

MICHIGAN PUBLIC SERVICE COMMISSION

ADDITIONAL SCHEDULES FOR AN ELECTRIC UTILITY COOPERATIVE

This form is authorized by Case No. [U-12134](#), the Code of Conduct. Filing of this form is mandatory pursuant to [PA 3 of 1939](#). Failure to provide this information will put you in [violation of this act](#) and the commission shall order such remedies and penalties as necessary.

Report submitted for year ending:	
December 31, 2014	
Present name of respondent:	
Presque Isle Electric & Gas Co-op	
Address of principal place of business:	
19831 M-68 Highway Onaway, MI 49765	
Utility representative to whom inquires regarding this report may be directed:	
Name:	Thomas J. Sobeck
Title:	Chief Financial Officer
Address:	19831 M-68 Highway
City:	Onaway
State:	MI
Zip:	49765
Direct Telephone, Include Area Code:	989-733-8515
If the utility name has been changed during the past year:	
Prior Name:	
Date of Change:	
Two copies of the published annual report to stockholders:	
[]	were forwarded to the Commission
[]	will be forwarded to the Commission
	on or about
Annual reports to stockholders:	
[]	are published
[]	are not published

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Heather Cantin) at (517) 241-0967 or cantinh@michigan.gov OR forward correspondence to:

Michigan Public Service Commission
Financial Analysis & Audit Division
Attn: Heather Cantin
4300 W. Saginaw Hwy
Lansing, MI 48917

PRESQUE ISLE ELECTRIC & GAS CO-OP
REPORT ON FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

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**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD OF DIRECTORS
DECEMBER 31, 2014**

John Brown	Chairperson
Allen Berg	Vice Chairperson
David Smith	Secretary
Daryl Peterson	Treasurer
Robert Wegmeyer	Director
Kurt Krajniak	Director
Raymond Wozniak	Director
Sally Knopf	Director
Sandy Borowicz	Director

President & Chief Executive Officer

Brian J. Burns



HARRIS GROUP

Certified Public Accountants

Independent Auditor's Report

The Board of Directors
Presque Isle Electric & Gas Co-op
Onaway, Michigan

Report on the Financial Statements

We have audited the accompanying balance sheets of Presque Isle Electric & Gas Co-op as of December 31, 2014 and 2013, and the related statements of revenue, equities, and cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Presque Isle Electric & Gas Co-op as of December 31, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Certified Public Accountants
March 17, 2015

731 S. Garfield Ave., Traverse City, MI 49686 tel. 231-946-8930 fax. 231-946-1377
www.harrisgroupcpa.com

PRESQUE ISLE ELECTRIC & GAS CO-OP
BALANCE SHEETS
DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
ASSETS		
UTILITY PLANT:		
In-Service – at cost	\$ 130,543,972	\$ 126,568,486
Construction work in progress	<u>445,687</u>	<u>1,526,265</u>
SUBTOTAL	130,989,659	128,094,751
Less accumulated depreciation and amortization	<u>54,738,554</u>	<u>51,744,886</u>
NET UTILITY PLANT	<u>76,251,105</u>	<u>76,349,865</u>
 OTHER ASSETS AND INVESTMENTS		
Investments on associated organizations	<u>23,960,796</u>	<u>23,651,084</u>
 CURRENT ASSETS:		
Cash and temporary cash investments	2,311,764	1,647,495
Accounts Receivable, less allowance for possible losses of \$118,000 in 2014 and 2013.	5,016,658	4,542,215
Materials and supplies (at average cost)	1,455,279	1,277,856
Other current assets	<u>397,577</u>	<u>360,230</u>
TOTAL CURRENT ASSETS	<u>9,181,278</u>	<u>7,827,796</u>
 DEFERRED DEBITS	<u>284,987</u>	<u>317,964</u>
 TOTAL ASSETS	<u><u>\$ 109,678,166</u></u>	<u><u>\$ 108,146,709</u></u>

The accompanying notes are an integral part of these statements.

	2014	2013
EQUITIES AND LIABILITIES		
EQUITIES:		
Memberships	\$ 253,450	\$ 246,835
Patronage capital	46,408,676	42,547,162
Other equities	604,095	(1,123,264)
TOTAL EQUITIES	47,266,221	41,670,733
LONG-TERM DEBT, NET OF CURRENT MATURITIES:		
Mortgage notes to National Rural Utilities Cooperative Finance Corporation (CFC)	48,131,300	50,387,301
Accrued post – retirement benefits	2,289,627	3,799,472
TOTAL LONG-TERM DEBT	50,420,927	54,186,773
CURRENT LIABILITIES:		
Current maturities of long-term debt	2,269,000	2,153,000
CFC line of credit	4,750,000	5,200,000
Accounts payable, purchased energy	2,376,050	2,447,187
Accounts payable, other	407,246	349,515
Patronage capital payable	8,626	1,190
Customer deposits	469,176	385,864
Accrued property taxes	513,712	468,758
Accrued interest	293,020	316,438
Accrued sick and vacation pay	580,056	559,672
Accrued other	312,026	324,852
TOTAL CURRENT LIABILITIES	11,978,912	12,206,476
DEFERRED CREDITS	12,106	82,727
TOTAL EQUITIES AND LIABILITIES	\$ 109,678,166	\$ 108,146,709

PRESQUE ISLE ELECTRIC & GAS CO-OP
STATEMENTS OF REVENUE
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES	\$ 46,156,932	\$ 43,939,243
OPERATING EXPENSES:		
Cost of energy	26,634,255	24,899,061
Distribution – operation	1,457,018	1,519,269
Distribution – maintenance	3,267,440	3,297,875
Consumers accounts	1,893,565	1,763,288
Customer service and information expense	566,841	585,357
Administrative and general	1,715,046	1,615,161
Depreciation and amortization	3,512,749	3,434,323
Taxes – property	1,124,499	1,051,677
Taxes – other	1,960	2,582
TOTAL OPERATING EXPENSES	<u>40,173,373</u>	<u>38,168,593</u>
OPERATING MARGIN BEFORE FIXED CHARGES	<u>5,983,559</u>	<u>5,770,650</u>
FIXED CHARGES:		
Interest	2,643,203	2,929,232
Other deductions	-	2,057
TOTAL FIXED CHARGES	<u>2,643,203</u>	<u>2,931,289</u>
OPERATING MARGINS AFTER FIXED CHARGES	<u>3,340,356</u>	<u>2,839,361</u>
CAPITAL CREDITS:		
Generation and transmission capital credits	1,316,485	1,761,560
Other capital credits	364,859	385,913
TOTAL CAPITAL CREDITS	<u>1,681,344</u>	<u>2,147,473</u>
NET OPERATING MARGINS	<u>5,021,700</u>	<u>4,986,834</u>

The accompanying notes are an integral part of these statements.

PRESQUE ISLE ELECTRIC & GAS CO-OP
STATEMENTS OF REVENUE
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Continued)

	<u>2014</u>	<u>2013</u>
NET OPERATING MARGINS (from previous page)	\$ 5,021,700	\$ 4,986,834
NON-OPERATING MARGINS:		
Interest and dividend income	58,988	53,849
Other expenses	<u>(338,633)</u>	<u>(182,159)</u>
TOTAL NON-OPERATING MARGINS	<u>(279,645)</u>	<u>(128,310)</u>
NET MARGINS	<u>\$ 4,742,055</u>	<u>\$ 4,858,524</u>

The accompanying notes are an integral part of these statements.

PRESQUE ISLE ELECTRIC & GAS CO-OP
STATEMENT OF CHANGES IN PATRONAGE CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	Memberships	Patronage Capital	Other Equities	Accumulated Other Comprehensive Loss	Total
Balance, January 1, 2013	\$ 240,265	\$ 39,987,376	\$ 1,301,699	\$ (2,890,639)	\$ 38,638,701
Capital credits retired		(2,311,924)			(2,311,924)
Memberships retired	6,570				6,570
Other equity transactions		13,186	465,676		478,862
Net margin		4,858,524			4,858,524
Balance, December 31, 2013	246,835	42,547,162	1,767,375	(2,890,639)	41,670,733
Capital credits retired		(880,541)			(880,541)
Memberships issued (retired)	6,615				6,615
Other equity transactions			155,799		155,799
Amortize other comprehensive loss				1,571,560	1,571,560
Net margin		4,742,055			4,742,055
Balance, December 31, 2014	<u>\$ 253,450</u>	<u>\$ 46,408,676</u>	<u>\$ 1,923,174</u>	<u>\$ (1,319,079)</u>	<u>\$ 47,266,221</u>

The accompanying notes are an integral part of these statements.

PRESQUE ISLE ELECTRIC & GAS CO-OP
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from consumers	\$ 45,766,076	\$ 44,558,873
Cash paid to suppliers and employees	(36,970,265)	(33,994,979)
Interest received	58,988	53,849
Interest paid	(2,801,616)	(3,103,729)
Taxes paid	(1,084,974)	(1,232,024)
	<u>4,968,209</u>	<u>6,281,990</u>
Net Cash Provided by Operating Activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Construction and acquisition of plant	(3,909,266)	(3,799,589)
(Increase) decrease in:		
Material inventory	(177,423)	8,811
Investments – associated organizations	1,371,631	719,047
	<u>(2,715,058)</u>	<u>(3,071,731)</u>
Net Cash Used In Investing Activities		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Advances	-	2,000,000
Payment of debt	(2,590,001)	(4,099,777)
Memberships issued	6,615	6,570
Patronage capital retired	(880,541)	(2,311,924)
Unclaimed patronage	-	13,186
Increased (decrease) in:		
Consumer deposits	83,312	25,635
Deferred credits	64,374	(370,793)
Other equities	1,727,359	465,676
	<u>(1,588,882)</u>	<u>(4,271,427)</u>
Net cash Provided (Used) by Financing Activities		
NET INCREASE IN CASH AND CASH EQUIVALENTS	664,269	(1,061,168)
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,647,495</u>	<u>2,708,663</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 2,311,764</u></u>	<u><u>\$ 1,647,495</u></u>

The accompanying notes are an integral part of these statements.

PRESQUE ISLE ELECTRIC & GAS CO-OP
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Continued)

	<u>2014</u>	<u>2013</u>
RECONCILIATION OF NET MARGINS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net Margins	<u>\$ 4,742,055</u>	<u>\$ 4,858,524</u>
Adjustments to reconcile net margins to net cash provided by		
Operating activities:		
Depreciation and amortization	3,653,469	3,600,963
(Gain) loss on disposition of assets	354,558	180,888
G&T and other capital credits	(1,681,344)	(2,147,473)
(Increase) decrease in:		
Customer and other accounts receivable	(474,443)	577,205
Other current assets	(37,347)	(32,059)
Deferred debits	32,977	(120,548)
Amortization of debt discount	(134,995)	(134,995)
Increase (decrease) in:		
Accounts payable	(5,970)	(448,823)
Accrued property taxes	44,954	11,841
Accrued interest payable	(23,418)	(37,445)
Current and accrued liabilities – other	<u>(1,502,287)</u>	<u>(26,088)</u>
Total Adjustments	<u>226,154</u>	<u>1,423,466</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 4,968,209</u></u>	<u><u>\$ 6,281,990</u></u>
NON-CASH ITEMS – INVESTING & FINANCING		
Capital credits from associated organizations	\$ 1,681,344	\$ 2,147,473

The accompanying notes are an integral part of these statements.

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the accounting policies adopted by Presque Isle Electric & Gas Co-op which have a significant effect on the financial statements.

Nature of Operations

Presque Isle Electric & Gas Co-op (Presque Isle) is a member-owned, not-for-profit corporation whose purpose is to provide retail energy services to its members. As a cooperative, all monies in excess of cost of providing electric service are capital, at the moment of receipt, and are credited to each member's capital account.

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Utility Plant

Additions, with a life expectancy of more than one year, are recorded at cost, less contributions in aid of construction received from customers. As items are retired or otherwise disposed of, the asset account is credited for the cost and the accumulated depreciation account is charged. The cost of removal, less salvage, is charged to the loss on disposition of utility plant account, and shown on the Statement of Revenue.

Investments

The carrying values of investments in associated organizations are stated at cost, adjusted for capital credits earned or retired. Short-term investments are stated at cost, which approximates market value.

Cash

For purposes of the statement of cash flows, Presque Isle considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Consumer Energy Prepayments and Unbilled Revenues

Seasonal account billings are accounted for as deferred credits and recognized as income on a straight-line basis over a period of one year. There were no estimated net unbilled revenues for the year.

Accounts receivable

Accounts receivable consist primarily of amounts due from members for electric and gas service. An allowance for doubtful accounts has been estimated based on collection history. When a member's account becomes past due and uncollectible, the member's service is terminated. The Board of Directors approve all accounts charged off.

Regulation

Electric accounting and rate matters are subject to the Board of Directors and membership approval. Natural gas accounting and rate matters are either subject to Home Rule approval pursuant to the Michigan Home Rule Statute or subject to the approval of the Michigan Public Service Commission.

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Materials and Supplies

Electrical and natural gas materials and supplies are valued at average cost. Merchandise held for resale is valued on the first-in, first-out basis.

Retirement Plan

Presque Isle has a retirement savings plan for substantially all employees. Under the terms of the plan, Presque Isle is required to contribute 10 to 16 percent of the employee's total base earnings to the retirement plan.

Flex Benefit Plan

Presque Isle has a Flexible Benefits Plan. The purpose of the plan is to provide eligible employees a choice between cash and the specified welfare benefits described in the plan. Pre-Tax Premium elections under the plan are intended to qualify for the exclusion from income provided in Section 125 of the Internal Revenue Code of 1986.

Contributions in Aid of Construction

Contributions in aid of construction are received from customers on electrical and gas installations and re-applied against the construction costs.

Income Taxes

The Cooperative is exempt from federal and state income taxes under Section 501(c)(12) of the Internal Revenue Code which provides, in part that the Cooperative derive at least 85 percent of its annual gross income from members to retain the exemption. The Cooperative expects to meet the requirements for the tax year ended December 31, 2014. Accordingly, no provision for income taxes has been made in the financial statements. The Cooperative's federal information returns for Calendar year 2010 and after are subject to examination by the Internal Revenue Service.

NOTE 2: ASSETS PLEDGED

Substantially all assets are pledged as collateral on long-term debt payable to the National Rural Utilities Cooperative Finance Corporation (CFC).

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 3: ELECTRIC AND GAS PLANT AND DEPRECIATION RATES AND PROCEDURES

Major classes of electric and gas plant as of December 31, 2014 and 2013 consisted of:

	<u>2014</u>	<u>2013</u>
Intangible plant	\$ 1,065,114	\$ 1,025,191
Distribution plant	121,667,640	118,104,490
General plant	<u>7,811,218</u>	<u>7,438,805</u>
	130,543,972	126,568,486
Construction work in progress	<u>445,687</u>	<u>1,526,265</u>
 TOTAL	 <u>\$ 130,989,659</u>	 <u>\$ 128,094,751</u>

NOTE 4: ELECTRIC AND GAS PLANT AND DEPRECIATION RATES AND PROCEDURES

Provision has been made for depreciation of the distribution plant at a straight-line rate of 10 to 50 years for all distribution plant additions.

General plant depreciation rates have been applied on a straight-line basis as follows for the year ended December 31, 2014:

	<u>Years</u>
Structures and improvements	10-50
Office furniture equipment	3-7
Transportation equipment	4-7
Power operated equipment	3-16
Other	4-5

Depreciation and amortization of electric and gas plant in service was charged as follows for the years ended December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Charged to:		
Classified as depreciation and amortization	\$ 3,512,749	\$ 3,434,323
Classified in other operating expenses	<u>140,720</u>	<u>166,640</u>
	3,653,469	3,600,963
Charged to construction	<u>235,407</u>	<u>191,521</u>
 TOTAL DEPRECIATION AND AMORTIZATION	 <u>\$ 3,888,876</u>	 <u>\$ 3,792,484</u>

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 5: INVESTMENTS IN ASSOCIATED ORGANIZATIONS

Investments in associated organizations consisted of the following at December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Wolverine Power Supply Coop. Inc. - capital credits	\$ 13,105,742	\$ 11,789,257
Wolverine Power Supply Coop. Inc. - PSDF	6,925,238	7,980,339
National Rural Utilities Cooperative Finance Corp.:		
Capital term certificates maturing October 1, 2020 through October 1, 2080 at interest rates between 3% and 7.50%	1,597,549	1,722,559
Patronage capital certificates	1,688,545	1,576,447
Other	<u>643,722</u>	<u>582,482</u>
 TOTAL	 <u>\$ 23,960,796</u>	 <u>\$ 23,651,084</u>

NOTE 6: CASH AND INVESTMENTS

Statements of Financial Accounting Standards (SFAS) No. 105 require disclosure of significant concentrations of credit risk arising from cash deposits in excess of federally insured limits.

