advertising Expenses				0
30	910.0 Miscellaneous Customer Service & Informational Exp		(8,932)	1,677	10,609
	Total Cust. Service & Inform. Operations Expenses		\$2,708,139	\$2,919,014	\$210,875
31	SALES EXPENSES		XXX	XXX	XXX
32	Operation				
33	911.0 Supervision				0
34	912.0 Demonstrating and Selling Expenses		\$1,703,307	\$789,143	(\$914,164)
35	913.0 Advertising Expenses				0
36	914.0 (Reserved)				0
37	915.0 (Reserved)				0
38	916.0 Miscellaneous Sales Expenses				0
	Total Operation Sales Expenses		\$1,703,307	\$789,143	(\$914,164)
39	ADMINISTRATIVE AND GENERAL EXPENSES		XXX	XXX	XXX
40	Operation				
41	920.0 Administrative and General Salaries		\$9,403,202	\$5,023,587	(\$4,379,615)
42	921.0 Office Supplies and Expenses		4,538,482	7,665,137	3,126,655
43	922.0 Administrative Expenses Transferred-Credit		(3,415,433)	(4,751,999)	(1,336,566)
44	923.0 Outside Service Employed		22,722,135	22,392,447	(329,688)
45	924.0 Property Insurance		(224,304)	(404,105)	(179,801)
46	925.0 Injuries and Damages		2,200,378	1,736,722	(463,656)
47	926.0 Employee Pensions and Benefits		(16,105,824)	(20,636,980)	(4,531,156)
48	927.0 Franchise Requirements				0
49	928.0 Regulatory Commission Expenses			49,118	49,118
50	929.0 Duplicate Charges-Credit				0
51	930.1 General Advertising Expenses				0
52	930.2 Miscellaneous General Expenses		104,571	271,730	167,159
53	931.0 Rents		5,099,103	585,645	(4,513,458)
54	Total Administrative and General Operation Expenses		\$24,322,310	\$11,931,303	(\$12,391,007)
54	Maintenance				
55	932.0 Maintenance of General Plant		746,225	\$22,625	(223,600)
57	Total Administrative and General Expenses		\$25,068,535	\$12,453,928	(\$12,614,607)
58	Total Gas Operation and Maintenance Expenses				
59	Total Gas Operation Expenses		\$284,269,520	\$184,436,282	(\$99,833,238)
60	Total Maintenance Expenses		\$20,022,864	\$14,622,887	(\$5,399,977)

408. TAXES OTHER THAN INCOME TAXES, UTILITY OPERATING INCOME (Account 408.1)

This schedule shall include a breakdown of the various tax expenses that constitute the ending balance in Account No. 408.1-Taxes Other Than Income Taxes Utility Operating Income. The information should also reflect related entries to Account No. 165-Prepayments, and Account No. 236-Taxes Accrued

Line No.	Type of Tax (a)	Account 165 Prepayments (b)	Account 236 Taxes Accrued (c)	Account 408.1 Taxes Other Than Income (d)
1	Social Security			
2	Federal Unemployment			
3	Pennsylvania Unemployment			
4	Utility Regulatory Assessment		(\$979,603)	\$979,603
5	Local Property Taxes		(45,399)	45,399
6	Public Utility Realty Tax		(926,122)	926,122
7	State Capital Stock Tax		(2,619,389)	2,619,389
8	Other Taxes (specify) Payroll Tax		(2,274,744)	2,274,744
9	Use Tax		(58,067)	58,067
10	Miscellaneous Tax		(799,242)	799,242
11	TOTAL	\$0	(\$7,702,566)	\$7,702,566

409. INCOME TAXES, UTILITY OPERATING INCOME (Account 409.1)

This schedule shall include a breakdown of the various tax expenses that constitute the ending balance in Account No. 409.1-Income Taxes, Ut. Operating Income. The information should also reflect related entries to Account No. 165-Prepayments, Account No. 190-Accumulated Deferred Income Taxes and Account No. 236-Accrued Utility Operating Income.

Line No.	Type of Tax (a)	Account 165 Prepayments (b)	Account 190 Accumulated Def Income Taxes (c)	Account 236 Accrued Taxes (d)	Account 409.1 Income Taxes Optr Income (e)
1	Federal Income Taxes	\$6,042,200		(\$6,750,519)	\$708,319
2	State Income Taxes	75,706		(271,674)	195,968
3	Local Income Taxes				
4					
5					
6					
7					
8	Other Taxes (specify)				
9					
10					
11	TOTAL	\$6,117,906	\$0	(\$7,022,193)	\$904,287

410. CALCULATION OF FEDERAL INCOME TAXES - CURRENT PERIOD

1. The totals as reported on this schedule should conform with amounts reported on corresponding Schedules.

Line No.	Item (a)	Total (b)	Current (c)	Deferred Property Related (d)	Deferred Other (e)
1	Operating Revenues		\$314,446,624		
2	Operating Expenses		218,000,531		
3	Operating Taxes (Non-Income)		7,702,566		
4	Interest & Other Expense		11,861,209		
5	Pre-Tax Operating Income				
	Total Line 1 Minus Lines 2-3-4	-	\$76,882,318	-	-
6	Other Income (Expense)		977,860		
7	Pre Tax Book Income				
	Total Lines 5+6	-	\$77,860,178	-	-
8	Permanent and Flow-Through Differ.		(47,790,000)		
9	Temporary Differences		(23,943,000)		
10	State Only Differences		2,257,000		
11	Subtotal	-	\$8,384,178	-	-
12	State Tax at Current Rate		\$838,000	0	\$2,458,000
13	Adjustments to State Tax		(31,000)		
14	Adjustments for St. Tax Rate Changes		0		
15	State Tax Accrual				
	Total Lines 12+13+14	-	\$807,000	-	\$2,458,000
16	Federal Taxable Income				
	Total Line 11 Minus Lines 10-12-13	-	\$5,320,178		
17	Federal Tax at Current Rate		\$1,862,000	\$3,167,000	\$8,772,000
18	ITC Amortization		(478,000)		
19	Adjustment for Fed. Tax Rate Changes				
20	R & D Credits				
21	IRS Audit Settlement				
22	Tax Rate Change on Extraord. Activity				
23	Other		(1,359,000)		
24	Federal Tax Accrual				
	Total Lines 17 through 23	-	\$25,000	\$3,167,000	\$8,772,000

**411. PROVISION FOR DEFERRED INCOME TAXES,
UTILITY OPERATING INCOME (Account 410.1)**

This schedule shall include a breakdown of the various tax expenses that constitute the ending balance in Account No. 410.1-Provision for Deferred Income Taxes, Utility Operating Income. The information should also reflect related entries to Account No. 165-Prepayments; Account No. 190-Accumulated Deferred Income Taxes & Account No. 236-Accrued Taxes, Utility Operating Income.

Line No.	DEBITS Type of Tax (a)	Account 165 Prepayments (b)	Account 190 Accumulated Deferred Income Taxes (c)	Account 236 Accrued Taxes (d)	Account 410.1 Provision for Deferred Income Taxes (e)
1	Federal	(\$112,000)	(\$7,042,000)	(\$7,786,000)	\$14,940,000
2	State	(35,000)	0	(2,630,000)	2,665,000
3	Other				
4					
5					
6					
7	Total	(\$147,000)	(\$7,042,000)	(\$10,416,000)	\$17,605,000

**412. PROVISION FOR DEFERRED INCOME TAXES
UTILITY OPR. INCOME, CREDIT (Account 411.1)**

This schedule shall include a breakdown of the various tax expenses that constitute the ending balance in Account No. 411.1-Provision for Deferred Income Taxes-Credit. The information should also reflect related entries to Account No. 165-Prepayments; Account No. 190-Accumulated Deferred Income Taxes & Account No. 236-Accrued Taxes.

Line No.	DEBITS Type of Tax (a)	Account 165 Prepayments (b)	Account 190 Accumulated Deferred Income Taxes (c)	Account 236 Accrued Taxes (d)	Account 411.1 Provision for Deferred Income Taxes (e)
1	Federal		\$2,351,000	\$650,000	(\$3,001,000)
2	State		0	207,000	(207,000)
3	Other				
4					
5					
6					
7	Total	\$0	\$2,351,000	\$857,000	(\$3,208,000)

500. GAS PURCHASED

1. Report below the information called for concerning gas purchased for resale during year.
2. Purchases from independent natural gas producers shall be grouped on one line and columns (b), (d), (g) and (h) only shall be reported with respect to such purchase.
3. The quantities reported should be those shown by the bills rendered by the vendor. Indicate MCF, CCF or Therms.
4. Report separately non-interruptible and interruptible purchases from the same company. Designate purchases from affiliated interest by an asterisk following the name in column (b).

Line No.	Purchased From (g)	Point of Delivery (b)	BTU Per Cu. Ft. (e)	MCF CCF or Therms (d)	Commodity Charges (c)	Other Charges (f)	Total (g)	Cost Per Unit (h)
1	801 Field Purchases			9,183,148	\$28,438,920		\$28,438,920	\$3.10
2	803 Pipeline Purchases							
3	Dominion Transmission Inc*	Allegheny, Beaver, Butler, Cambria, Greene, Mercer, Somerset, Westmoreland		n/a	\$15,186,147		\$15,186,147	
4								
5	Carrigie Interstate Pipeline	Allegheny		n/a	95,498		95,498	
6	Equitrans, LP	Allegheny, Washington		n/a	183,208		183,208	
7	National Fuel Gas Supply	Butler		n/a	1,285,555		1,285,555	
8	Tennessee Gas Pipeline	Beaver		n/a	997,609		997,609	
9	Texas Eastern Transmission	Allegheny, Blair, Cambria		n/a	1,832,818		1,832,818	
10	Three Rivers Pipeline			n/a	350,004		350,004	
11	Texas Gas Transmission			n/a	1,941,792		1,941,792	
12	Capacity Releases			n/a	7,617,754		7,617,754	
13	Spot Market Purchases			24,353,380	94,750,225		94,750,225	\$3.89
14	Total Pipeline Purchases			24,353,380	\$124,240,610		\$124,240,610	\$5.10
15	804 City Gate Purchases			754,807	1,744,043		1,744,043	\$2.31
16	805 Purchased Gas Cost Adjustments			n/a	(21,501,044)		(21,501,044)	
Totals			0	34,291,535	\$132,922,529		\$132,922,529	\$3.88

Note: Included in Commodity Charges is \$21,190,691 recorded in a/c 858 - Transmission and Compression of Gas by Others
Transmission and Compression costs are included in the determination of Purchased Gas Cost Adjustments.