	<u>Per Institution</u>	<u>Per Book</u>
Insured	\$ 1,249,797	\$ 1,249,797
Uninsured	<u>1,647,344</u>	<u>1,062,291</u>
 Cash in banks and credit union	 <u>\$ 2,897,141</u>	 2,312,088
 Working funds		 <u>(324)</u>
 Total per books		 <u>\$ 2,311,764</u>

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 7: DEFERRED DEBITS

The Cooperative has recorded deferred debits in the following amounts:

	2014	2013
Prepaid tap fees	\$ 61,374	\$ 63,370
Prepaid years of service	161,908	190,839
Regulatory prepaid asset	2,050	4,100
Other deferred debits	59,655	59,655
TOTAL	\$ 284,987	\$ 317,964

NOTE 8: MEMBERSHIPS

The following is a summary of changes in memberships for the years ended December 31, 2014 and 2013:

	2014	2013
Balance, beginning	\$ 246,835	\$ 240,265
Membership and subscriptions issued	6,615	6,570
Balance, ending	\$ 253,450	\$ 246,835

Memberships have been adjusted to reflect the number of members currently receiving service. In accordance with the Co-op by-laws, memberships are not refunded when a member leaves the service area. The membership fee is transferred to donated capital when the member terminates service.

NOTE 9: PATRONAGE CAPITAL

Patronage capital balances as of December 31, 2014 and 2013 consisted of:

	2014	2013
Assignable	\$ 4,742,055	\$ 4,858,524
Assigned to date	50,761,641	45,903,117
	55,503,696	50,761,641
Less retirements to date	9,095,020	8,214,479
Balance	\$ 46,408,676	\$ 42,547,162

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 9: PATRONAGE CAPITAL - continued

Under the provisions of the Mortgage Agreement, until the equities and margins equal or exceed twenty percent of the total assets of the Cooperative, the return to patrons of capital contributed by them is limited generally to twenty-five percent of the patronage capital or margins received by the Cooperative in the next preceding year. The equities and margins of Presque Isle represent 43.1% and 38.5% of the total assets for the years 2014 and 2013, respectively. There were capital credits retired of \$880,541 and \$2,311,924 during 2014 and 2013, respectively.

NOTE 10: MORTGAGE NOTES

Long-term debt is composed of 2.95 percent to 6.65 percent mortgage notes payable to the National Rural Utilities Cooperative Finance Corporation (CFC). All mortgage notes to CFC will be re-priced and the interest rate adjusted accordingly during the next 10 years in accordance with the policy and procedure governing such re-pricing. The notes are for 35 year periods each, with principal and interest installments due either quarterly or semiannually. The notes are scheduled to be fully repaid at various times from December 2015 through November 2047.

There were unadvanced loan funds available at December 31, 2014 in the amount of \$15,500,000.

Detail of the long-term debt is as follows:

	<u>2014</u>	<u>2013</u>
National Rural Utilities Cooperative Finance Corporation mortgage notes bearing interest at 2.90% to 6.65% per annum for 2014 and 2013	\$ 50,400,300	\$ 52,540,301
	50,400,300	52,540,301
Less current maturities	<u>2,269,000</u>	<u>2,153,000</u>
TOTAL LONG-TERM DEBT	<u><u>\$ 48,131,300</u></u>	<u><u>\$ 50,387,301</u></u>

Maturities of long-term debt for each of the next five years are as follows:

2015	\$ 2,269,000
2016	\$ 1,485,000
2017	\$ 1,523,000
2018	\$ 1,589,000
2019	\$ 1,670,000

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 11: LINE OF CREDIT

Presque Isle had available a short-term line of credit from CFC for 2014 and 2013 of \$8,000,000, with a revolving credit and term of sixty months. The agreement requires that within 360 days of the first advance, the cooperative will reduce to zero for a period of at least five consecutive business days amounts outstanding. The Cooperative was in compliance with this provision during 2014 and 2013. Balance available at December 31, 2014 and 2013 was \$8,000,000. The outstanding balance at December 31, 2014 and 2013 was \$-0-.

Additionally, Presque Isle has an \$8,000,000 unsecured revolving line-of-credit agreement with CoBank. Interest on outstanding borrowings is payable monthly and is computed at 2.92% at December 31, 2014. Presque Isle had an outstanding balance of \$4,750,000 for 2014 and \$5,200,000 in 2013.

Presque Isle also had an \$8,000,000 unsecured promissory note from Wolverine Power Supply Cooperative. Interest on advances was charged at 1.25%. The balance on December 31, 2014 was \$0. The note expired December 31, 2014.

NOTE 12: DEFERRED CREDITS

Following is a summary of the amounts recorded as deferred credits as of December 31, 2014 and 2013:

	2014	2013
Deferred gain from extinguishments of debt	\$ 134,996	\$ 269,991
Customer energy prepayments	(122,890)	(187,264)
TOTAL	\$ 12,106	\$ 82,727

NOTE 13: RETIREMENT PLAN

Retirement plan benefits for substantially all employees are provided through participation in a defined contribution SelectRE pension plan with 401k option with cash and deferred arrangement of the National Rural Electric Cooperative Association (NRECA) and its member systems. The income earned by funds while held under the plan is tax-exempt under Code Sections 401 and 501 of the Internal Revenue Code. Contributions to the savings program, which are based on a percentage of the employees' compensation were \$336,056 in 2014 and \$310,347 in 2013.

NOTE 14: POWER SUPPLY COST RECOVERY CLAUSE

On October 12, 1982, the Governor of the State of Michigan signed PA 304 of 1982 into law creating the Power Supply Cost Recovery Clause (PSCR), a power cost recovery mechanism.

Wolverine Power Supply Cooperative, Inc. (Wolverine) and the member-distribution Cooperatives including Presque Isle, obtained authority to implement and apply PSCR clauses and monthly factors. Presque Isle's monthly factor may not exceed 24.18 mills per KWH for the current period.

Due to fluctuations in market conditions, over-collections or under-collections could result between the generation cooperative and distribution cooperative as well as between the distribution cooperatives and their member-consumers.

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 14: POWER SUPPLY COST RECOVERY CLAUSE - continued

The PSCR clause includes provisions whereby power cost recovery over-collections must be remedied by refunds and power cost recovery under-collections must be remedied by additional collections.

Presque Isle's balance sheets reflect an amount (due to)/from member-consumers for under/(over) collections in the amounts of \$(225,313) and \$(402,671) at December 31, 2014 and 2013, respectively. These amounts are included in the accounts receivable balance.

On September 1, 2009, Presque Isle Electric & Gas Co-op implemented a new rate setting mechanism for its natural gas operations in 34 of its 36 franchised jurisdictions. This included a Gas Cost Recovery (GCR) mechanism. Due to fluctuations in market conditions, over-collections and under-collections of natural gas supply costs could result between the distribution cooperative and its member-consumers.

The GCR mechanism includes provisions whereby gas cost recovery over-collections must be remedied by refunds and gas cost recovery under-collections must be remedied by additional collections. Presque Isle's balance sheet reflects an amount due (to)/from member-consumers for under collections in the amounts of \$128,910 and \$(91,416) for the years ended December 31, 2014 and 2013, respectively. This amount is recorded in accounts receivable.

NOTE 15: POST-RETIREMENT BENEFITS OTHER THAN PENSIONS

The cooperative has chosen to recognize the accounting method required by the Statement of Financial Accounting Standards No. 106 for Employer's Accounting for Post-retirement Benefits Other Than Pensions. The statement requires a transition from accounting, for these benefits, on a pay-as-you go (cash basis) to recognizing the benefit cost as they are earned (accrual basis). The change in accounting method requires the accounting for costs incurred to date but unpaid, which is called the Transition amount. This amount may be either expensed in the year of transition or it may be amortized over either the benefit period or twenty-years.

The plan sponsored by the company is a defined benefit post-retirement plan that covers all employees who retire from the cooperative before April 1, 1997 after (i) attainment of age 55 and completion of 30 years of service, or (ii) attainment of age 62. Spouses of pensioners are also insured until the pensioner's death.

At the end of 2014 there were no active participants and the accounting rules of the Financial Accounting Standards Board Statement No. 88 regarding curtailment must be recognized. The reconciliation of the funded status at December 31, 2014 is as follows:

	2014	2013
(Accrued) post-retirement benefit costs, beginning	\$ (3,799,472)	\$ (3,616,570)
Net periodic post-retirement benefit (costs)	(183,835)	(351,109)
Contributions made	122,120	168,207
Valuation adjustment	1,571,560	-
(Accrued) post-retirement benefit cost, end of year	<u>\$ (2,289,627)</u>	<u>\$ (3,799,472)</u>

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 15: POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - continued

Net periodic post-retirement benefit cost includes the following components:

	2014	2013
Interest cost	\$ 88,006	\$ 127,263
Net amortization and deferral	95,829	223,846
Net periodic post-retirement benefit cost	<u>\$ 183,835</u>	<u>\$ 351,109</u>

For measurement purposes a 9.0% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2014; the rate was assumed to decrease gradually to an ultimate rate of 5.0% per annum. The health care cost trend rate assumption has a significant effect on the amounts reported. To illustrate, increasing the assumed health care cost trend rates by 1 percentage point in each year would increase the accumulated post-retirement benefit obligation \$162,634 and the aggregate of the service and interest cost components of the net periodic benefit cost by \$13,969. Decreasing the assumed health care cost trend rates by 1 percentage point in each year would decrease the accumulated post-retirement benefit obligation \$136,391 and the aggregate of the service and interest cost components of the net periodic benefit cost by \$12,274.

The weighted-average discount rate used in determining the accumulated post-retirement benefit obligation was 5.71 percent.

NOTE 16: EARLY RETIREMENT INCENTIVE

The cooperative has made available at different times certain voluntary separation incentives to encourage early retirement. The incentive consists of two distinct benefits: a monthly cash payment and a continuation of health care benefits, both for a period of no longer than 48 months. The cash portion consists of a monthly payment equal to \$10 for each full-year of service that the employee has with the Cooperative. The health care benefit consists of a continuation of the existing health insurance being provided to the employee by the Cooperative, with the employee being liable for the costs of continuing coverage for their spouse and dependents. There are five employees who have opted to receive this early retirement incentive. The Cooperative has accrued a liability to account for this contractual obligation. The obligation is detailed below:

	2014	2013
Cash portion	\$ 14,740	\$ 34,900
Health insurance portion	20,027	33,602
Total early retirement incentive liability	<u>\$ 34,767</u>	<u>\$ 68,502</u>

PRESQUE ISLE ELECTRIC & GAS CO-OP
NOTES TO FINANCIAL STATEMENTS

NOTE 17: FLEX BENEFIT PLAN - under Section 125 of the Internal Revenue Code

The Flexible Benefit Plan is for the benefit of substantially all employees who have been employed for at least 30 days. The Cooperative has elected to offer to eligible employees the following Benefit Plans and Policies subject to the terms and conditions of the plan: (1) Disability Income - Short-Term (A&S); (2) Cancer Insurance; (3) Intensive Care Insurance; (4) Accident Insurance; and (5) Medical Care Expense Reimbursement, not to exceed \$1,200 per plan year. The maximum Pre-Tax Premiums a participant can contribute via the Salary Redirection Agreement is the aggregate cost of the applicable Benefit Plans or Policies selected minus any Nonelective Contributions made by the employer. It is intended that such Pre-Tax Premium accounts shall, for tax purposes, constitute an employer contribution.

NOTE 18: LETTERS OF CREDIT

The Co-op has a letter of credit outstanding to the Sequent Energy for \$1,500,000 at December 31, 2014. This letter of credit is required in order to mitigate counter party risk in natural gas purchase transactions. This also is a risk management tool for the Co-op with respect to mark to market issues.

NOTE 19: RECLASSIFICATION OF AMOUNTS

Certain amounts previously reported have been reclassified to conform to the 2014 presentation.

NOTE 20: SUBSEQUENT EVENTS

Subsequent to year end, Presque Isle obtained an unsecured \$8,000,000 Promissory Note from Wolverine Power Supply Cooperative, due on the earlier of December 31, 2015 or thirty days after demand by the lender. Interest on advances is charged at 1.25%.

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2014, the most recent statement of financial position presented herein, through March 17, 2015, the issuance date of the accompanying financial statements. No significant such events or transactions were identified.



HARRIS GROUP

Certified Public Accountants

AUDITORS' CERTIFICATION REGARDING LOAN FUND EXPENDITURES

During the period of this audit, Presque Isle Electric & Gas Co-op received \$0 in long-term loan fund advances from CFC on loans controlled by the 100% CFC Mortgage and Loan Agreement. Based on our review of construction work orders and other plant accounting records created during the audit period, it is our opinion that these CFC loan funds were expended for purposes contemplated in the Loan Agreements on such loans.

Certified Public Accountants
March 17, 2015

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME		Presque Isle Electric & Gas Co-op
	BORROWER DESIGNATION		M1028
	ENDING DATE		12/31/2014

Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.

CERTIFICATION		BALANCE CHECK RESULTS		AUTHORIZATION CHOICES	
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.		☒ YES ☐ NO		A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA? B. Will you authorize CFC to share your data with other cooperatives?	
		☒ YES ☐ NO			
Signature of Office Manager or Accountant _____ Date _____		3 2 16 Needs Attention Please Review Matches			
Signature of Manager _____ Date _____					

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1. Operating Revenue and Patronage Capital	43,939,243	46,156,932	43,660,017	4,151,037
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	24,899,061	26,634,255	24,496,865	2,388,856
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	1,519,269	1,457,018	1,425,464	104,568
7. Distribution Expense - Maintenance	3,297,875	3,267,440	3,963,785	321,707
8. Consumer Accounts Expense	1,763,288	1,893,565	1,922,180	140,094
9. Customer Service and Informational Expense	585,357	566,841	641,590	47,399
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	1,615,161	1,715,046	1,640,929	133,546
12. Total Operation & Maintenance Expense (2 thru 11)	33,680,011	35,534,166	34,090,813	3,136,170
13. Depreciation & Amortization Expense	3,434,323	3,512,749	3,718,164	298,162
14. Tax Expense - Property & Gross Receipts	1,051,677	1,124,499	1,078,158	100,978
15. Tax Expense - Other	2,582	1,960	37,474	409
16. Interest on Long-Term Debt	2,756,809	2,563,995	2,773,488	210,261
17. Interest Charged to Construction (Credit)	0	0	0	
18. Interest Expense - Other	172,423	79,208	203,025	5,201
19. Other Deductions	2,057	0	0	0
20. Total Cost of Electric Service (12 thru 19)	41,099,882	42,816,575	41,901,122	3,751,180
21. Patronage Capital & Operating Margins (1 minus 20)	2,839,360	3,340,356	1,758,895	399,857
22. Non Operating Margins - Interest	53,848	58,988	57,794	576
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	(182,158)	(338,633)	(15,666)	(126,389)
25. Non Operating Margins - Other	0	0	0	0
26. Generation & Transmission Capital Credits	1,761,560	1,316,485	1,300,000	1,316,485
27. Other Capital Credits & Patronage Dividends	385,913	364,859	365,396	23,512
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	4,858,523	4,742,055	3,466,419	1,614,043

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR	THIS YEAR		LAST YEAR	THIS YEAR
	(a)	(b)		(a)	(b)
1. New Services Connected	155	164	5. Miles Transmission	0	0
2. Services Retired	57	94	6. Miles Distribution Overhead	3,854	3,852
3. Total Services In Place	35,822	35,598	7. Miles Distribution Underground	992	1011
4. Idle Services (Exclude Seasonal)	2,606	2,549	8. Total Miles Energized (5+6+7)	4,846	4,863

[illegible]