501. SALES FOR RESALE

1. Report below the information called for concerning gas sold during year to other gas utilities or to public authorities for resale.
2. The quantities shown should be those shown by the bills rendered to the purchasers. Indicate MCF, CCF or Therms.
3. Report separately non-interruptible and interruptible sales to the same company. Designate sales to affiliated interest by an asterisk following the name in column (a).
4. Designate any sales which are other than firm sales.

Line No.	Sold To (a)	Point of Delivery (b)	BTU Per Cu. Ft. (c)	MCF CCF or Therms (d)	Commodity Charges (e)	Other Charges (f)	Total (g)	Revenue Per Unit (h)
1	Agway Energy	Imbalance sale	1,030	11,182	\$55,065		\$55,065	\$4.92
2	GMS Enterprises	Imbalance sale	1,030	3,360	18,278		18,278	\$5.44
3	First Energy	Imbalance sale	1,030	59,833	322,021		322,021	\$5.98
4	New Power	Imbalance sale	1,030	9,677	34,874		34,874	\$3.60
5	Nicole Energy	Imbalance sale	1,030	171	813		813	\$4.75
6	Ruley Natural Gas	Imbalance sale	1,030	2,765	15,042		15,042	\$5.44
7	Select Energy	Imbalance sale	1,030	4,520	12,986		12,986	\$2.87
8	Select Energy	Imbalance sale-price adjustment for 2001				(\$86,620)	(86,620)	
9	Snyder Brothers	Imbalance sale	1,030	316	1,379		1,379	\$4.36
Totals				91,824	\$460,457	(86,620)	\$373,837	

505. GAS ACCOUNT-NATURAL GAS

- 1 The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent adjusted for any differences in pressure bases used in measuring MCF of natural gas received and delivered.
- 2 If the respondent operates two or more systems which are not interconnected, separate schedules should be submitted. Insert pages should be used for this purpose.

No.	Item (a)	MCF as Reported (b)
1	GAS RECEIVED	
2	Natural Gas Produced	
3	L P G Gas Produced and Mixed with Natural Gas	
4	Manufactured Gas Produced and Mixed with Natural Gas	
5	Purchased Gas	34,291,535
6	Gas of Others Received for Transportation	36,926,000
7	Receipts of Respondent's Gas Transported or Compressed by Others	
8	Exchange Gas Received	996,593
9	Gas Received from Underground Storage	20,045,305
10	Other Receipts	2,076,027
11		
12		
13		
14	Total Receipts:	94,335,460
15	GAS DELIVERED	
16	Natural Gas Sales:	
17	Local Distribution by Respondent	28,976,509
18	Main Line Industrial Sales	
19	Sales for Resale	91,824
20	Interdepartmental Sales	
21		
21		
22	Total Sales	29,068,333
23	Deliveries of Gas Transported or Compressed for Others	37,839,402
24	Deliveries of Respondent's Gas for Trans. Or Compressed by Others	
25	Exchange Gas Delivered	816,175
26	Natural Gas used by Respondent	873,046
27	Natural Gas Delivered to Storage	18,100,257
28	Natural Gas for Franchise Requirements	
29	Other Deliveries Specify	
30	Total Deliveries	86,697,213
31	UNACCOUNTED FOR	
32	Production System Losses	
33	Storage Losses	822,000
34	Transmission System Losses	
35	Distribution System Losses	6,816,247
36	Other Losses	
37		
38	Total Unaccounted For	7,638,247
38	Total Deliveries and Unaccounted For	94,335,460

510. UNDERGROUND GAS STORAGE

1. Report particulars for each underground gas storage project.
2. Give particulars of any gas stored for the benefit of another company under a gas exchange arrangement or on a basis of purchase and resale to another company. Designate if other company is an associated company.
3. Pressure base of gas volumes reported below.

Line No.	Month (a)	Total (b)	All Volumes @ 14.73 PSIA					Truittsburg (g)	Roger Mountain (h)
			Murrysville (c)	Gamble Hayden (d)	Colvix (e)	Webster (f)	MCF		
1	Storage Operations	MCF							
2	Gas Delivered to Storage								
3	January	44,835	3,813	18,634	2,337	9,331	0	10,700	
4	February	0	0	0	0	0	0	0	
5	March	53,303	16,620	0	0	8,780	27,903	0	
6	April	388,715	128,260	76,975	68,900	5,305	109,275	0	
7	May	1,583,994	131,765	172,345	91,812	11,880	114,992	1,061,200	
8	June	2,380,888	58,280	200,468	298,505	85,435	65,200	1,673,000	
9	July	2,520,672	243,630	140,526	261,064	103,713	241,939	1,529,800	
10	August	2,304,667	221,770	130,096	4,044	26,084	520,973	1,401,700	
11	September	1,849,398	302,360	141,547	21,819	64,658	412,614	906,400	
12	October	374,388	21,450	12,277	22,669	4,143	33,649	280,200	
13	November	35,426	19,320	4,470	0	0	11,636	0	
14	December	0	0	0	0	0	0	0	
15	Totals	11,336,286	1,147,268	897,338	771,170	319,329	1,538,181	6,863,000	
16	Gas Withdrawn From Storage								
17	January	3,333,634	341,075	286,907	180,193	91,092	582,357	1,852,010	
18	February	3,046,765	224,237	339,096	119,155	122,029	258,948	1,983,300	
19	March	1,663,464	115,940	140,907	85,843	52,426	56,128	1,212,000	
20	April	528,231	44,530	22,227	29,250	16,611	59,913	355,700	
21	May	6,084	0	0	0	0	6,084	0	
22	June	5,449	0	0	0	0	5,449	0	
23	July	0	0	0	0	0	0	0	
24	August	1,942	0	0	0	1,942	0	0	
25	September	0	0	0	0	0	0	0	
26	October	34,110	0	0	0	15,410	0	18,700	
27	November	1,274,190	33,061	3,738	151,125	1,297	137,620	947,349	
28	December	2,023,522	80,056	20,307	183,925	0	184,137	1,555,097	
29	Totals	11,917,391	838,919	813,182	749,491	309,807	1,290,836	7,924,156	
30	Gas Lost in Storage Operations	822,000	165,000	0	252,000	153,000	252,000	0	
31	Stored Gas End of Year-MCF	19,169,711	3,480,889	2,429,206	1,876,308	960,333	3,346,087	7,076,888	
32	Est. Native Gas in Storage Reservoir-MCF	11,853,667	83,640	502,860	46,512	8,568	18,870	11,193,217	
33	Total Gas in Reservoir-MCF (Lines 28 plus 29)	31,023,378	3,564,529	2,932,066	1,922,820	968,901	3,364,957	18,270,105	
34	Storage Capacity (Escl. Native Gas)-MCF	21,988,800	3,162,000	2,346,000	2,346,000	1,162,800	3,672,000	9,300,000	
35	Reservoir Pressure at which Storage Cap.-Computed		950#	1000#	630#	660#	900#	3200#	
36	Number of Storage Wells in Project	46	9	7	7	5	11	7	
37	Number of Acres of Storage Area	7,680	737	740	659	332	891	4,321	
38	Maximum Days Withdrawal from Storage		27,120	19,480	22,299	7,780	27,254	109,400	
39	Date of Maximum Day's Withdrawal		11-Jan-02	18-Jan-02	12-Nov-02	19-Jan-02	8-Jan-02	2-Jan-02	
40	Year Storage Operations Commenced		1939	1943	1943	1945	1949	1971	

510. UNDERGROUND GAS STORAGE (Continued)

1. Report particulars for each underground gas storage project.
2. Give particulars of any gas stored for the benefit of another company under a gas exchange arrangement or on a basis of purchase and resale to another company. Designate if other company is an associated company.
3. Pressure base of gas volumes reported below.

	Gas Stored for Other Companies	MCF In Storage			
1					
2	Dominion Peoples provides storage service for				
3	numerous third parties and certain affiliates.				
4					
5	Gas stored for the benefit of third parties	793,265			
6	Gas stored for the benefit of affiliates	1,513,930			
7					
8		2,307,195			
9					
10					
11					
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Note: Gas Stored for Others not separately identified between on-system storage and off-system (contract) storage.

511. MANUFACTURED GAS PRODUCTION PLANT

- 1 Kind or Type of Plant _____ Location _____
- 2 Maximum Daily Capacity of Plant _____ MCF _____
- 3 Maximum Daily MCF of Gas Produced During Year _____ Date _____
- 4 Maximum Daily MCF of Gas Produced During Life of Plant _____ Date _____
- 5 Number of Days Plant was Commercially Operated During Year _____
- 6 Date Plant was last Commercially Operated _____
- 7 MCF of Gas Produced During the Year _____
- 8 Average BTU Content of Gas Produced _____

None

512. LIQUEFIED PETROLEUM GAS OPERATIONS

- 1 Location of Plant _____
- 2 MCF of Gas Produced During Year _____
- 3 Gallons of L.P.G. Used During Year _____
- 4 Function of Plant _____
- 5 Storage Capacity for L.P.G. (Gallons) _____

None

Annual Report of The Peoples Natural Gas Company d/b/a Dominion Peoples Year Ended December 31, 2002
 515. GAS AND OIL WELLS

Line No	Size of Pipe Inches	Field Lines M Ft	Prod. Ex. Lines M Ft	Storage Lines M Ft	Distr. Mains M Ft	Transmission M Ft
1						
2						
3						
4						
5						
6						
7						
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516. GAS LINES, METERS AND SERVICES