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT				BORROWER NAME		Presque Isle El
				BORROWER DESIGNATION		MI028
				ENDING DATE		12/31/2014
PART E. CHANGES IN UTILITY PLANT						
	PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)
1	Distribution Plant Subtotal	88,076,907	4,108,818	818,576	(269,191)	91,097,959
2	General Plant Subtotal	6,409,452	400,809	94,484	0	6,715,777
3	Headquarters Plant	1,098,079	77,668	11,580	0	1,164,166
4	Intangibles	71,966	39,923	0	0	111,889
5	Transmission Plant Subtotal	0	0	0	0	0
6	Regional Transmission and Market Operation Plant	0	0	0	0	0
7	Production Plant - Steam	0	0	0	0	0
8	Production Plant - Nuclear	0	0	0	0	0
9	Production Plant - Hydro	0	0	0	0	0
10	Production Plant - Other	0	0	0	0	0
11	All Other Utility Plant	30,912,082	862,463	54,706	(265,660)	31,454,179
12	SUBTOTAL: (1 thru 11)	126,568,486	5,489,682	979,345	(534,850)	130,543,972
13	Construction Work in Progress	1,526,265	(1,080,578)			445,687
14	TOTAL UTILITY PLANT (12+13)	128,094,751	4,409,104	979,345	(534,850)	130,989,659
CFC NO LONGER REQUIRES SECTIONS "F", "G", AND "N" DATA Those sections refer to data on "Analysis of Accumulated Provision for Depreciation" (F), "Materials and Supplies" (G), "Annual Meeting and Board Data" (N), and "Conservation Data" (P).						
PART H. SERVICE INTERRUPTIONS						
	ITEM	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	TOTAL (e)
		Power Supplier (a)	Major Event (b)	Planned (c)	All Other (d)	
1.	Present Year	7.60	0.00	0.90	187.10	195.60
2.	Five-Year Average	10.20	1,180.60	2.20	201.90	1,394.90
PART I. EMPLOYEE - HOUR AND PAYROLL STATISTICS						
1.	Number of Full Time Employees	67	4.	Payroll - Expensed	3,481,194	
2.	Employee - Hours Worked - Regular Time	145,538	5.	Payroll - Capitalized	1,207,897	
3.	Employee - Hours Worked - Overtime	14,930	6.	Payroll - Other	0	
PART J. PATRONAGE CAPITAL				PART K. DUE FROM CONSUMERS FOR ELECTRIC SERVICE		
	ITEM	THIS YEAR (a)	CUMULATIVE (b)	1. Amount Due Over 60 Days:		
				488,997		
1.	General Retirement	866,911	7,583,704	2. Amount Written Off During Year:		
2.	Special Retirements	13,630	15,662	80,077		
3.	Total Retirements (1+2)	880,541	7,599,366			
4.	Cash Received from Retirement of Patronage Capital by Suppliers of Electric Power	1,055,101				
5.	Cash Received from Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	1,122,098				
6.	Total Cash Received (4+5)	2,177,199				

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT							BORROWER NAME		Presque Isle El	
							BORROWER DESIGNATION		MI028	
							ENDING DATE		12/31/2014	
PART L. KWH PURCHASED AND TOTAL COST										
	NAME OF SUPPLIER (a)	CFC USE ONLY SUPPLIER CODE (b)	RENEWABLE ENERGY PROGRAM NAME (c)	RENEWABLE FUEL TYPE (d)	KWH PURCHASED (e)	TOTAL COST (f)	AVERAGE COST PER KWH (cents) (g)	INCLUDED IN TOTAL COST		
								FUEL COST ADJUSTMENT (h)	WHEELING & OTHER CHARGES (or Credits) (i)	COMMENTS (j)
1	Wolverine Power Supply			0 None	262,525,800	21,896,813	8.34	0	0	Comments
2				0 None	0	0	0.00	0	0	Comments
3				0 None	0	0	0.00	0	0	Comments
4				0 None	0	0	0.00	0	0	Comments
5				0 None	0	0	0.00	0	0	Comments
6				0 None	0	0	0.00	0	0	Comments
7				0 None	0	0	0.00	0	0	Comments
8				0 None	0	0	0.00	0	0	Comments
9				0 None	0	0	0.00	0	0	Comments
10				0 None	0	0	0.00	0	0	Comments
11				0 None	0	0	0.00	0	0	Comments
12				0 None	0	0	0.00	0	0	Comments
13				0 None	0	0	0.00	0	0	Comments
14				0 None	0	0	0.00	0	0	Comments
15				0 None	0	0	0.00	0	0	Comments
16				0 None	0	0	0.00	0	0	Comments
17				0 None	0	0	0.00	0	0	Comments
18				0 None	0	0	0.00	0	0	Comments
19				0 None	0	0	0.00	0	0	Comments
20				0 None	0	0	0.00	0	0	Comments
21	TOTALS				262,525,800	21,896,813	8.34	0	0	

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT		BORROWER NAME	Presque Isle El
		BORROWER DESIGNATION	MI028
		ENDING DATE	12/31/2014
PART L. KWH PURCHASED AND TOTAL COST (Continued)			
COMMENTS			
1			
2			
3			
4			
5			
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7			
8			
9			
10			
11			
12			
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NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME		Presque Isle El
	BORROWER DESIGNATION		MI028
	ENDING DATE		12/31/2014

PART M. LONG-TERM LEASES (If additional space is needed, use separate sheet)

LIST BELOW ALL "RESTRICTED PROPERTY" ** HELD UNDER "LONG TERM" LEASE. (If none, State "NONE")			
	NAME OF LESSOR	TYPE OF PROPERTY	RENTAL THIS YEAR
1.			\$0
2.			\$0
3.		TOTAL	\$0

** "RESTRICTED PROPERTY" means all properties other than automobiles, trucks, tractors, other vehicles (including without limitation aircraft and ships), office and warehouse space and office equipment (including without limitation computers). "LONG TERM" means leases having unexpired terms in excess of 3 years and covering property having an initial cost in excess of \$250,000).

PART O. LONG-TERM DEBT SERVICE REQUIREMENTS

	NAME OF LENDER	BALANCE END OF YEAR	BILLED THIS YEAR			CFC USE ONLY
			INTEREST (a)	PRINCIPAL (b)	TOTAL (c)	
1	National Rural Utilities Cooperative Finance Corporation	50,400,300	2,709,940	2,140,001	4,849,941	
2	NCSC	0	0	0	0	
3	Farmer Mac	0	0	0	0	
4		0	0	0	0	
5		0	0	0	0	
6		0	0	0	0	
7		0	0	0	0	
8		0	0	0	0	
9		0	0	0	0	
10	Principal Payments Received from Ultimate Recipients of IRP Loans			0		
11	Principal Payments Received from Ultimate Recipients of REDL Loans			0		
12	TOTAL (Sum of 1 thru 9)	\$50,400,300	\$2,709,940	\$2,140,001	\$4,849,941	

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT			BORROWER NAME		Presque Isle El
			BORROWER DESIGNATION		M1028
			ENDING DATE		12/31/2014
PART R. POWER REQUIREMENTS DATA BASE					
CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	JANUARY CONSUMERS (a)	DECEMBER CONSUMERS (b)	AVERAGE CONSUMERS (c)	TOTAL KWH SALES AND REVENUE (d)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	17,395	17,345	17,370	
	b. KWH Sold				138,741,390
	c. Revenue				19,589,149
2. Residential Sales - Seasonal	a. No. Consumers Served	13,346	13,387	13,367	
	b. KWH Sold				32,824,275
	c. Revenue				7,871,634
3. Irrigation Sales	a. No. Consumers Served	26	26	26	
	b. KWH Sold				122,818
	c. Revenue				22,674
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,914	1,914	1,914	
	b. KWH Sold				50,470,336
	c. Revenue				5,867,419
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	4	4	4	
	b. KWH Sold				17,004,600
	c. Revenue				1,632,449
6. Public Street & Highway Lighting	a. No. Consumers Served	39	39	39	
	b. KWH Sold				387,088
	c. Revenue				71,713
7. Other Sales to Public Authority	a. No. Consumers Served	330	334	332	
	b. KWH Sold				4,697,567
	c. Revenue				588,420
8. Sales for Resales-RUS Borrowers	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				182,429
9. Sales for Resales-Other	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
10. TOTAL No. of Consumers (lines 1a thru 9a)		33,054	33,049	33,052	0
11. TOTAL KWH Sold (lines 1b thru 9b)					244,248,074
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)					35,825,887
13. Transmission Revenue					0
14. Other Electric Revenue					761,215
15. KWH - Own Use					252,705
16. TOTAL KWH Purchased					262,525,800
17. TOTAL KWH Generated					0
18. Cost of Purchases and Generation					21,896,813
19. Interchange - KWH - Net					11,084
20. Peak - Sum All KW Input (Metered)					44,689
		☐ Non-coincident ☒ Coincident			

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME		Presque Isle El
	BORROWER DESIGNATION		MI028
	ENDING DATE		12/31/2014

PART S. ENERGY EFFICIENCY PROGRAMS

Line #	Classification	Added This Year			Total To Date		
		Number of Consumers (a)	Amount Invested (b)	ESTIMATED MMBTU Savings (c)	Number of Consumers (d)	Amount Invested (e)	ESTIMATED MMBTU Savings (f)
1.	Residential Sales (excluding seasonal)	0	0	0	0	0	0
2.	Residential Sales - Seasonal	0	0	0	0	0	0
3.	Irrigation Sales	0	0	0	0	0	0
4.	Comm. and Ind. 1000 KVA or Less	0	0	0	0	0	0
5.	Comm. and Ind. Over 1000 KVA	0	0	0	0	0	0
6.	Public Street and Highway Lighting	0	0	0	0	0	0
7.	Other Sales to Public Authorities	0	0	0	0	0	0
8.	Sales for Resales - RUS Borrowers	0	0	0	0	0	0
9.	Sales for Resales - Other	0	0	0	0	0	0
10.	TOTAL	0	0	0	0	0	0

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT		BORROWER NAME		Presque Isle El
		BORROWER DESIGNATION		MI028
		ENDING DATE		12/31/2014
(All investments refer to your most recent CFC Loan Agreement)				
7a - PART 1 - INVESTMENTS				
DESCRIPTION (a)		INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (d)
2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS				
5	See Attached Sheet	640,723	23,320,073	
6				
7				
8				
Subtotal (Line 5 thru 8)		640,723	23,320,073	0
3. INVESTMENTS IN ECONOMIC DEVELOPMENT PROJECTS				
9				
10				
11				
12				
Subtotal (Line 9 thru 12)		0	0	0
4. OTHER INVESTMENTS				
13				
14				
15				
16				
Subtotal (Line 13 thru 16)		0	0	0
5. SPECIAL FUNDS				
17				
18				
19				
20				
Subtotal (Line 17 thru 20)		0	0	0
6. CASH - GENERAL				
21	See Attached Sheet	550,699	722,072	
22				
23				
24				
Subtotal (Line 21 thru 24)		550,699	722,072	0
7. SPECIAL DEPOSITS				
25				
26				
27				
28				
Subtotal (Line 25 thru 28)		0	0	0
8. TEMPORARY INVESTMENTS				
29	Citizen's National Bank - IMMA	19,779		
30	NRUCFC Select Note	1,019,215		
31				
32				
Subtotal (Line 29 thru 32)		1,038,994	0	0
9. ACCOUNT & NOTES RECEIVABLE - NET				
33	See Attached Sheet	322,294		
34				
35				
36				
Subtotal (Line 33 thru 36)		322,294	0	0
10. COMMITMENTS TO INVEST WITHIN 12 MONTHS BUT NOT ACTUALLY PURCHASED				
37				
38				
39				
40				
Subtotal (Line 37 thru 40)		0	0	0
Total		2,552,709	24,042,145	0

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT			BORROWER NAME Presque Isle El		
			BORROWER DESIGNATION M1028		
			ENDING DATE 12/31/2014		
(All investments refer to your most recent CFC Loan Agreement)					
7a - PART II. LOAN GUARANTEES					
Line No.	Organization & Guarantee Beneficiary (a)	Maturity Date of Guarantee Obligation (b)	Original Amount (\$) (c)	Performance Guarantee Exposure or Loan Balance (\$) (d)	Available Loans (Covered by Guarantees) (e)
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			0	0	0
7a - PART III. LOANS					
Line No.	Name of Organization (a)	Maturity Date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Available Loans (e)
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			0	0	0
7a - PART IV. TOTAL INVESTMENTS AND LOANS GUARANTEES					
1	TOTAL (Part I, Total - Column b + Part II, Totals - Column d + Column e + Part III, Totals - Column d + Column e)				2,552,709
2	LARGER OF (a) OR (b)				23,633,110
	a. 15 percent of Total Utility Plant (CFC Form 7, Part C, Line 3)			19,648,449	
	b. 50 percent of Total Equity (CFC Form 7, Part C, Line 35)			23,633,110	

MICHIGAN PUBLIC SERVICE COMMISSION

ANNUAL REPORT OF NATURAL GAS UTILITIES (MAJOR AND NON-MAJOR)

This form is authorized by [1919 PA 419](#), as amended, being [MCL 460.55](#) et seq.; and [1969 PA 306](#), as amended, being [MCL 24.201](#) et seq. Filing of this form is mandatory. Failure to complete and submit this form will place you in [violation of state law](#).

Report submitted for year ending: December 31, 2014	
Present name of respondent: Presque Isle Electric & Gas Co-op	
Address of principal place of business: 19831 M-68 Highway, Onaway, MI 49765	
Utility representative to whom inquires regarding this report may be directed:	
Name: Thomas J. Sobeck	Title: Chief Financial Officer
Address: 19831 M-68 Highway	
City: Onaway	State: MI Zip: 49765
Telephone, Including Area Code: 989-733-8515	
If the utility name has been changed during the past year:	
Prior Name:	
Date of Change:	
Two copies of the published annual report to stockholders:	
[]	were forwarded to the Commission
[]	will be forwarded to the Commission
on or about	
Annual reports to stockholders:	
[]	are published
[]	are not published

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Heather Cantin) at
(517) 241-0967 or cantinh@michigan.gov OR forward correspondence to:

Michigan Public Service Commission
Financial Analysis & Audit Division (Heather Cantin)
4300 W. Sagniauw Hwy
Lansing, MI 48917

INSTRUCTIONS FOR THE FILING OF THE ANNUAL REPORT OF
NATURAL GAS UTILITIES (MAJOR AND NONMAJOR)

GENERAL INFORMATION

I. Purpose:

By authority conferred upon the Michigan Public Service Commission by 1919 PA 419, as amended, being MCL 460.55 et seq. and 1969 PA 306, as amended, being MCL 24.201 et seq., this form is a regulatory support requirement. It is designed to collect financial and operational information from public utilities, licensees and others subject to the jurisdiction of the Michigan Public Service Commission. This report is a nonconfidential public use form.

II. Who Must Submit:

Each major and nonmajor gas company, as classified by the Commission's Uniform System of Accounts must submit this form.

NOTE: Major - A gas company having annual natural gas sales over 50 million Dth in each of the 3 previous calendar years

Nonmajor - A gas company having annual natural gas sales at or below 50 million Dth in each of the 3 previous calendar years.

The class to which any utility belongs shall originally be determined by the average of its annual gas sales for the last three consecutive years. Subsequent changes in classification shall be made when the annual gas sales for each of the three years immediately preceding the years exceeds the upper limit, or is less than the lower limit of the classification previously applicable to the utility.

III. What and Where to Submit:

(a) **Submit an original copy of this form to:**

Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy.
Lansing, MI 48917

Retain one copy of this report for your files. Also submit the electronic version of this record to Heather Cantin at the address below or to cantinh@michigan.gov

(b) Submit immediately upon publication, one (1) copy of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analyst, or industry association. (Do not include monthly and quarterly reports. If reports to stockholders are not prepared, enter "NA" in column (c) on Page 5, the List of Schedules.) Mail these reports to:

Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy
Lansing, MI 48917

(c) For the CPA certification, submit with the original submission of the form, a letter or report prepared in conformity with current standards of reporting which will:

- (i) Contain a paragraph attesting to the conformity, in all material aspects, of the schedules and pages listed below with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

- (ii) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority or a state or other political subdivision of the U.S. (See 18 CFR 41.10-41.12 for specific qualifications).

<u>Schedules</u>	<u>Reference Page</u>
Comparative Balance Sheet	110 - 113
Statement of Income	114 - 117
Statement of Retained Earnings	118 - 119
Statement of Cash Flows	120 - 121
Notes to Financial Statements	122 - 123

When accompanying this form, insert the letter or report immediately following the cover sheet. Use the following form for the letter or report unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under the date of _____ we have also reviewed schedules _____ of Form P-522 for the year filed with the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (d) Federal, state, and local governments and other authorized users may obtain additional blank copies to meet their requirements for a charge from:

Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy.
Lansing, MI 48917

IV. When to Submit

Submit this report form on or before April 30 of the year following the year covered by this report.

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (USOA). Interpret all accounting words and phrases in accordance with the USOA.
- II. Enter in whole number (dollars or Dth) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required). The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances

at the end of the current reporting year, and use for statement of income accounts the current year's amounts.

- III.** Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
- IV.** For any page(s) that is not applicable to respondent, either
- (a) Enter the words "NOT APPLICABLE" on the particular page(s), OR
 - (b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column (c) on the List of Schedules, pages 2, 3, 4.
- V.** Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. The copies, however, may be carbon copies or other similar means or reproduction provided the impressions are clear and readable.
- VI.** Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" at the top of each page is applicable only to resubmissions (See VIII, below).
- VII.** Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ().
- VIII.** When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the identification and Attestation page, page 1. Mail dated resubmissions to:
- Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy
Lansing, MI 48917
- IX.** Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and page number supplemented.
- X.** Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI.** Wherever (schedule) pages refer to figures from 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 as to why the different figures were used.
- XII.** Report all gas volumes on a pressure base of 14.65 psia and a temperature base of 60° F.
- XIII.** Respondents may submit computer printed schedules (reduced to 8 1/2 x 11 inch size) instead of preprinted schedules if they are in substantially the same format.

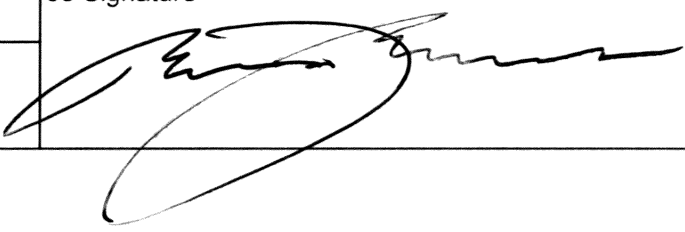
DEFINITIONS

- I.** BTU per cubic foot - The total heating value, expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas which would occupy a volume of 1 cubic foot at a temperature of 60° F if saturated with water vapor and under a pressure equivalent to that of 30 inches of mercury at 32° F, and under standard gravitational force (980.65 cm. Per sec. ²) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state. (Sometimes called gross heating value or total heating value.)

- I. Commission Authorization (Comm. Auth.) - The authorization of the Michigan Public Service Commission, or any other Commission. Name the Commission whose authorization was obtained and give the date of the authorization.
- II. Respondent - The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

MPSC FORM P-522

ANNUAL REPORT OF NATURAL GAS COMPANIES (Major and Nonmajor)

IDENTIFICATION		
01 Exact Legal Name of Respondent Presque Isle Electric & Gas Co-op	02 Year of Report December 31, 2014	
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Business Office at End of Year (Street, City, State, Zip) 19831 M-68 Highway Onaway, MI 49765		
05 Name of Contact Person Thomas J. Sobeck	06 Title of Contact Person Chief Financial Officer	
07 Address of Contact Person (Street, City, State, Zip) 19831 M-68 Highway Onaway, MI 49765		
08 Telephone of Contact Person, Including Area Code: 989-733-8515	09 This Report is (1) ☒ An Original (2) ☐ A Resubmission	10 Date of Report (Mo, Da, Yr) 4/30/2015
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 and including December 31 of the year of the report.		
01 Name Brian J. Burns	03 Signature 	04 Date Signed (Mo, Da, Yr) 4/30/15
02 Title President & CEO		

Name of Respondent Presque Isle Electric & Gas Co	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
LIST OF SCHEDULES (Natural Gas Utility)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)			
Capital Stock	250-251		
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252		
Other Paid-in Capital	253		
Discount on Capital Stock	254		
Capital Stock Expense	254		
Securities Issued or Assumed and Securities Refunded or Retired During the Year	255		
Long Term Debt	256-257		
Unamortized Debt Expense, Premium and Discount on Long-Term Debt	258-259		
Unamortized Loss and Gain on Required Debt	260		
Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	M 261A-B		
Calculation of Federal Income Tax	M 261C-D		
Taxes Accrued, Prepaid and Charged During Year	262-263		
Investment Tax Credits Generated and Utilized	264-265		
Accumulated Deferred Investment Tax Credits	M 266-267		
Miscellaneous Current and Accrued Liabilities	M 266-267		
Other Deferred Credits	269		
Accumulated Deferred Income Taxes - Accelerated Amortization Property	272-273		
Accumulated Deferred Income Taxes - Other Property	274-275		
Accumulated Deferred Income Taxes - Other	M 276A-B		
Other Regulatory Liabilities	278		
INCOME ACCOUNT SUPPORTING SCHEDULES			
Gas Operating Revenues	300-301		
Rates and Sales Section	M 305A-C		
Off-System Sales - Natural Gas	M 310A-B		
Revenue from Transportation of Gas of Others - Natural Gas	312-313		
Sales of Products Extracted from Natural Gas	315		
Revenues from Natural Gas Processed by Others	315		
Gas Operation and Maintenance Expenses	M 320-325		
Number of Gas Department Employees	325		
Exploration and Development Expenses	326		
Abandoned Leases	326		
Gas Purchases	M 327, 327A-B		
Exchange Gas Transactions	328-330		
Gas Used in Utility Operations - Credit	331		
Transmission and Compression of Gas by Others	332-333		
Other Gas Supply Expenses	334		
Miscellaneous General Expenses - Gas	M 335		
Depreciation, Depletion and Amortization of Gas Plant	336-338		
Income from Utility Plan Leased to Others	339		
Particulars Concerning Certain Income Deduction and Interest Charges	340		

Name of Respondent Presque Isle Electric & Gas Co	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
LIST OF SCHEDULES (Natural Gas Utility)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
COMMON SECTION			
Regulatory Commission Expenses	350-351		
Research, Development and Demonstration Activities	352-253		
Distribution of Salaries and Wages	354-355		
Charges for Outside Professional and Other Consultative Services	357		
GAS PLANT STATISTICAL DATA			
Natural Gas Reserves and Land Acreage	500-501		
Changes in Estimated Hydrocarbon Reserves and Costs, and Net Realized Value	504-505		
Compressor Stations	508-509		
Gas and Oil Wells	510		
Gas Storage Projects	M 512-513		
Distribution and Transmission Lines	M 514		
Liquefied Petroleum Gas Operations	516-517		
Distribution System Peak Deliveries	M 518		
Auxiliary Peaking Facilities	519		
System Map	522		
Footnote Data	551		
Stockholders' Report	--		
MPSC SCHEDULES			
Reconciliation of Deferred Income Tax Expenses	117A-B		
Operating Loss Carryforward	117C		
Notes & Accounts Receivable Summary for Balance Sheet	228A		
Accumulated Provision for Uncollectible Accounts - Credit	228A		
Receivables From Associated Companies	228B		
Materials and Supplies	228C		
Notes Payable	260A		
Payables to Associated Companies	260B		
Customer Advances for Construction	268		
Accumulated Deferred Income Taxes - Temporary	277		
Gas Operation and Maintenance Expenses (Nonmajor)	320N-324N		
Lease Rentals Charged	333A-333D		
Depreciation, Depletion and Amortization of Gas Plant (Nonmajor)	336N		
Particulars Concerning Certain Other Income Accounts	341		
Gain or Loss on Disposition of Property	342A-B		
Expenditures for Certain Civic, Political and Related Activities	343		
Common Utility Plant and Expenses	356		
Summary of Costs Billed to Associated Companies	358-359		
Summary of Costs Billed from Associated Companies	360-361		

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GENERAL INFORMATION			
1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept. BRIAN J. BURNS, CHIEF EXECUTIVE OFFICER 19831 M-68 HIGHWAY ONAWAY, MI 49765			
2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state the fact and give the type of organization and date organized. MICHIGAN March 26, 1937			
3. If at any time during the year the property of respondent was held by 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, and (d) date which possession by receivership or trustee ceased. NOT APPLICABLE			
4. State the classes of utility or other services furnished by respondent during the year in each State in which the respondent operated. ELECTRIC DISTRIBUTION NATURAL GAS DISTRIBUTION			
5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements? 1. ☐ Yes..... Enter date when such independent accountant was initially engaged: _____ 2. ☒ No			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES			
1. If any corporation, business trust or similar organization or combination of such organizations jointly held control over the respondent at the end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.		2. List any entities which respondent did not control either directly or indirectly and which did not control respondent but which were associated companies at any time during the year. 3. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.	
NOT APPLICABLE			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the name 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 the end of the year, give particulars (details) 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 intermediaries involved.

3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

4. If the above required information is available from the SEC 10-K Report From filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

DEFINITIONS

1. See the Uniform Systems of Accounts for a definition of control.

2. Direct control is that which is exercised without interposition of an intermediary.

3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.

4. Joint control is that in which neither interest can effectively control or direct action without the consent

of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
NOT APPLICABLE			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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OFFICERS

1. Report below the name, title and salary for the five executive officers.
2. Report in column (b) salaries and wages accrued during the year including deferred compensation.
3. In column (c) report any other compensation provided such as bonuses, car allowance, stock options and rights, savings contribution, etc., and explain in a footnote what the amounts represent.

4. If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.
5. Upon request, the Company will provide the Commission with supplemental information on officers and other employees salaries.

Line No.	Name and Title (a)	Base Wages (b)	Other Compensation (c)	Total Compensation (d)
1	BRIAN BURNS, PRESIDENT & CEO	\$160,000.89	\$3,879.49	\$163,880.38
2	JOHN BROWN, CHAIRMAN		\$11,450.00	\$11,450.00
3	ALLEN BARR, VICE CHAIRMAN (Through August 7)		\$5,700.00	\$5,700.00
4	ALLAN BERG, VICE CHAIRMAN (From August 7)		\$10,650.00	\$10,650.00
5	DAVID W. SMITH, SECRETARY		\$10,250.00	\$10,250.00
6	DARYL PETERSON, TREASURER		\$10,450.00	\$10,450.00
7				
8				
9				
10	FOOTNOTE:			
11	BRIAN BURNS, PRESIDENT & CEO			
12	50K LIFE INSURANCE PREMIUM		\$1,362.24	
13	VEHICLE COMPENSATION		\$2,517.25	
14			\$3,879.49	
15				
16				
17				
18				

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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 titles of the directors who are officers of the respondent.		2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.	
Name (and Title) of Director (a)	Principal Business Address (b)	No. of Directors Meetings During Yr. (c)	Fees During Year Ref. (d)
John Brown, Chairperson	19831 M-68 Highway	15	\$11,450.00
Allen Barr, Vice Chairperson	Onaway, MI 49765	6	\$5,700.00
Allan Berg, Vice Chairperson		15	\$10,650.00
David W. Smith, Secretary		15	\$10,250.00
Daryl Peterson, Treasurer		15	\$10,450.00
Robert Wegmeyer, Director		14	\$5,475.00
Sally Knopf, Director		15	\$11,050.00
Kurt Krajniak, Director		15	\$11,250.00
Sandy Borowicz, Director		3	\$2,450.00
Raymond Wozniak, Director		15	\$11,850.00

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
SECURITY HOLDERS AND VOTING POWERS (Continued)							
Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES					
		Number of votes as of (date):					
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)		
4	TOTAL votes of all voting securities						
5	TOTAL number of security holders						
6	TOTAL votes of security holders listed below						
7	NOT APPLICABLE						
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
IMPORTANT CHANGES DURING THE YEAR			
Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none", "not acceptable" or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears. 1. Changes in and important additions to franchise rights: Describe the actual consideration given therefor and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact. 2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization. 3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission. 4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents and other conditions. State name of Commission authorizing lease and give reference to such authorization. 5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing		sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc. 6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required. 7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. 8. State the estimated annual effect and nature of any important wage scale changes during the year. 9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year. 10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest. 11. Estimated increase or decrease in annual revenues due to important rate changes: State effective date and approximate amount of increase or decrease of each revenue classification. State the number of customers affected. 12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instructions 1 to 11 above, such notes may be attached to this page.	
NONE			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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IMPORTANT CHANGES DURING THE YEAR (Continued)

Empty space for reporting important changes

PRESQUE ISLE ELECTRIC & GAS CO-OP

19831 M68 Hwy. P.O. Box 308 Onaway, MI 49765 (989) 733-8515 1-800-423-6634 Fax (989) 733-2247

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

Signature of Chief Financial Officer

Date

Signature of Chief Executive Officer

Date

PART 1 - STATEMENT OF COMBINED OPERATIONS FOR THE PERIOD ENDED DECEMBER 31, 2014

RUS Form 7 Line Number	ITEM	YEAR TO DATE			THIS MONTH
		2013	2014	BUDGET	
1.	Operating Revenue - Electric	36,106,758	36,587,101	35,770,979	3,107,017
1.	Operating Revenue - Gas	7,832,485	9,569,831	7,889,037	1,044,021
	Total Revenue	43,939,243	46,156,932	43,660,017	4,151,037
3.	Cost of Purchased Energy - Electric	21,282,518	21,896,813	21,096,346	1,866,826
3.	Cost of Purchased Energy - Gas	3,616,543	4,737,442	3,400,519	522,029
	Total Cost of Energy Sold	24,899,061	26,634,255	24,496,865	2,388,856
	Gross Revenues	19,040,182	19,522,677	19,163,151	1,762,182
5.	Distribution Expense - Operation	1,519,269	1,457,018	1,425,464	104,568
6.	Distribution Expense - Maintenance	3,297,875	3,267,440	3,963,785	321,707
7.	Consumer Accounts Expense	1,763,288	1,893,565	1,922,180	140,094
8.	Customer Service and Informational Expense	585,357	566,841	641,590	47,399
10.	Administrative and General Expense	1,615,161	1,715,046	1,640,929	133,546
	Total Operation & Maintenance Expense	8,780,950	8,899,911	9,593,948	747,314
12.	Depreciation & Amortization Expense	3,434,323	3,512,749	3,718,164	298,162
13.	Tax Expense - Property & Gross Receipts	1,051,677	1,124,499	1,078,158	100,978
14.	Tax Expense - Other	2,582	1,960	37,474	409
15.	Interest on Long-Term Debt	2,756,809	2,563,995	2,773,488	210,261
17.	Interest Expense - Other	172,423	79,208	203,025	5,201
18.	Other Deductions	2,057	0	0	0
	Total Cost of Operations	16,200,821	16,182,320	17,404,257	1,362,324
20.	Patronage Capital & Operating Margins	2,839,360	3,340,356	1,758,895	399,857
21.	Non-Operating Margins - Interest	53,848	58,988	57,794	576
23.	Income (Loss) from Equity Investments	(182,158)	(338,633)	(15,666)	(126,389)
24.	Non-Operating Margins - Other	0	0	0	0
25. a	Generation and Transmission Capital Credits	1,761,560	1,316,485	1,300,000	1,316,485
25. b	G & T Capital Credits - PSDFC	0	0	0	0
26.	Other Capital Credits and Patronage Dividends	385,913	364,859	365,396	23,512
27.	Extraordinary Items	0	0	0	0
28.	Patronage Capital	4,858,523	4,742,055	3,466,419	1,614,043
Net T.I.E.R.		2.66	2.79		
Operating T.I.E.R.		1.97	2.26		
ITEM		ELECTRIC YEAR TO DATE		GAS YEAR TO DATE	
		2013	2014	2013	2014
1. New Services Connected		155	164	150	209
2. Services Retired		57	94	0	0
3. Total Services in Place		35822	35598	9322	9515
4. Idle Services (Excl Seasonal)		2606	2549	535	565
5. Miles Distribution - Overhead		3854	3,852		
6. Miles Distribution - Underground		992	1,011		
7. Total Miles Energized (5 + 6)		4846	4,863		

PRESQUE ISLE ELECTRIC & GAS CO-OP

19831 M68 Hwy. P.O. Box 308 Onaway, MI 49765 (989) 733-8515 1-800-423-6634 Fax (989) 733-2247

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

Signature of Chief Financial Officer

Date

Signature of Chief Executive Officer

Date

PART 1A - STATEMENT OF ELECTRICAL OPERATIONS FOR THE PERIOD ENDED DECEMBER 31, 2014

RUS Form 7 Line Number	ITEM	YEAR TO DATE			THIS MONTH
		2013	2014	BUDGET	
1.	Operating Revenue - Electric	36,106,758	36,587,101	35,770,979	3,107,017
1.					
	Total Revenue	36,106,758	36,587,101	35,770,979	3,107,017
3.	Cost of Purchased Energy - Electric	21,282,518	21,896,813	21,096,346	1,866,826
3.					
	Total Cost of Energy Sold	21,282,518	21,896,813	21,096,346	1,866,826
	Gross Revenues	14,824,240	14,690,288	14,674,633	1,240,190
5.	Distribution Expense - Operation	1,012,335	899,026	953,911	53,488
6.	Distribution Expense - Maintenance	3,091,682	3,020,330	3,806,513	303,468
7.	Consumer Accounts Expense	1,375,194	1,487,074	1,545,753	107,453
8.	Customer Service and Informational Expens	553,127	472,541	608,247	44,386
10.	Administrative and General Expense	1,331,268	1,399,763	1,364,687	106,796
	Total Operation & Maintenance Expense	7,363,606	7,278,733	8,279,111	615,591
12.	Depreciation & Amortization Expense	2,759,795	2,834,479	2,993,304	240,801
13.	Tax Expense - Property & Gross Receipts	787,208	868,124	813,710	78,481
14.	Tax Expense - Other	2,582	1,960	31,074	409
15.	Interest on Long-Term Debt	1,755,163	1,645,985	1,813,689	131,172
17.	Interest Expense - Other	134,118	57,899	173,836	3,646
18.	Other Deductions	1,625	0	0	0
	Total Cost of Operations	12,804,098	12,687,179	14,104,724	1,070,100
20.	Patronage Capital & Operating Margins	2,020,142	2,003,108	569,909	170,091
21.	Non-Operating Margins - Interest	51,049	55,579	54,452	455
23.	Income (Loss) from Equity Investments	(184,224)	(347,191)	(17,094)	(130,196)
24.	Non-Operating Margins - Other	0	0	0	0
25.a	Generation and Transmission Capital Credit	1,761,560	1,316,485	1,300,000	1,316,485
25.b	G & T Capital Credits - PSDFC	0	0	0	0
26.	Other Capital Credits and Patronage Divider	286,700	274,705	266,671	18,575
27.	Extraordinary Items See attached sheet	0	0	0	0
28.	Patronage Capital	3,935,226	3,302,687	2,173,937	1,375,410

Net T.I.E.R.