Line No	Size of Pipe Inches	Field Lines M Ft	Prod. Ex. Lines M Ft	Storage Lines M Ft	Distr. Mains M Ft	Transmission M Ft
28	2"	1,555			6,726	90
29	3"	1,074			6,014	138
30	4"	1,128			10,250	369
31	5"	154			608	54
32	6"	1,099			5,303	799
33	7"	17			48	20
34	8"	933			2,578	997
35	9"	0			3	1
36	10"	188			646	614
37	11"	19			0	4
38	12"	212			514	1,401
39	13"	0			0	0
40	14"	0			61	270
41	16"	12			180	99
42	18"	0			0	109
43	19"	0			1	0
44	20"	7			102	723
45	24"	0			15	85
46	30"	0			1	0
47						
48		6,198	0	163	33,030	5,773

Meters in Service at End of Year 375,286 Services at End of Year, Company Owned 332,507
 Meters in Stock or Shop at End of Year 14,641 Services at End of Year, Customer Owned None

517. CUSTOMER GAS METERS

Line No	(a)	Size (b)	Number of Meters			
			First of Year (c)	Added During Year (d)	Removed Or Disconnected During Year (e)	End of Year (e)
1	In residential use					0
2						0
3						0
4						0
5						0
6						0
7						0
8						0
9						0
10	Total in residential use		332,866	2,790	849	334,807
11	In commercial use					0
12						0
13						0
14						0
15						0
16						0
17						0
18						0
19						0
20	Total in commercial use		31,133	751	277	31,607
21	In industrial use					0
22						0
23						0
24						0
25						0
26						0
27						0
28						0
29						0
30	Total in industrial use		286	9	10	285
31	In public (municipal or government) use					0
32						0
33						0
34						0
35						0
36						0
37						0
38						0
39						0
40	Total in public (municipal or government) use		6	0	0	6
41	Total in use		364,291	3,550	1,136	366,705
42	In Stock					9
43						0
44						0
45						0
46						0
47						0
48						0
49						0
50	Total in stock		8,200	13,858	14,888	7,170
51	Total all meters		372,491	17,408	16,024	373,875

METERS TESTED BY SIZES

(a)	1/2 (a)	5/8 (b)	3/4 (c)	1 (d)	1 1/4 & 1 1/2 (e)	2, 3 & 4 (f)	6, 8 & 12 (g)	Total (h)
52	Number tested during the year			17,261	1,519	1,181	94	20,055

600. CLASSIFICATION OF CUSTOMERS, UNITS SOLD AND OPERATING REVENUES BY TARIFF SCHEDULE

- 1 Report below the details called for concerning Customers, MCF, CCF or Therms (Indicate Unit Used) Sold, and Opr. Revenues by Tariff Schedule.
- 2 Customers should be reported on the basis of number of meters, plus number of unmetered accounts, except that where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added.
3. Quantities of gas sold to flat-rate customers shown in column (e), should explain in a footnote the basis upon which quantities were determined.
- 4 Respondent should use additional sheets if necessary.

Line No.	Account (a)	Number of Customers			Sales During Year			Revenues	
		Beginning of Year (b)	End of Year (c)	Average During Year (d)	Total MCF/CCF Therms (e)	Total Operating Revenue (f)	MCF/CCF Therm Per Customer (g)	Per Customer (h)	Per Unit (i)
2	Metered Sales by Tariff Schedule								
3	Residential								
4	Retail								
5	Heating	207,967	226,605	217,478	22,488,568	\$177,259,916	99	\$782.24	\$7.88
6	Non-Heating	3,596	3,644	3,929	85,642	1,029,516	24	\$282.52	\$12.02
7	Unbilled				39,000	2,789,000			
8									
9	Transportation								
10	Billed	113,733	96,434	103,729	11,523,048	48,801,106	119	\$506.06	\$4.24
11	Unbilled				(31,000)	(926,000)			
12									
13	Total Residential Metered Sales	325,296	326,683	325,136	34,105,258	\$228,953,538			
14	Commercial								
15	Retail								
16	Heating	18,142	19,652	18,706	5,945,625	\$41,506,740	303	\$2,112.09	\$6.98
17	Non-Heating	510	551	583	72,807	552,681	132	\$1,003.05	\$7.59
18	Unbilled				142,000	1,245,000			
19									
20	Transportation								
21	Billed	10,438	8,849	9,629	10,454,783	23,603,431	1,181	\$2,667.36	\$2.26
22	Unbilled				52,000	51,000			
23									
24	Total Commercial Metered Sales	29,090	29,052	28,918	16,667,215	\$66,958,852			
25	Industrial								
26	Retail - Billed	27	32	31	202,867	\$1,251,772	6,340	\$39,117.88	\$6.17
27									
28	Transportation - Billed	176	181	174	15,840,571	9,230,086	87,517	\$50,994.95	\$0.58
29									
30									
31									
32	Total Industrial Metered Sales	203	213	205	16,043,438	\$10,481,858			
33	Public								
34	Interdepartmental								
35	Other - Sales for Resale				91,824	\$373,837			
36	Total Metered Sales	354,589	355,948	354,259	66,907,735	\$306,768,085			
37	Unmetered Sales-All Categories								
38	Other								
39	Total Unmetered Sales	0	0	0	0	0			
40	Total Sales of Gas	354,589	355,948	354,259	66,907,735	\$306,768,085			
41	Other Gas Revenues								
42	Rent from Gas Property					572,966			
43	Interdepartmental Rents								
44	Operating Revenue Other Than Gas Sales					3,445,960			
45	Allowance to Customers								
46	Gas Storage Revenues					1,049,710			
47	Customers Forfeited Discounts & Penalties					2,255,715			
48	Miscellaneous Gas Revenues					854,188			
49	Total Other Gas Revenues	0	0	0	0	\$7,678,539			
50	Total Gas Operating Revenues	354,589	355,948	354,259	66,907,735	\$314,446,624			

605. NUMBER OF EMPLOYEES

Report the requested information concerning the number of employees on respondent's payrolls at end of year.

Line No	Classification According to Occupation (a)	Number at Year End (b)
1	Total Officials and Senior Manager Employees	55
2	Total Professional and Semiprofessional Employees	86
3	Total Business Office, Sales And Professional Employees	10
4	Total Clerical Employees	29
5	Total Operators	
6	Total Construction, Installation and Maintenance Employees (see note)	447
7	Total Building, Supplies and Motor Vehicle Employees	
8	All Other Employees Not Elsewhere Classified	
9	Total All Employees	627

Note: Includes the following classifications:

Craft (Skilled) workers	372
Semi-Skilled workers (Other than Meter Readers, Servicers, Testers)	43
Meter Readers, Servicers, Testers	32

610. Territory Served

Report below the number of customers at the end of the year in respondent's distribution system in which service is furnished, setting forth by counties the cities, boroughs and townships in each system.

Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Allegheny County</u>		
Bethel Park	1,720	1,720
Braddock Hills	452	452
Bridgeville	59	59
Carnegie	103	104
Chalfont	599	599
Churchill	1,130	1,131
Clairton	1,651	1,650
Collier	124	124
Crescent	1,274	1,267
East Deer	4	4
East McKeesport	1,117	1,122
East Pittsburgh	9	10
Edgewood	1,421	1,422
Elizabeth	5,536	5,536
Etna	49	51
Fawn	292	292
Findlay	916	916
Forest Hills	3,198	3,198
Forward	419	421
Fox Chapel	92	92
Frasier	27	27
Glassport	2,447	2,467
Hampton	7,358	7,323
Harmar	37	39
Harrison	89	89
Heidelberg	369	372
Indiana	1,785	1,785
Jefferson	642	642
Lincoln	244	245
McCandless	1,250	1,250
Monroeville	8,593	8,573
Moon	3,821	3,800
Millvale	26	27
Mt. Lebanon	766	766
North Fayette	3,362	3,321
North Versailles	2,459	2,465
O'Hara	276	276
Ohio	493	493
Penn Hills	16,051	16,052
Pine	641	640
Pittsburgh	25,980	26,029

610. Territory Served

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Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Allegheny County (continued)</u>		
Pleasant Hills	208	209
Plum	4,727	4,716
Rankin	664	673
Reserve	18	18
Richland	3,969	3,919
Robinson	3	2
Ross	2,844	2,844
Scott	2,956	2,956
Shaler	10,229	10,215
Sharpsburg	1	1
South Fayette	1,069	1,069
South Park	1,077	1,077
Springdale	44	44
Swissvale	4,623	4,640
Turtle Creek	2,169	2,181
Upper St. Clair	2,265	2,265
West Deer	2,805	2,793
West Elizabeth	211	216
West Millin	183	183
White Oak	1,326	1,326
Wilkins	2,784	2,784
Wilkinsburg	7,439	7,504
Wilmerding	14	14
Total Allegheny County	148,509	148,500
Total Population of Territory Served (Estimated)	1,006,391	
<u>Armstrong County</u>		
Apollo	778	777
Applewood	146	146
Atwood	14	14
Bethel	62	63
Boggs	11	11
Burrell	1	1
Cowanshannock	302	302
Dayton	265	265
East Franklin	591	593
Ford City	1,628	1,627
Ford Cliff	177	177

610. Territory Served

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Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Armstrong County (continued)</u>		
Gilpin	667	667
Kiskiminetas	885	885
Kittanning	2,056	2,063
Leechburg	1,118	1,122
Manorville	1,673	1,673
North Apollo	645	645
North Buffalo	153	153
Parks	676	681
Plumcreek	48	48
Rayburn	259	259
Redbank	2	2
Rural Valley	334	334
South Bend	52	53
South Buffalo	18	19
Sugarcreek	24	24
Valley	65	65
Washington	55	55
Wayne	35	36
West Kittanning	67	68
Total Armstrong County	12,897	12,828
Total Population of Territory Served (Estimated)	61,346	
<u>Beaver County</u>		
Aliquippa	4,569	4,614
Brighton	1,728	1,727
Center	2,450	2,450
Chippewa	19	19
Darlington	61	62
Franklin	7	8
Hopewell	4,548	4,548
Independence	17	17
Industry	524	525
Midland	1,127	1,134
Monaca	1,792	1,798
Potter	43	46
Raccoon	243	243
Shippingsport	40	41
South Beaver	49	50