3.08

2.94

Operating T.I.E.R.

2.07

2.18

PART 2A - DATA ON ELECTRICAL DISTRIBUTION PLANT

ITEM	YEAR TO DATE	
	2013	2014
1. New Services Connected	155	164
2. Services Retired	57	94
3. Total Services in Place	35,822	35,598
4. Idle Services (Excl Seasonal)	2,606	2,549
5. Miles Distribution - Overhead	3,854	3,852
6. Miles Distribution - Underground	992	1,011
7. Total Miles Energized (5 + 6)	4,846	4,863

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Signature of Chief Financial Officer

Date

Signature of Chief Executive Officer

Date

PART 1B - STATEMENT OF GAS OPERATIONS FOR THE PERIOD ENDED DECEMBER 31, 2014

RUS Form 7 Line Number	ITEM	YEAR TO DATE			THIS MONTH
		2013	2014	BUDGET	
1.					
1.	Operating Revenue - Gas	7,832,485	9,569,831	7,889,037	1,044,021
	Total Revenue	7,832,485	9,569,831	7,889,037	1,044,021
3.					
3.	Cost of Purchased Energy - Gas	3,616,543	4,737,442	3,400,519	522,029
	Total Cost of Energy Sold	3,616,543	4,737,442	3,400,519	522,029
	Gross Revenues	4,215,942	4,832,389	4,488,518	521,991
5.	Distribution Expense - Operation	506,934	557,992	471,553	51,080
6.	Distribution Expense - Maintenance	206,192	247,110	157,272	18,239
7.	Consumer Accounts Expense	388,094	406,491	376,426	32,641
8.	Customer Service and Informational Expenses	32,230	94,301	33,343	3,013
10.	Administrative and General Expense	283,893	315,283	276,243	26,750
	Total Operation & Maintenance Expense	1,417,344	1,621,177	1,314,837	131,723
12.	Depreciation & Amortization Expense	674,528	678,270	724,860	57,361
13.	Tax Expense - Property & Gross Receipts	264,469	256,375	264,448	22,498
14.	Tax Expense - Other	0	0	6,400	0
15.	Interest on Long-Term Debt	1,001,646	918,010	959,799	79,088
17.	Interest Expense - Other	38,305	21,310	29,189	1,555
18.	Other Deductions	432	0	0	0
	Total Cost of Operations	3,396,724	3,495,141	3,299,533	292,224
20.	Patronage Capital & Operating Margins	819,218	1,337,248	1,188,985	229,767
21.	Non-Operating Margins - Interest	2,799	3,409	3,343	121
23.	Income (Loss) from Equity Investments	2,065	8,558	1,429	3,808
24.	Non-Operating Margins - Other	0	0	0	0
25.a	Generation and Transmission Capital Credits	0	0	0	0
25.b	G & T Capital Credits - PSDFC	0	0	0	0
26.	Other Capital Credits and Patronage Dividend	99,214	90,154	98,725	4,938
27.	Extraordinary Items	0	0	0	0
28.	Patronage Capital	923,297	1,439,368	1,292,482	238,633
	Net T.I.E.R.	1.89	2.53		
	Operating T.I.E.R.	1.79	2.42		

PART 2B - DATA ON GAS DISTRIBUTION PLANT

ITEM	YEAR TO DATE	
	2013	2014
1. New Services Connected	150	209
2. Services Retired	0	0
3. Total Services in Place	9,322	9,515
4. Idle Services (Excl Seasonal)	535	565
5. Miles Distribution - Overhead	0	0
6. Miles Distribution - Underground	0	0
7. Total Miles Energized (5 + 6)	0	0

PRESQUE ISLE ELECTRIC & GAS CO-OP

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PART 3 - COMBINED BALANCE SHEET AS OF DECEMBER 31, 2014

RUS Form 7 Line Number	ASSETS AND OTHER DEBITS	RUS Form 7 Line Number	LIABILITIES AND OTHER CREDITS
1a.	Utility Plant in Service - Electric 98,725,543	30a.	Memberships - Electric 232,820
1b.	Utility Plant in Service - Gas 31,818,429	30b.	Memberships - Gas 20,630
1.	Utility Plant in Service - Combined 130,543,972	30.	Memberships - Combined 253,450
2a.	Construction Work in Progress - Electric 437,594	31a.	Patronage Capital - Electric 39,005,025
2b.	Construction Work in Progress - Gas 8,093	31b.	Patronage Capital - Gas 2,661,596
2.	Construction Work in Progress - Combined 445,687	31.	Patronage Capital - Combined 41,666,621
3a.	Total Utility Plant (1+ 2) - Electric 99,163,137	32a.	Operating Margins - Prior Years - Electric (1,319,079)
3b.	Total Utility Plant (1 + 2) - Gas 31,826,522	32b.	Operating Margins - Prior Years - Gas 0
3.	Total Utility Plant - Combined 130,989,659	32.	Operating Margins - Prior Years - Combined (1,319,079)
4a.	Accumulated Provision for Depreciation - Electric 47,142,327	33a.	Operating Margins - Current Year - Electric 2,003,108
4b.	Accumulated Provision for Depreciation - Gas 7,596,227	33b.	Operating Margins - Current Year - Gas 1,337,248
4.	Accum. Provision for Depreciation - Combined 54,738,554	33.	Operating Margins - Current Year - Combined 3,340,356
5a.	Net Utility Plant (3 - 4) - Electric 52,020,810	34a.	Non Operating Margins - Electric 1,299,579
5b.	Net Utility Plant (3 - 4) - Gas 24,230,294	34b.	Non Operating Margins - Gas 102,120
5.	Net Utility Plant - Combined 76,251,105	34.	Non Operating Margins - Combined 1,401,699
7.	Investments in Subsidiary Companies 0	35a.	Other Margins and Equities - Electric 1,915,931
8.a	Invest. in Assoc. Org- Patronage Capital - WPC 13,105,742	35b.	Other Margins and Equities - Gas 7,243
8.b	Invest. in Assoc. Org. - Patronage Capital - WPC - PSDFC 6,925,238	35.	Other Margins and Equities - Combined 1,923,174
8.c	Invest. in Assoc. Org. - Patronage Capital - Other 2,323,168	36a.	Total Margins and Equities (30 thru 35) - Electric 43,137,383
9.	Invest. in Assoc. Org. - Other - General Funds 9,300	36b.	Total Margins and Equities (30 thru 35) - Gas 4,128,837
10.	Invest. in Assoc. Org. - Other - Nongeneral Funds 1,597,349	36.	Total Margins and Equities (30 thru 35) - Combined 47,266,221
11.	Invest. in Economic Development Projects 0	37.	Long Term Debt - RUS (Net)
12.	Other Investments 0		(Payments-Unapplied \$ -0-) 0
13.	Restricted Funds 0	38.	Long Term Debt - RUS - Econ. Dev. (Net) 0
14.	Total Other Property and Investments (6 thru 13) 23,960,796	39.	Long Term Debt - Other - RUS Guaranteed 0
15.	Cash - General Funds 1,272,770	40.	Long Term Debt - Other (Net) 48,131,300
16.	Cash - Construction Funds 0	41.	Total Long Term Debt (37 thru 40) 48,131,300
17.	Special Deposits 0	42.	Obligations Under Capital Leases 0
18.	Temporary Investments 1,038,994	43.	Deferred Compensation 0
19.	Notes Receivable - Net 0	44.	Total Other Non Current Liabilities (42+43) 0
20.	Accounts Receivable - Net Sales of Energy 4,694,364	45.	Line of Credit Balance Due 4,750,000
21.	Accounts Receivable - Net Other 322,294	46.	Accounts Payable 2,783,296
22.	Materials and Supplies - Electric and Other 1,455,279	47.	Consumers Deposits 469,176
23.	Prepayments 397,577	48.	Other Current and Accrued Liabilities 6,266,068
24.	Other Current and Accrued Assets 0	49.	Total Current and Accrued Liabilities (45 thru 48) 14,268,539
25.	Total Current and Accrued Assets (15 thru 24) 9,181,278	50.	Deferred Credits 12,106
26.	Regulatory Assets 0	51.	Accumulated Deferred Income Taxes 0
27.	Other Deferred Debits 284,987	52.	Total Liabilities and Other Credits
28.	Accumulated Deferred Income Taxes 0		(36+41+44+49 thru 51) 109,678,166
29.	Total Assets and Other Debits (5 + 14 + 25 thru 28) 109,678,166		ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION
		53.	Balance Beginning of the Year - Electric 19,895,819
		54.	Balance Beginning of the Year - Gas 3,808,617
		55.	Balance Beginning of the Year - Gas AER 1,054,511
			Amount Received This Year (Net) - Electric 269,191
			Amount Received This Year (Net) - Gas 265,660
			Amount Received This Year (Net) - Gas AER
			Total Contributions in Aid of Construction - Electric 20,165,010
			Total Contributions in Aid of Construction - Gas 4,074,277
			Total Contributions in Aid of Construction - Gas AER 1,054,511

PART 4 - NOTES TO COMBINED FINANCIAL STATEMENTS

THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.

PRESQUE ISLE ELECTRIC & GAS CO-OP

19831 M68 Hwy. P.O. Box 308 Onaway, MI 49765 (989) 733-8515 1-800-423-6634 Fax (989) 733-2247

ELECTRIC OPERATIONS PLANT RATIOS, SALES & REVENUE REPORT FOR THE MONTH ENDING DECEMBER 31, 2014

BALANCE SHEET RATIOS

Current Assets to Current Liabilities	- Combined	64.35 %
Margins & Equities as % of Assets	- Combined	43.10 %
Long Term Debt as % of Net Utility Plant	- Combined	63.12 %
Long Term Debt as % of Plant	- Combined	36.74 %
Modified Debt Service Coverage Ratio	- Combined	2.57

CONSUMER SALES AND REVENUE DATA - MONTHLY

CLASS OF SERVICE	Number Receiving Service A.	kWh Sold B.	Amount C.	Number of Minimum Bills D.
Sales - Residential	17,345	12,523,025	1,737,636	1,174
Sales - Seasonal	13,387	2,838,692	671,292	12,519
Sales - General Service - Oil	474	466,041	59,930	30
Sales - Irrigation	26	4,787	2,031	19
Sales - General Service	1,399	2,358,442	287,374	185
Sales - Large Power - Oil	9	124,260	13,610	
Sales - Large Power	36	2,249,297	226,587	0
Sales - Public Street & Highway Lighting	39	32,263	5,986	
Sales - Public Buildings	334	363,389	45,991	43
Consumer Sales - PSCR			3,202	
Total Sales of Electric Energy (1 thru 11)	33,049	20,960,196	3,053,638	13,970
Other Electric Revenue			53,379	
Total (12 + 13)			3,107,017	
Last Year kWh Sales	33,216	21,161,546		

CONSUMER SALES AND REVENUE DATA - YEAR TO DATE

CLASS OF SERVICE	Average Number Receiving Service B.	kWh Sold Cumulative C.	Amount Cumulative D.
Sales - Residential	17,362	138,741,390	19,589,149
Sales - Seasonal	13,370	32,824,275	7,871,634
Sales - General Service - Oil	475	5,201,048	673,446
Sales - Irrigation	26	122,818	22,674
Sales - General Service	1,395	30,714,678	3,683,489
Sales - Large Power - Oil	9	1,546,152	167,490
Sales - Large Power	37	30,013,058	2,975,443
Sales - Public Street & Highway Lighting	39	387,088	71,713
Sales - Public Buildings	332	4,697,567	588,420
Consumer Sales - PSCR			182,429
Total Sales of Electric Energy (1 thru 11)	33,045	244,248,074	35,825,886
Other Electric Revenue			761,215
Total (12 + 13)			36,587,101
Last Year kWh Sales		239,195,030	

KWH AND KWH STATISTICS

ITEM	THIS MONTH	YEAR-TO-DATE
1. kWh Purchased	23,738,400	262,525,800
2. Interchange kWh-Net	398	11,084
3. Total kWh (1 + 2)	23,738,798	262,536,884
4. Total kWh-Sold	20,960,196	244,248,074
5. Office Use - **For Information Purposes Only**	22,361	252,705
6. Total Unaccounted for (3 - 4)	2,778,602	18,288,810
7. Percent System Loss (6/3)x100	11.70	6.97
8. Maximum Demand (kw)	42,351	44,689
9. Month When Maximum Demand Occured		1

PRESQUE ISLE ELECTRIC & GAS CO-OP

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GAS OPERATIONS SALES & REVENUE REPORT FOR THE MONTH DECEMBER 31, 2014

CONSUMER SALES AND REVENUE DATA - MONTHLY

CLASS OF SERVICE	Number Receiving Service A.	CCF Sold B.	Amount C.	Number of Minimum Bills D.
Gas Sales - Residential	5,063	606,046	666,888	248
Gas Sales - Residential - Line Retention	65			
Gas Sales - Seasonal	3,368	237,738	278,269	388
Gas Sales - Seasonal - Line Retention	80			
Gas Sales - General Service	266	98,978	90,090	17
Gas Sales - General Service - Line Retention	2			
Gas Sales - Large Power	2	18,381	14,629	
Gas Sales - Public Buildings	104	50,585	43,826	5
Gas Sales - Public Buildings - Line Retention				
Gas Cost Recovery (Over)/Undercollection			(55,050)	
Less: Area Expansion Rate				
Total Sales of Natural Gas Energy (1 thru 11)	8,950	1,011,728	1,038,652	658
Other Gas Revenue			5,368	
Total (12 + 13)			1,044,021	
Last Year CCF Sales	8,787	984,642		

CONSUMER SALES AND REVENUE DATA - YEAR TO DATE

CLASS OF SERVICE	Average Number Receiving Service B.	CCF Sold Cumulative C.	Amount Cumulative D.
Gas Sales - Residential	4,997	4,802,708	5,384,374
Gas Sales - Residential - Line Retention	73		
Gas Sales - Seasonal	3,294	1,900,572	2,328,152
Gas Sales - Seasonal - Line Retention	89		
Gas Sales - General Service	259	735,951	668,301
Gas Sales - General Service - Line Retention	3		
Gas Sales - Large Power	2	167,532	128,292
Gas Sales - Public Buildings	102	383,121	330,205
Gas Sales - Public Buildings - Line Retention			
Gas Cost Recovery (Over)/Undercollection			646,497
Less: Area Expansion Rate			
Total Sales of Natural Gas Energy (1 thru 11)	8,819	7,989,884	9,485,820
Other Gas Revenue			84,011
Total (12 + 13)			9,569,831
Last Year CCF Sales		6,881,076	

PRESQUE ISLE ELECTRIC & GAS CO-OP

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STATISTICAL INFORMATION FOR THE MONTH ENDING DECEMBER 31, 2014

	THIS YEAR	LAST YEAR
1. KWHRS Sold Per Consumer:		
a. For the Month	634	637
b. Year to Date	<u>616</u>	<u>600</u>
2. Average Monthly Bill	92.40	96.00
Average Residential Bill	<u>100.18</u>	<u>102.54</u>
3. Average Bill:		
a. Year To Date	90.35	88.56
b. YTD Residential	<u>94.02</u>	<u>93.02</u>
4. Cost Per KWHR Purchased		
a. This Month Mills	78.64	79.33
b. Year to Date Mills	<u>83.40</u>	<u>81.79</u>
5. Revenue Per KWHR Sold:		
a. This Month Mills	145.69	150.68
b. Year to Date Mills	<u>146.68</u>	<u>147.52</u>
6. Power Cost Adjustment		
a. This Month	<u>0.001060</u>	<u>0.003190</u>
7. Number of New Members - Electric	61	73
Number of Transferred Members Added - Electric	1098	1084
7. Number of New Members - Gas	42	45
Number of Transferred Members Added - Gas	<u>122</u>	<u>112</u>
8. Security Lights Billed	<u>2031</u>	<u>2035</u>
9. Regular Payroll - Hours	12,377.00	11,892.76
Overtime Payroll - Hours	735.75	1,194.25
Total Payroll	<u>13,112.75</u>	<u>13,087.01</u>
10. Number of Employees		
Full Time	67	64
Temporary	<u>5</u>	<u>7</u>
11. Principal Paid To CFC-YTD	2,140,000.94	2,021,078.08
Interest Paid To CFC-YTD	<u>2,709,939.80</u>	<u>2,926,764.88</u>
12. Interest Paid on Line of Credit - YTD	<u>73,366.00</u>	<u>165,076.75</u>

PRESQUE ISLE ELECTRIC & GAS CO-OP

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STATISTICAL INFORMATION FOR THE MONTH ENDING DECEMBER 31 2014

	THIS YEAR	LAST YEAR
1. CCF'S Sold Per Consumer:		
a. For the Month	113	112
b. Year to Date	<u>75</u>	<u>66</u>
2. Average Monthly Bill	116.05	97.38
Average Residential Bill	<u>131.72</u>	<u>133.01</u>
3. Average Bill:		
a. Year To Date	89.63	74.21
b. YTD Residential	<u>89.79</u>	<u>83.10</u>
4. Cost Per CCF Purchased		
a. This Month	0.50	0.51
b. Year to Date	<u>0.56</u>	<u>0.51</u>
5. Revenue Per CCF Sold:		
a. This Month	1.03	0.87
b. Year to Date	<u>1.19</u>	<u>1.13</u>
6A. Total Active Accounts	8,950	8787
6B. Total Service Lines Installed	<u>9,515</u>	<u>9322</u>
7. Number of New Members - Gas	42	45
Number of Transferred Members Added - Gas	<u>122</u>	<u>112</u>

PRESQUE ISLE ELECTRIC & GAS CO-OP

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CASH REPORT AS OF DECEMBER 31, 2014

Cash Balance As Of	11/30/2014	\$2,103,596.83
Receipts		
Utility Billings	\$3,394,968.32	
Interest	576.20	
Other Accounts Receivable	116,878.26	
Other	4,547.32	
CFC LTD		
Total Receipts		<u>3,516,970.10</u>
Total Receipts & Previous Balance		5,620,566.93
Less: Cash Disbursements		<u>(3,308,802.90)</u>
Cash Balance As Of	12/31/2014	<u>\$2,311,764.03</u>

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item (a)	Total (b)	Electric (c)	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	\$130,543,972	\$98,725,543	
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	TOTAL (Enter Total of lines 3 thru 7)	\$130,543,972	\$98,725,543	
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	\$445,687	\$437,594	
12	Acquisition Adjustments			
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	\$130,989,659	\$99,163,137	
14	Accum. Prov. For Depr., Amort., & Depl.	\$54,738,554	\$47,142,327	
15	Net Utility Plant (Enter Total of line 13 less 14)	\$76,251,105	\$52,020,810	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	\$54,738,554	\$47,142,327	
19	Amort. and Depl. Of Producing Natural Gas Land and Land Rights			
20	Amort. of Underground Storage Land and Land Rights			
21	Amort. of Other Utility Plant			
22	TOTAL in Service (Enter Total of lines 18 thru 21)	\$54,738,554	\$47,142,327	
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	TOTAL Held for Future Use (Enter Total of lines 28 and 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amort. of Plant Acquisition Adj.			
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31 and 32)	\$54,738,554	\$47,142,327	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
\$31,818,429					3
					4
					5
					6
					7
\$31,818,429					8
					9
					10
\$8,093					11
					12
\$31,826,522					13
\$7,596,227					14
\$24,230,295					15
					16
					17
\$7,596,227					18
					19
					20
					21
\$7,596,227					22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
\$7,596,227					33

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106)					
1. Report below the original cost of gas plant in service according to the prescribed accounts. 2. In addition to Account 101, Gas Plant in Service (Classified), this schedule includes Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified - Gas. 3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year. 4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts. 5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and			include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Included also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years' tentative account distributions of these		
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
1		1. Intangible Plant			
2	301	Organization			
3	302	Franchises and Consents	46,318.00	42,360.00	
4	303	Miscellaneous Intangible Plant			
5		TOTAL Intangible Plant	\$46,318.00	\$42,360.00	
6		2. Production Plant			
7		Manufactured Gas Production Plant			
8	304.1	Land			
9	304.2	Land Rights			
10	305	Structures and Improvements			
11	306	Boiler Plant Equipment			
12	307	Other Power Equipment			
13	308	Coke Ovens			
14	309	Producer Gas Equipment			
15	310	Water Gas Generating Equipment			
16	311	Liquefied Petroleum Gas Equipment			
17	312	Oil Gas Generating Equipment			
18	313	Generating Equipment - Other Processes			
19	314	Coal, Coke and Ash Handling Equipment			
20	315	Catalytic Cracking Equipment			
21	316	Other Reforming Equipment			
22	317	Purification Equipment			
23	318	Residual Refining Equipment			
24	319	Gas Mixing Equipment			
25	320	Other Equipment			
26		TOTAL Manufactured Gas Production Plant	0	0	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
GAS PLANT IN SERVICE (Accounts 101, 102, 103 106) (Continued)					
amounts. Careful observance of the above instructions and the text of Accounts 101 and 106 will avoid serious omission of the reported amount of respondent's plant actually in service at the end of year. 6. Show in column (f) reclassification or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.			7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages. 8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.		
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					1
				301	2
	(\$2,437)		\$86,241	302	3
				303	4
	(\$2,437)		\$86,241		5
					6
					7
				304.1	8
				304.2	9
				305	10
				306	11
				307	12
				308	13
				309	14
				310	15
				311	16
				312	17
				313	18
				314	19
				315	20
				316	21
				317	22
				318	23
				319	24
				320	25
0	0	0	0		26

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106 (Continued))					
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
27		Natural Gas Production & Gathering Plant			
28	325.1	Producing Lands			
29	325.2	Producing Leaseholds			
30	325.3	Gas Rights			
31	325.4	Rights-of-Way			
32	325.5	Other Land			
33	325.6	Other Land Rights			
34	326	Gas Well Structures			
35	327	Field Compressor Station Structures			
36	328	Field Measuring and Regulating Station Structures			
37	329	Other Structures			
38	330	Producing Gas Wells-Well Construction			
39	331	Producing Gas Wells-Well Equipment			
40	332	Field Lines			
41	333	Field Compressor Station Equipment			
42	334	Field Measuring and Regulating Station Equipment			
43	335	Drilling and Cleaning Equipment			
44	336	Purification Equipment			
45	337	Other Equipment			
46	338	Unsuccessful Exploration & Development Costs			
47		TOTAL Production and Gathering Plant	0	0	
48		Products Extraction Plant			
49	340.1	Land			
50	340.2	Land Rights			
51	341	Structures and Improvements			
52	342	Extraction and Refining Equipment			
53	343	Pipe Lines			
54	344	Extracted Products Storage Equipment			
55	345	Compressor Equipment			
56	346	Gas Measuring and Regulating Equipment			
57	347	Other Equipment			
58		TOTAL Products Extraction Plant	0	0	
59		TOTAL Natural Gas Production Plant	0	0	
60		SNG Production Plant (Submit Supplemental Statement)			
61		TOTAL Production Plant	0	0	
62		3. Natural Gas Storage and Processing Plant			
63		Underground Storage Plant			
64	350.1	Land			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
GAS PLANT IN SERVICE (Accounts 101, 102, 103 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					27
				325.1	28
				325.2	29
				325.3	30
				325.4	31
				325.5	32
				325.6	33
				326	34
				327	35
				328	36
				329	37
				330	38
				331	39
				332	40
				333	41
				334	42
				335	43
				336	44
				337	45
				338	46
0	0	0	0		47
					48
				340.1	49
				340.2	50
				341	51
				342	52
				343	53
				344.0	54
				345.0	55
				346	56
				347	57
0	0	0	0		58
0	0	0	0		59
					60
0	0	0	0		61
					62
					63
				350.1	64

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106 (Continued))					
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
65	350.2	Rights-of-Way			
66	351.0	Structures and Improvements			
67	352	Wells			
68	352.1	Storage Leaseholds and Rights			
69	352.2	Reservoirs			
70	352.3	Non-Recoverable Natural Gas			
71	353	Lines			
72	354	Compressor Station Equipment			
73	355	Measuring and Regulating Equipment			
74	356	Purification Equipment			
75	357	Other Equipment			
76	358	Gas in Underground Storage-Noncurrent			
77		TOTAL Underground Storage Plant	0	0	
78		Other Storage Plant			
79	360.1	Land			
80	360.2	Land Rights			
81	361	Structures and Improvements			
82	362	Gas Holders			
83	363	Purification Equipment			
84	363.1	Liquefaction Equipment			
85	363.2	Vaporizing Equipment			
86	363.3	Compressor Equipment			
87	363.4	Measuring and Regulating Equipment			
88	363.5	Other Equipment			
89		TOTAL Other Storage Plant	0	0	
90		Base Load Liquefied NG Terminating and Processing Plant			
91	364.1	Land			
92	364.1a	Land Rights			
93	364.2	Structures and Improvements			
94	364.3	LNG Processing Terminal Equipment			
95	364.4	LNG Transportation Equipment			
96	364.5	Measuring and Regulating Equipment			
97	364.6	Compressor Station Equipment			
98	364.7	Communication Equipment			
99	364.8	Other Equipment			
100		TOTAL Base Load LNG Terminating and Processing Plant	0	0	
101					
102		TOTAL Natural Gas Storage and Processing Plant	0	0	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
GAS PLANT IN SERVICE (Accounts 101, 102, 103 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
				350.2	65
				351	66
				352	67
				352.1	68
				352.2	69
				352.3	70
				353	71
				354	72
				355	73
				356	74
				357	75
				358	76
0	0	0	0		77
					78
				360.1	79
				360.2	80
				361	81
				362	82
				363	83
				363.1	84
				363.2	85
				363.3	86
				363.4	87
				363.5	88
0	0	0	0		89
					90
				364.1	91
				364.1a	92
				364.2	93
				364.3	94
				364.4	95
				364.5	96
				364.6	97
				364.7	98
				364.8	99
0	0	0	0		100
					101
0	0	0	0		102

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106 (Continued))					
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
103		4. Transmission Plant			
104	365.1	Land			
105	365.2	Land Rights			
106	365.3	Rights-of-Way			
107	366	Structures and Improvements			
108	367	Mains			
109	368	Compressor Station Equipment			
110	369	Measuring and Regulating Station Equipment			
111	370	Communication Equipment			
112	371	Other Equipment			
113		TOTAL Transmission Plant	0	0	
114		5. Distribution Plant			
115	374.1	Land	60,459	0	
116	374.2	Land Rights	148,259	0	
117	375	Structures and Improvements	732,806	0	
118	376	Mains	15,156,911	234,423	
119	377	Compressor Station Equipment			
120	378	Measuring and Regulating Station Equipment - General	98,204	0	
121	379	Measuring and Regulating Station Equipment - City Gate			
122	380	Services	13,249,822	476,609	
123	381	Meters	1,414,880	206,226	
124	382	Meter Installations	50,741	0	
125	383	House Regulators			
126	384	House Regulator Installations			
127	385	Industrial Measuring and Regulating Station Equipment			
128	386	Other Property on Customer's Premises			
129	387	Other Equipment			
130		TOTAL Distribution Plant	\$30,912,082	\$917,258	
131		6. General Plant			
132	389.1	Land	17,041	0	
133	389.2	Land Rights			
134	390	Structures and Improvements	119,739	0	
135	391	Office Furniture and Equipment			
136	391.1	Computers and Computer Related Equipment			
137	392	Transportation Equipment			
138	393	Stores Equipment			
139	394	Tools, Shop and Garage Equipment	56,695	32,897	
140	395	Laboratory Equipment	58,947	1,758	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
GAS PLANT IN SERVICE (Accounts 101, 102, 103 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					103
				365.1	104
				365.2	105
				365.3	106
				366	107
				367	108
				368	109
				369	110
				370	111
				371	112
					113
					114
0			60,459	374.1	115
0			148,259	374.2	116
0			732,806	375	117
(89,736)			15,301,598	376	118
			0	377	119
0			98,204	378	120
			0	379	121
(175,527)			13,550,904	380	122
(109,897)			1,511,209	381	123
0			50,741	382	124
			0	383	125
			0	384	126
			0	385	127
			0	386	128
			0	387	129
(\$375,160)			\$31,454,180		130
					131
0			17,041	389.1	132
			0	389.2	133
0			119,739	390	134
			0	391	135
			0	391.1	136
			0	392	137
			0	393	138
(9,068)			80,524	394	139
0			60,705	395	140

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106 (Continued))					
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
141	396	Power Operated Equipment			
142	397	Communication Equipment			
143	398	Miscellaneous Equipment			
144		SUBTOTAL (lines 132 thru 143)	\$252,422	\$34,655	
145	399	Other Tangible Property			
146		TOTAL General Plant	\$252,422	\$34,655	
147		TOTAL (Accounts 101 and 106)			
148	101.1	Property Under Capital Leases			
149	102	Gas Plant Purchased (See Instruction 8)			
150	(Less) 102	Gas Plant Sold (See Instruction 8)			
151	103	Experimental Gas Plant Unclassified			
152		TOTAL GAS PLANT IN SERVICE	\$31,210,822	\$994,273	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
GAS PLANT IN SERVICE (Accounts 101, 102, 103 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
				396	141
				397	142
				398	143
(9,068)			\$278,009		144
				399	145
(9,068)			\$278,009		146
					147
				101.1	148
				102	149
				(102)	150
				103	151
(\$384,228)	(\$2,437)	\$0	\$31,818,430		152

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
GAS PLANT LEASED TO OTHERS (Account 104)							
1. Report below the information called for concerning gas plant leased to others.				2. In Column (c) give the date of Commission authorization of the lease of gas plant to others.			
Line No.	Name of Lessee (Designate associated companies with an asterisk) (a)	Description of Property Leased (b)	Commission Author-ization (c)	Expiration Date of Lease (d)	Balance at End of Year		
1	NOT APPLICABLE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
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38							
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41							
42							
43							
44							
45							
46							
47	TOTAL						

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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GAS PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.

2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)			
2	NOT APPLICABLE			
3				
4				
5				
6				
7				
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9				
10				
11				
12				
13				
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38				
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40				
41				
42				
43				
44				
45				
46	TOTAL			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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PRODUCTION PROPERTY HELD FOR FUTURE USE (Account 105.1)

1. Report separately each property held for future use at the end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.1

Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)			
2	NOT APPLICABLE			
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
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41				
42				
43				
44				
45				
46				
47	TOTAL			

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
CONSTRUCTION WORK IN PROGRESS -- GAS (Account 107)				
1. Report below descriptions and balances at end of year or project in process of construction (107). 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research Development, and Demonstration (see Account 107 of the Uniform Systems of Accounts). 3. Minor projects (less than \$500,000) may be grouped.				
Line No.	Description of Project (a)	Construction Work in Progress--Gas (Account 107) (b)	Estimated Additional Cost of Project (c)	
1	DISTRIBUTION WORK IN PROGRESS AT YEAR END 2014			
2				
3	MINOR PROJECTS	8,093	0	
4				
5				
6				
7				
8				
9				
10				
11				
12				
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16				
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41				
42				
43	TOTAL	8,093	0	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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CONSTRUCTION OVERHEAD--GAS

1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.
2. On Page 218 furnish information concerning construction overheads.
3. A respondent should not report "none" to this page if on overhead apportionments are made, but rather should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.
4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive of Overhead Charges) (c)	Indirect
1				
2	DIRECT LABOR	252,722	172,186	80,536
3				
4	INDIRECT LABOR	21,355	8,250	13,105
5				
6	MATERIAL INVENTORY	124,391	124,391	0
7		0		
8	TRANSPORTATION	175,746	93,271	82,475
9				
10	STORES	41,233	40,438	795
11				
12	PAYROLL TAXES	25,629	16,756	8,873
13				
14	MISCELLANEOUS	34,839	16,554	18,285
15				
16	HEAVY EQUIPMENT	0	0	0
17				
18	RIGHT OF WAY AND PERMITS	6,992	6,992	0
19				
20	EMPLOYEE COSTS	101,208	61,629	39,579
21				
22	CONTRACTORS/PROFESSIONAL SERVICES	0	0	0
23				
24	AID TO CONSTRUCTION	(260,880)	(261,387)	507
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
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45				
46	TOTAL	\$523,235	\$279,080	\$244,155