610. Territory Served

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Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Beaver County (continued)</u>		
South Heights	220	220
Vanport	668	668
Total Beaver County	18,105	18,170
Total Population of Territory Served (Estimated)	81,432	
<u>Blair County</u>		
Allegheny	1,914	1,912
Altoona	19,154	19,204
Antis	1,121	1,118
Bellwood	808	808
Blair	818	805
Duncansville	471	473
Frankstown	1,410	1,410
Greenfield	239	239
Hollidaysburg	2,200	2,203
Logan	3,396	3,395
Snyder	355	356
Tyrone	2,015	2,033
Total Blair County	33,901	33,956
Total Population of Territory Served (Estimated)	108,434	
<u>Butler County</u>		
Adams	1,183	1,179
Buffalo	220	221
Callery	155	155
Cherry	1	1
Clinton	622	620
Connaquenessing	113	113
Cranberry	1,771	1,742
Evans City	691	691
Forward	213	214
Franklin	6	7
Harmony	418	418
Jackson	806	806
Jefferson	732	730

610. Territory Served

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Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Butler County (continued)</u>		
Lancaster	263	264
Marion	3	4
Mars	92	83
Middlesex	685	690
Muddy Creek	337	337
Portersville	160	158
Prospect	250	252
Saxenburg	536	536
Slippery Rock	1,085	1,080
Valencia	106	108
Winfield	634	636
Worth	14	14
Zelienople	1,643	1,648
Total Butler County	12,739	12,707
Total Population of Territory Served (Estimated)	97,364	
<u>Cambria County</u>		
Adams	199	199
Allegheny	1,283	1,281
Blacklick	11	11
Brownstown	352	354
Cambria	477	476
Conemaugh	37	37
Cresson	1,274	1,273
Dale	546	546
East Taylor	184	184
Ebensburg	1,300	1,307
Ferdale	792	793
Franklin	2	2
Geistown	1,218	1,218
Jackson	388	389
Johnstown	10,316	10,380
Lorain	318	318
Loretto	160	161
Lower Yoder	1,294	1,294
Middle Taylor	2	2
Munster	19	19
Nanty-Glo	9	9

610. Territory Served

Report below the number of customers at the end of the year in respondent's distribution system in which service is furnished, setting forth by counties the cities, boroughs and townships in each system

Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Cambria County (continued)</u>		
Portage	1,750	1,753
Richland	3,344	3,327
Sankertown	240	241
Southmont	948	950
Stonycreek	1,304	1,304
Upper Yoder	1,398	1,398
Washington	2	2
West Taylor	82	83
Westmont	2,289	2,289
Total Cambria County	31,538	31,600
Total Population of Territory Served (Estimated)	115,354	
<u>Clarion County</u>		
Limestone	26	26
Monroe	7	7
Redbank	14	14
Total Clarion County	47	47
Total Population of Territory Served (Estimated)	4,862	
<u>Fayette County</u>		
Belle Vernon	528	529
Fayette City	275	277
Franklin	7	7
German	4	4
Menallen	12	12
Perry	3	3
Point Marion	361	363
Springhill	31	32
Washington	1,180	1,180
Total Fayette County	2,401	2,407
Total Population of Territory Served (Estimated)	26,346	

610. Territory Served

Report below the number of customers at the end of the year in respondent's distribution system in which service is furnished, setting forth by counties the cities, boroughs and townships in each system.

Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Greene County</u>		
Aleppo	12	12
Dunkard	133	133
Franklin	12	12
Gilmore	22	22
Greene	16	16
Jackson	19	19
Monongahela	156	156
Morgun	15	16
Perry	1	1
Richhill	8	8
Springhill	22	23
Washington	5	5
Wayne	116	118
Whiteley	23	22
Total Greene County	560	563
Total Population of Territory Served (Estimated)	22,560	
<u>Indiana County</u>		
Armstrong	80	80
Black Lick	3	3
Blairsville	1,707	1,705
Burrell	284	283
Center	866	865
Cherryhill	14	14
Conemaugh	162	161
Creekside	143	143
East Mahoning	7	7
Homer City	819	819
Indiana	3,807	3,806
Rayne	31	31
Saltsburg	430	431
South Mahoning	6	6
Washington	42	42
West Mahoning	4	4
West Wheatfield	214	214
White	3,718	3,706
Young	2	2
Total Indiana County	12,339	12,322
Total Population of Territory Served (Estimated)	67,358	

610. Territory Served

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Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Lawrence County</u>		
Enon Valley	128	128
Hickory	495	495
Little Beaver	22	23
Nesharnock	2,279	2,266
New Wilmington	579	578
Pulaski	5	5
Scott	232	233
Shenango	3	2
Volant	78	79
Washington	12	12
Wilmington	68	69
Total Lawrence County	3,901	3,890
Total Population of Territory Served (Estimated)	32,834	
<u>Mercer County</u>		
East Lackawanna	4	5
Findley	100	101
Grove City	2,596	2,599
Lake	2	2
Liberty	107	107
Pine	894	884
Sandy Lake	335	338
Shenango	9	11
Springfield	244	248
Stoneboro	421	425
Wilmington	281	280
Wolf Creek	57	57
Total Mercer County	5,050	5,057
Total Population of Territory Served (Estimated)	29,443	
<u>Somerset County</u>		
Boswell	438	438
Conemaugh	126	127
Jefferson	169	160
Jenner	12	12

610. Territory Served

Report below the number of customers at the end of the year in respondent's distribution system in which service is furnished, setting forth by counties the cities, boroughs and townships in each system.

Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
<u>Somerset County (continued)</u>		
Middlecreek	204	205
Seven Springs	347	343
Somerset	9	9
Total Somerset County	1,296	1,294
Total Population of Territory Served (Estimated)	31,249	
<u>Venango County</u>		
Clinton	54	54
Irwin	67	68
Total Venango County	121	122
Total Population of Territory Served (Estimated)	2,067	
<u>Washington County</u>		
Bentleyville	10	10
Burgeltstown	704	707
California	2	2
Carroll	286	285
Cecil	381	369
Centerville	9	9
Chartiers	9	9
Cross Creek	5	5
Deemston	8	8
Donora	32	33
Fallowfield	357	355
Finleyville	47	47
Hanover	70	70
Hopewell	3	3
Jefferson	141	141
Monengahela	9	9
New Eagle	3	5
Nottingham	25	25
Peters	741	725
Robinson	40	41
Smith	882	884
Somerset	16	17
Union	308	308
West Pike Run	128	127
Total Washington County	4,216	4,194
Total Population of Territory Served (Estimated)	97,497	

610. Territory Served

Report below the number of customers at the end of the year in respondent's distribution system in which service is furnished, setting forth by counties the cities, boroughs and townships in each system.

Designation of Distribution System, and Cities, Boroughs and Townships in each County included Therein (a)	Number Of Customers At End Of Year (b)	Average Number Of Customers During Year (c)
Westmoreland County		
Adamsburg	62	63
Allegheny	14	14
Arnold	2,474	2,473
Avonmore	405	406
Bell	258	258
Bolivar	205	205
Delmont	48	48
Derry	3,791	3,797
Donegal	4	4
East Vandergriff	373	374
Export	588	588
Fairfield	55	55
Greensburg	7,650	7,655
Hempfield	9,776	9,733
Hunker	282	279
Hyde Park	235	236
Irwin	41	39
Jeanette	105	109
Latrobe	3,511	3,528
Ligonier	1,550	1,546
Lower Burrell	3,167	3,171
Loyalhanna	66	66
Manor	858	854
Monesson	3,979	4,000
Mt Pleasant	12	13
Murrysville	4,137	4,115
New Alexandria	127	127
New Florence	343	347
New Kensington	1,397	1,415
New Stanton	1	2
North Belle Vernon	982	987
North Huntingdon	4,676	4,662
North Irwin	449	449
Oklahoma	360	361
Penn	3,910	3,884
Rostraver	2,020	2,013
Salem	1,359	1,360
South Huntingdon	41	42
St Clair	167	167
Unity	4,220	4,193
Upper Burrell	206	206
Vandergriff	2,572	2,571
Washington	1,233	1,243
West Leechburg	534	534
Youngstown	174	174
Youngwood	1	2
Total Westmoreland County	68,418	68,368
Total Population of Territory Served (Estimated)	325,127	
Total Customers	355,948	356,025
Total Population of All Territories Served	2,109,664	

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondent. It shall be verified, also, by the oath of the president or other chief officer of the respondent. The oaths 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

(To be made by the officer having control of the accounting of the respondent)

State of Pennsylvania

County of Allegheny

Maxwell R. Schoels, Jr. makes oath and says that he/she is

(Name of affiant)

Controller

(Official title of affiant)

of The Peoples Natural Gas Company

(Exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are, that he knows that such books are, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Pennsylvania Public Utility Commission, effective during the said period, that he has carefully examined the said report, and to the best of his knowledge, information and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith, that he believes that all other statements contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including January 1, 2002 to and including December 31, 2002.

Subscribed and sworn to and before me, this 21 day of April, 2003, in and for the State and County above named, this

My commission expires Virginia M. Stahl

May 31, 2004 (Signature of officer authorized to administer oaths)

Signature of affiant

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of Pennsylvania

County of Allegheny

M. Stuart Bolton, Jr. makes oath and says that he/she is

(Name of affiant)

Senior Vice President - Financial Management

(Official title of affiant)

(Exact legal title or name of the respondent)

of The Peoples Natural Gas Company

that he has carefully examined the foregoing report, that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above named respondent during the period of time from and including

State of Virginia, City of Richmond, May 31, 2003

Subscribed and sworn to before me, on

in and for the State and County above named, this 21 day of April, 2003

My commission expires Virginia M. Stahl

May 31, 2004 (Signature of officer authorized to administer oaths)

Signature of affiant