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE			
1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of		construction, and (f) whether the overhead is directly or indirectly assigned. 2. Show below the computation of allowance for funds used during construction rates, if those differ from the overall rate of return authorized by the Michigan Public Service Commission.	
1) a. Administrative, employee benefits, general construction support. b. All items directly or indirectly linked to construction. c. All overhead items are spread based on work orders with direct labor for the month incurred. d. Not Applicable e. Not Applicable f. All indirect items are pooled in a general work order for the month, then spread at month end to all work orders having direct labor. Each work order receives it's percentage based on total for the month.			
2) Not Applicable			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108 & 110)

- | | |
|--|---|
| <p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c) and that reported for gas plant in service, pages 204-211, column (d), excluding retirements of non-depreciable property.</p> <p>3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service.</p> | <p>If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p> |
|--|---|

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future use (d)	Gas Plant Leased to Others (e)
1	Balance Beginning of Year	7,033,002	7,033,002		
2	Depreciation Prov. for Year, Charged to				
3	(403) Depreciation Expense	618,281	618,281		
4	(403.1) Deprec. and Deplet. Expense				
5	(413) Exp. of Gas Plt. Leas. to Others				
6	Transportation Expenses - Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify):				
9	Amortization Expense (426.5)	2,087	2,087		
10	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 9)	620,368	620,368		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(54,706)	(54,706)		
13	Cost of Removal				
14	Salvage (Credit)				
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	(54,706)	(54,706)		
16	Other Debit or Credit Items (Describe):				
17	Amortization Adjustment	(2,437)	(2,437)		
18					
19	Balance End of Year (Enter Total of lines 1, 10, 15, & 16)	\$7,596,227	\$7,596,227		

Section B. Balances at End of Year According to Functional Classifications

20	Production - Manufactured Gas				
21	Production and Gathering - Natural Gas				
22	Products Extraction - Natural Gas				
23	Underground Gas Storage				
24	Other Storage Plant				
25	Base Load LNG Terminating & Proc. Plt.				
26	Transmission				
27	Distribution	7,596,227	7,596,227		
28	General				
29	TOTAL (Enter total of lines 20 thru 28)	\$7,596,227	\$7,596,227		

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014			
GAS STORED (ACCOUNT 117, 164.1, 164.2 AND 164.3)						
1. If during the year adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for adjustment, the Mcf and dollar amount of adjustment, and account charged or credited. 2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir. 3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment			of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year. 4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ullimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year. 5. Report pressure base of gas volumes as 14.65 psia at 60° F.			
Line No.	Description (a)	Noncurrent (Account 117) (b)	Current Account 164.1 (c)	LNG Account 164.2 (d)	LNG (Account 164.3) (e)	Total (f)
1	Balance at Beginning of Year	NONE				
2	Gas Delivered to Storage (contra Account)					
3	Gas Withdrawn from Storage (contra Account)					
4	Other Debits or Credits (Net)					
5	Balance at End of Year					
6	Mcf					
7	Amount per Mcf					
8	<i>State basis of segregation of inventory between current and noncurrent portions:</i>					

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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NONUTILITY PROPERTY (Account 121)

- | | |
|--|---|
| <p>1. Give a brief description and state the location of nonutility property included in Account 121.</p> <p>2. Designate with an asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.</p> <p>3. Furnish particulars (details) concerning sales, purchases, or transfers or Nonutility Property during the year.</p> <p>4. List separately all property previously devoted to public service and give date of transfer to Account 121, <i>Nonutility Property</i>. These items are separate and</p> | <p>distinct from those allowed to be grouped under instruction No. 5.</p> <p>5. Minor items (5% of the Balance at the End of the Year, for Account 121) may be grouped.</p> <p>6. Natural gas companies which have oil property should report such property by State, classified as to (a) oil lands and land rights, (b) oil wells, and (c) other oil property. Gasoline plants and other plants for the recovery of products from natural gas are classifiable as gas plant and should be reported as such and not shown as <i>Nonutility Property</i>.</p> |
|--|---|

Line No.	Description and Location (a)	Beginning of Year (b)	Sales, Transfers, etc. (c)	End of Year (d)
1	NONE			
2				
3				
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**ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF
NONUTILITY PROPERTY (Account 122)**

Report below the information called for concerning depreciation and amortization of nonutility property.

Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	
4	(418) Nonoperating Rental Income	
5	Other Accounts (<i>Specify</i>):	
6		
7	TOTAL Accruals for Year (<i>Enter Total of lines 3 thru 6</i>)	
8	Net Charges for Plant Retired	
9	Book Cost of Plant Retired	
10	Cost of Removal	
11	Salvage (Credit)	
12	TOTAL Net Charges (<i>Enter Total of lines 9 thru 11</i>)	
13	Other Debit or Credit Items (<i>Describe</i>):	
14		
15	Balance, End of Year (<i>Enter Total of lines 1, 7, 12, and 14</i>)	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
INVESTMENTS (Accounts 123, 124, 136)			
1. Report below Investments in Accounts 123, <i>Investment in Associated Companies</i> , 124, <i>Other Investments</i> , and 136, <i>Temporary Cash Investments</i> . 2. Provide a subheading for each account and list thereunder the information called for: (a) Investment in Securities -- List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale) pursuant to authorization by the Board		of Directors, and included in Account 124, <i>Other Investments</i> , state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, <i>Temporary Cash Investments</i> , also may be grouped by classes. (b) Investment Advances -- Report separately for each person or company the amounts of loans or Investment advances which are property includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or open account.	
Line No.	Description of Investment (a)	Book Cost at Beginning of Year (if book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (b)	Purchases or Additions During Year (c)
1	NONE		
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3			
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
INVESTMENTS (Accounts 123, 124, 136) (Continued)					
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. Exclude amounts reported on page 229. 3. For any securities, notes or accounts that were pledged designate with an asterisk such securities, notes or accounts and in a footnote state the name of pledge and purpose of the pledge. 4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote			and give name of Commission, date of authorization, and case or docket number. 5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year. 6. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (g).		
Sales or Other Dispositions During Year (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain differences.) (f)	Revenues for Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
					1
					2
NONE					3
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)					
1. Report below Investments in Accounts 123.1, <i>Investments in Subsidiary Companies</i>. 2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h). (a) Investment in Securities -- List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate. (b) Investment Advances -- Report separately 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. List each note giving date of issuance, maturity date, and specify whether note is a renewal. 3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1					
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	
1	NONE				
2					
3					
4					
5					
6					
7					
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42	TOTAL Cost of Account 123.1 \$ _____	TOTAL			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)				
4. For any securities, notes or accounts that were pledged, designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge. 5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number. 6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year. 7. 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 thereof, not including interest adjustment includible in column (f). 8. Report on Line 42, column (a) the total cost of Account 123.1.				
Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
NONE				1
				2
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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GAS PREPAYMENTS UNDER PURCHASE AGREEMENTS

- | | |
|---|--|
| <p>1. Report below the information called for concerning gas prepayments as defined in the text of Account 165, <i>Prepayments</i>. (Report advances on page 229.)</p> <p>2. If any prepayment at beginning of year (or incurred during year) was cancelled, forfeited, or applied to another</p> | <p>purpose, state in a footnote gas volume and dollar amount, period which such prepayment was incurred, and accounting disposition of prepayment amount. Give a concise explanation of circumstances causing forfeiture or other disposition of the prepayment.</p> |
|---|--|

Line No.	Name of Vendor (Designate associated companies with an asterick) (a)	Seller FERC Rate Schedule No. (b)	BALANCE BEGINNING OF YEAR	
			Mcf (14.73 psia at 60°F) (c)	Amount (d)
1	NONE			
2				
3				
4				
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42	TOTAL			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
GAS PREPAYMENTS UNDER PURCHASE AGREEMENTS (Continued)					
3. If for any reason a take or pay situation is in controversy, list in the columns below the amount of those prepayment claims which have not been paid, together with footnote notation that the amount is in controversy (and any explanation the respondent chooses to make).			4. If any prepayment was determined other than by reference to amounts per Mcf or demand-commodity factors, furnish in a footnote a concise explanation of basis of computation.		
BALANCE END OF YEAR			PREPAYMENTS IN CURRENT YEAR		
Mcf (14.73 psia at 60°F) (e)	Amount (f)	Cents per Mcf (g)	Mcf (14.73 psia at 60°F) (h)	Percent of Year's required take (i)	
NONE					1
					2
					3
					4
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET				
Show separately by footnote the total amount of notes and accounts receivable from directors, officers, and			employees included in Notes Receivable (Account 141) and Other Accounts Receivable (Account 143).	
Line No.	Accounts (a)	Balance Beginning of Year (b)	Balance End of Year (c)	
1	Notes Receivable (Account 141)			
2	Customer Accounts Receivable (Account 142)	1,206,836	1,841,327	
3	Other Accounts Receivable (Account 143) (Disclose any capital stock subscriptions received)			
4	TOTAL	1,206,836	1,841,327	
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	24,000	24,000	
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	1,182,836	1,817,327	
7				
8				
9				
10				
11				
12				
13				
14				

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)						
1. Report below the information called for concerning this accumulated provision. 2. Explain any important adjustments of subaccounts. 3. Entries with respect to officers and employees shall not include items for utility services.						
Line No.	Item (a)	Utility Customers (b)	Merchandise Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	24,000				24,000
2	Prov. For uncollectibles for current year	20,724				20,724
3	Accounts written off	(31,051)	()	()	()	(31,051)
4	Coll. Of accounts written off	10,327				10,327
5	Adjustments (explain):					
6	Balance end of year	24,000				24,000
7						
8						
9						
10						
11						

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
RECEIVABLES FROM ASSOCIATED COMPANIES (Account 145, 146)			
1. Report particulars of notes and accounts receivable from associated companies* at end of year. 2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts. 3. For notes receivable, list each note separately and state purpose for which received. Show also in column (a) date of note, date of maturity and interest rate.		4. If any note was received in satisfaction of an open account, state the period covered by such open account. 5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year. 6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account	

* NOTE: "Associated companies" means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the accounting company. This includes related parties.

"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, associates companies, contract or any other direct or indirect means.

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	NONE					
2						
3						
4						
5						
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24						
25	TOTAL					

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014	
MATERIAL AND SUPPLIES				
1. For Accounts 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material. Nonmajor companies may report total on line 4.		2. Give an explanation of important inventory adjustments during the year (on a supplemental page) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.		
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Dept. or Departments Which Use Material (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials & Operating Supplies (Account 154)	318,550	341,452	
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations & Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of line 5 thru 10)			
12	Merchandise (Account 155)			
13	Other Material & Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157) (Not applicable to Gas Utilities)			
15	Stores Expense Undistributed (Account 163)			
16				
17				
18				
19				
20	TOTAL Materials & Supplies (Per Balance Sheet)	318,550	341,452	

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
ADVANCES FOR GAS PRIOR TO INITIAL DELIVERIES OR COMMISSION CERTIFICATION (Accounts 124, 166 and 16)							
1. Report below the information called for concerning all advances for gas, as defined in the text of Account 166, <i>Advances for Gas Exploration, Development and Production</i>, and 167, <i>Other Advances for Gas</i>, whether reported in Accounts 166, 167 or reclassified to Account 124, <i>Other Investments</i>. List Account 124 items first. 2. In column (a) give the date the advance was made, the payee (designate associated companies with an asterisk) a brief statement of the purpose, (exploration, development, production, general loan, etc.) and the estimated date of repayment. Do not use the term indefinite in reporting				estimated date of repayment. If advances are made to a payee in connection with different projects with different arrangements for repayments, use separate lines for reporting; otherwise all advances may be grouped by payee, subject to the requirements of instruction 3 below. 3. If the beginning balance shown in column (c) does not agree with the prior year's ending balance, column (g), provide a detailed explanation in a footnote. Show all Advances made during the year in column (d) and all repayments or other credits in column (e). Report amounts shown in column (e) separately by account, as reported in column (f).			
Line No.	Date of Advance, Payee, Purpose and Estimated Date of Repayment (a)	Account Number (124, 166 or 167) (b)	Balance at Beginning of Year (c)	Advances During Year (d)	Repayments or Other Credits During Year (e)	Accounts Charged (f)	Balance at End of Year (g)
1	NONE						
2							
3							
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
PREPAYMENTS (Account 165)							
1. Report below the particulars (details) on each prepayment.				2. Report all payments for undelivered gas on line 5 and complete pages 226 to 227 showing particulars (details) for gas prepayments.			
Line No.	Nature of Payment (a)					Balance at End of Year (In Dollars) (b)	
1	Prepaid Insurance						
2	Prepaid Rents						
3	Prepaid Taxes (pages 262-263)						
4	Prepaid Interest						
5	Gas Prepayments (pages 226-227)						
6	Miscellaneous Prepayments						
7	TOTAL						
EXTRAORDINARY PROPERTY LOSSES (Account 182.1)							
Line No.	Description of Extraordinary Loss <i>[Include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr to mo, yr.)]</i> (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
1	NONE						
2							
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9	TOTAL						
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)							
Line No.	Description of Unrecovered Plant and Regulatory Study Costs <i>[Included in the description of costs, the date of Commission authorization to use Account 182.2, and period of amortization (mo, yr, to mo, yr).]</i> (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
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30	TOTAL						

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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PRELIMINARY SURVEY AND INVESTIGATION CHARGES (Account 183)

1. Report below particulars (details) concerning the cost of plans, surveys, and investigations made for the purpose of determining the feasibility of projects under contemplation. *and Investigation Charges, and Account 183.2, Other Preliminary Survey and Investigation Charges.*
2. For gas companies, report separately amounts included in Account 183.1, *Preliminary Natural Gas Survey*
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description and Purpose of Project (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	NONE					
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3						
4						
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44	TOTAL					

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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OTHER REGULATORY ASSETS

1. Reporting below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).

2. For regulatory assets being amortized, show period of amortization in column (a).

3. Minor items (amounts less than \$50,000 may be grouped by classes).

4. Give the number and name of the account(s) where each amount is recorded.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	NONE				
2					
3					
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40	TOTAL				

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
MISCELLANEOUS DEFERRED DEBITS (Account 186)							
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.				3. Minor items (less than \$50,000) may be grouped by classes.			
2. For any deferred debit being amortized, show period of amortization in column (a).							
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
1	SEE AUDIT REPORT						
2							
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37							
38		Misc. Work in Progress					
39	DEFERRED REGULATORY COMM. EXPENSES (SEE PAGES 350-351)						
40	TOTAL						

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**INSTRUCTIONS FOR THE FILING OF THE ANNUAL REPORT OF
MAJOR AND NONMAJOR GAS UTILITIES**

TAX SCHEDULES

I. Purpose:

The Commission will permit the option to adopt FERC reporting requirements if the company agrees to file the MPSC information on a historical test-year basis in a rate case or upon request of the Commission Staff. For the following pages:

A. Accumulated Deferred Income Taxes	234-235
B. Reconciliation of Reported Net Income With Taxable Income For Federal Income Taxes	261A-B
C. Calculation of Federal Income Tax	261C-D
D. Taxes Accrued, Prepaid and Charged During Year	262-263
E. Accumulated Deferred Income Taxes	272-277

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes. 2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2				
3	NOT APPLICABLE			
4				
5				
6				
7	Other			
8	TOTAL Electric (<i>Enter Total of lines 2 thru 7</i>)			
9	Gas			
10				
11				
12				
13				
14				
15	Other			
16	TOTAL Gas (<i>Enter Total of lines 10 thru 15</i>)			
17	Other (Specify)			
18	TOTAL (Account 190) (<i>Enter Total of lines 8, 16 & 17</i>)			
19	Classification of Total:			
20	Federal Income Tax			
21	State Income Tax			
22	Local Income Tax			

NOTES

In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.

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ACCUMULATED DEFERRED INCOME TAXES (Account 190) Continued

3. If more space is needed, use separate pages as required. and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts

4. In the space provided below, identify by amount listed under Other

Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
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NOT APPLICABLE							4
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NOTES (Continued)

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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CAPITAL STOCK (Accounts 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If Information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	NOT APPLICABLE			
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
CAPITAL STOCK (Accounts 201 and 204) (Continued)							
3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued. 4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.				5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. 6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.			
OUTSTANDING PER BALANCE SHEET <i>(Total amount outstanding without reduction for amounts held by respondent.)</i>		HELD BY RESPONDENT				Line No.	
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS			
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)		
	NOT APPLICABLE					1	
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR COVERSION PREMIUM ON CAPITAL STOCK, AND INSTALLEMNTS RECEIVED ON CAPITAL STOCK (Accounts 202 and 205, 203 and 206, 207, 212)			
1. Show for each of the above accounts that amounts applying to each class and series of capital stock. 2. For Account 202, <i>Common Stock Subscribed</i> , and Account 205, <i>Preferred Stock Subscribed</i> , show the subscription price and the balance due on each class at the end of year. 3. Describe in a footnote the agreement transaction under which a conversion liability existed under Account 203, <i>Common Stock Liability for Conversion</i> , or Account 206, <i>Preferred Stock Liability for Conversion</i> , at the end of the year. 4. For Premium on Account 207, <i>Capital Stock</i> , designate with an asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.			
Line No.	Name of Account and Description of Item (a)	Number of Shares (b)	Amount (c)
1	NOT APPLICABLE		
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46	TOTAL		

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) *Donations Received from Stockholders* (Account 208)--State amount and give brief explanation of the origin and purpose of each donation.

(b) *Reduction in Par or Stated Value of Capital Stock* (Account 209)-- State amount and give brief explanation of the

capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) *Gain on Resale or Cancellation of Reacquired Capital Stock* (Account 210)--Report balance at beginning of year, credits, debits and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) *Miscellaneous Paid-in Capital* (Account 211)--Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	NOT APPLICABLE	
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40	TOTAL	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
DISCOUNT ON CAPITAL STOCK (Account 213)			
1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. statement giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged. 2. If any changes occurred during the year in the balance with respect to any class or series of stock, attach a			
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)	
1	NOT APPLICABLE		
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21	TOTAL		
CAPITAL STOCK EXPENSE (Account 214)			
1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged. 2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a			
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)	
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21	TOTAL		

Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

**SECURITIES ISSUED OR ASSUMED AND
SECURITIES REFUNDED OR RETIRED DURING THE YEAR**

- | | |
|---|---|
| <p>1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.</p> <p>2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the fact of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the account for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.</p> <p>3. Include the identification of each class and series</p> | <p>of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.</p> <p>4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instructions 17 of the Uniform System of Accounts, give reference to the Commission authorization for the different accounting and state the accounting method.</p> <p>5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amount relating to refunded securities clearly earmarked.</p> |
|---|---|

NOT APPLICABLE

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
LONG-TERM DEBT (Accounts 221, 222, 223 and 224)							
1. Report by balance sheet Account the particulars (details) concerning long-term debt included in Accounts 221, <i>Bonds</i> , 222 <i>Reacquired Bonds</i> , 223, <i>Advances from Associated Companies</i> , and 224, <i>Other Long-Term Debt</i> . If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report for (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.				2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds. 3. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) name of associated companies from which advances were received. 4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.			
Line No.	Class and Series of Obligation and Name of Stock Exchange (a)			Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amounts held by respondent (d)	
1	SEE ATTACHED						
2							
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38	TOTAL						

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
LONG-TERM DEBT (Accounts 221, 222, 223, and 224) (Continued)					
5. In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization number and dates. 6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge. 7. If the respondent has any long-term securities which have been nominally issued and are nominally		outstanding at end of year, describe such securities in a footnote. 8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, <i>Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies</i> . 9. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.			
INTEREST FOR YEAR		HELD BY RESPONDENT		Redemption Price Per \$100 at End of Year	Line No.
Rate (in %)	Amount	Reacquired Bonds (Acct. 222)	Sinking and Other Funds		
(e)	(f)	(g)	(h)	(f)	
					1
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Loan Portfolio @12/31/2014		Debt Service Pmt	Loan Type	Beginning Date	Current Interest Rate	Repricing Year	Principal Balance 12/31/2013	Principal Balance 12/31/2014	Rate Term	Principal Paid 2014	Interest Paid 2014	Total Principal & Interest 2014
CFC Loan Number	PIE&G Account Number											
9012-001	224.68	LDS	FR	9/95	6.400%	06/01/2015	\$87,943.77	\$45,367.21	11	\$42,576.56	\$4,367.47	\$46,944.03
9014-001	224.69	LDS	FR	7/98	6.400%	06/01/2015	\$146,761.45	\$104,784.50	11	\$41,976.95	\$7,939.44	\$49,916.39
9015-001	224.70	LDS	FR	9/95	5.850%	N/A	\$497,801.55	\$438,459.03	FTM	\$59,342.52	\$26,170.56	\$85,513.08
9016-001	224.71	LDS	FR	9/95	3.650%	N/A	\$417,923.22	\$387,050.10	FTM	\$30,873.12	\$21,259.49	\$52,132.61
9016-001	224.71	LDS	FR	9/95	3.650%	N/A	\$394,936.31	\$365,761.31	FTM	\$29,175.00	\$20,090.15	\$49,265.15
9018-001	224.72	LDS	FR	9/95	3.170%	N/A	\$160,941.76	\$81,741.04	FTM	\$79,200.72	\$3,706.61	\$82,907.33
9019-001	224.73	LDS	FR	9/95	3.170%	N/A	\$160,941.82	\$81,741.21	FTM	\$79,200.61	\$3,706.61	\$82,907.22
9020-001	224.74	LDS	FR	9/95	3.170%	N/A	\$160,941.82	\$81,741.21	FTM	\$79,200.61	\$3,706.61	\$82,907.22
9021-001	224.75	LDS	FR	9/95	2.550%	N/A	\$164,184.71	\$83,900.01	FTM	\$80,284.70	\$5,897.30	\$86,182.00
9022-001	224.76	LDS	FR	9/95	2.950%	N/A	\$159,470.32	\$80,906.82	FTM	\$78,563.50	\$3,384.99	\$81,948.49
9023-001	224.77	LDS	FR	9/95	2.950%	N/A	\$160,056.66	\$81,204.33	FTM	\$78,852.33	\$3,397.47	\$82,249.80
9024-001	224.78	LDS	FR	9/95	2.950%	N/A	\$158,573.58	\$80,451.85	FTM	\$78,121.73	\$3,365.95	\$81,487.68
9025-001	224.79	LDS	FR	9/95	2.950%	N/A	\$158,573.58	\$80,451.85	FTM	\$78,121.73	\$3,365.95	\$81,487.68
9026-001	224.80	LDS	FR	9/97	3.250%	N/A	\$162,371.30	\$82,772.14	FTM	\$79,599.16	\$4,227.06	\$83,826.22
9027-001	224.81	LDS	FR	9/97	3.250%	N/A	\$147,130.01	\$75,002.62	FTM	\$72,127.39	\$3,830.20	\$75,957.59
9029-001	224.82	LDS	FR	9/97	4.800%	06/01/2025	\$743,452.03	\$715,010.79	8	\$28,441.24	\$32,614.69	\$61,055.93
9029-002	224.83	LDS	FR	9/97	4.850%	06/01/2026	\$743,652.05	\$715,333.79	14	\$28,318.26	\$32,992.26	\$61,310.52
9029-003	224.84	LDS	FR	9/97	4.810%	N/A	\$748,950.13	\$720,325.09	FTM	\$28,625.04	\$32,930.18	\$61,555.22
9029-004	224.85	LDS	FR	9/97	6.050%	06/01/2021	\$745,585.17	\$720,196.49	10	\$25,388.68	\$41,963.42	\$67,352.10
9031-002	224.87	LDS	FR	10/97	4.400%	N/A	\$27,537.14	\$26,674.42	FTM	\$862.72	\$1,439.53	\$2,302.25
9031-003	224.87	LDS	FR	3/09	6.300%	10/01/2017	\$756,908.23	\$734,496.87	8	\$22,411.36	\$44,543.51	\$66,954.87
9031-004	224.87	LDS	FR	3/09	6.300%	10/01/2017	\$756,908.23	\$734,496.87	8	\$22,411.36	\$44,543.51	\$66,954.87
9031-005	224.87	LDS	FR	3/09	6.450%	10/01/2018	\$758,229.94	\$736,125.08	9	\$22,104.86	\$45,754.12	\$67,858.98
9031-006	224.87	LDS	FR	3/09	6.450%	10/01/2018	\$758,229.94	\$736,125.08	9	\$22,104.86	\$45,754.12	\$67,858.98
9032-000	224.88	LDS	FR	10/98	4.790%	N/A	\$566,176.54	\$536,764.78	FTM	\$29,411.76	\$24,649.27	\$54,061.03
9033-000	224.89	LDS	FR	10/98	4.790%	N/A	\$566,176.54	\$536,764.78	FTM	\$29,411.76	\$24,649.27	\$54,061.03
9034-000	224.90	LDS	FR	10/98	4.640%	06/01/2022	\$566,176.54	\$536,764.78	10	\$29,411.76	\$28,907.19	\$58,318.95
9035-000	224.91	LDS	FR	10/98	4.640%	06/01/2022	\$566,176.54	\$536,764.78	10	\$29,411.76	\$28,907.19	\$58,318.95
9036-000	224.92	LDS	FR	10/98	6.450%	01/01/2016	\$793,280.93	\$771,684.59	8	\$21,596.34	\$47,903.77	\$69,500.11
9037-001	224.93	LDS	FR	11/98	6.650%	01/01/2018	\$733,127.50	\$713,599.06	10	\$19,528.44	\$45,733.00	\$65,261.44
9037-002	224.94	LDS	FR	11/98	6.650%	01/01/2018	\$62,634.82	\$60,966.35	10	\$1,668.47	\$3,907.18	\$5,575.65
9038-000	224.95	LDS	FR	11/98	6.550%	01/01/2017	\$794,527.25	\$773,131.12	9	\$21,396.13	\$48,771.00	\$70,167.13
9039-001	224.96	LDS	FR	1/99	4.500%	N/A	\$796,658.28	\$774,709.24	FTM	\$21,949.04	\$41,768.56	\$63,717.60
9040-001	224.97	LDS	FR	1/99	4.900%	02/01/2027	\$790,455.43	\$766,526.76	15	\$23,928.67	\$35,562.62	\$59,491.29
9041-001	224.98	LDS	FR	1/99	4.900%	02/01/2027	\$790,455.43	\$766,526.76	15	\$23,928.67	\$35,562.62	\$59,491.29
9042-001	224.99	LDS	FR	3/99	5.850%	06/01/2019	\$826,187.79	\$806,507.57	6	\$19,680.22	\$47,087.88	\$66,768.10
9043-001	225.01	LDS	FR	3/99	5.850%	06/01/2018	\$824,153.46	\$803,918.01	6	\$20,235.45	\$44,917.25	\$65,152.70
9044-001	225.02	LDS	FR	3/99	6.050%	06/01/2021	\$828,317.24	\$808,466.10	10	\$19,851.14	\$46,796.22	\$66,647.36
9045-001	225.03	LDS	FR	3/99	6.280%	N/A	\$835,343.40	\$815,876.59	FTM	\$19,466.81	\$49,109.70	\$68,576.51
9046-001	225.04	LDS	FR	12/00	6.280%	N/A	\$847,263.93	\$828,727.44	FTM	\$18,536.49	\$49,836.99	\$68,373.48
9047-001	225.05	LDS	FR	12/00	6.280%	N/A	\$847,263.93	\$828,727.44	FTM	\$18,536.49	\$49,836.99	\$68,373.48
9048-001	225.06	LDS	FR	12/00	6.280%	N/A	\$847,263.93	\$828,727.44	FTM	\$18,536.49	\$49,836.99	\$68,373.48
9049-001	225.07	LDS	FR	12/00	6.280%	N/A	\$847,263.93	\$828,727.44	FTM	\$18,536.49	\$49,836.99	\$68,373.48
9050-001	225.08	LDS	FR	12/00	6.280%	N/A	\$847,263.93	\$828,727.44	FTM	\$18,536.49	\$49,836.99	\$68,373.48
9051-001	225.09	LDS	FR	12/00	6.280%	N/A	\$218,585.27	\$213,803.02	FTM	\$4,782.25	\$12,857.43	\$17,639.68
9051-002	225.10	LDS	FR	12/00	6.280%	N/A	\$628,678.78	\$614,924.44	FTM	\$13,754.34	\$36,979.59	\$50,733.93
9052-001	225.11	LDS	FR	09/01	5.650%	06/01/2017	\$841,310.17	\$822,518.63	7	\$18,791.54	\$44,221.44	\$63,012.98
9053-001	225.12	LDS	FR	09/01	4.850%	06/01/2015	\$834,407.79	\$813,744.36	5	\$20,663.43	\$37,204.27	\$57,867.70
9054-001	225.13	LDS	FR	09/01	4.960%	N/A	\$826,888.59	\$806,697.16	FTM	\$20,191.43	\$37,775.18	\$57,966.61
9055-001	225.14	LDS	FR	09/01	4.960%	N/A	\$641,911.91	\$626,237.31	FTM	\$15,674.60	\$29,324.76	\$44,999.36
9055-002	225.15	LDS	FR	02/03	6.400%	06/01/2015	\$209,341.10	\$205,276.76	11	\$4,064.34	\$12,574.43	\$16,638.77
9056-001	225.16	LDS	FR	03/02	6.400%	06/01/2015	\$209,059.00	\$204,828.75	11	\$4,230.25	\$12,553.62	\$16,783.87
9056-002	225.17	LDS	FR	02/03	5.080%	06/01/2026	\$644,771.82	\$630,988.56	10	\$13,783.26	\$34,355.48	\$48,138.74
9057-001	225.18	LDS	FR	02/03	5.850%	06/01/2020	\$847,710.12	\$829,977.25	9	\$17,732.87	\$46,263.89	\$63,996.76
9058-001	225.19	LDS	FR	02/03	5.600%	06/01/2019	\$846,238.58	\$827,932.61	8	\$18,305.97	\$47,072.43	\$65,378.40
9059-001	225.20	LDS	FR	02/03	5.080%	06/01/2026	\$525,766.52	\$514,527.23	10	\$11,239.29	\$28,014.49	\$39,253.78
9059-002	225.21	LDS	FR	02/03	6.400%	06/01/2015	\$328,476.17	\$322,098.81	11	\$6,377.36	\$19,730.47	\$26,107.83
9060-001	225.22	LDS	FR	2/04	4.600%	N/A	\$862,867.56	\$846,077.63	FTM	\$16,789.93	\$47,016.85	\$63,806.78
9061-001	225.23	LDS	FR	2/04	5.600%	03/01/2016	\$862,158.55	\$844,542.21	6	\$17,616.34	\$44,921.69	\$62,538.03
9062-001	225.24	LDS	FR	2/04	5.500%	03/01/2018	\$865,081.86	\$847,282.63	7	\$17,799.23	\$44,642.29	\$62,441.52
9063-001	225.25	LDS	FR	05/05	6.050%	05/26/2020	\$868,340.39	\$847,957.49	15	\$20,382.90	\$49,066.33	\$69,449.23
9064-001	225.26	LDS	FR	10/05	5.900%	10/01/2016	\$893,496.14	\$876,323.58	11	\$17,172.56	\$49,237.19	\$66,409.75
9065-001	225.27	LDS	FR	10/05	5.950%	10/01/2017	\$894,365.25	\$877,297.60	12	\$17,067.65	\$49,731.63	\$66,799.28
9066-001	225.28	LDS	FR	10/05	6.000%	10/01/2018	\$895,228.92	\$878,265.84	13	\$16,963.08	\$50,226.71	\$67,189.79
9067-000	225.29	LDS	FR	2/07	4.320%	11/01/2028	\$911,164.63	\$891,905.23	7	\$19,259.40	\$41,775.82	\$61,035.22
9068-000	225.30	LDS	FR	2/07	4.320%	11/01/2028	\$911,164.63	\$891,905.23	7	\$19,259.40	\$41,775.82	\$61,035.22
9069-000	225.31	LDS	FR	2/07	4.320%	11/01/2028	\$911,164.63	\$891,905.23	7	\$19,259.40	\$41,775.82	\$61,035.22
9070-000	225.32	LDS	FR	2/07	4.320%	11/01/2028	\$911,164.63	\$891,905.23	7	\$19,259.40	\$41,775.82	\$61,035.22
9071-000	225.33	LDS	FR	2/07	4.320%	11/01/2028	\$911,164.63	\$891,905.23	7	\$19,259.40	\$41,775.82	\$61,035.22
9072-000	225.34	LDS	FR	2/07	4.320%	11/01/2028	\$911,164.63	\$891,905.23	7	\$19,259.40	\$41,775.82	\$61,035.22
9073-000	225.35	LDS	FR	2/07	4.320%	11/01/2028	\$345,825.27	\$338,515.50	7	\$7,309.77	\$15,855.67	\$23,165.44
9093-001	225.36	LDS	FR	2/09	6.20%	10/01/2016	\$953,462.20	\$942,116.57	7	\$11,345.63	\$55,533.11	\$66,878.74
9093-002	225.37	LDS	FR	2/09	6.20%	10/01/2016	\$953,462.20	\$942,116.57	7	\$11,345.63	\$55,533.11	\$66,878.74
9093-003	225.38	LDS	FR	2/09	6.20%	10/01/2016	\$476,731.02	\$471,058.17	7	\$5,672.85	\$27,766.51	\$33,439.36
9093-004	225.39	LDS	FR	05/10	6.100%	06/01/2019	\$967,206.67	\$956,488.30	9	\$10,718.37	\$55,387.49	\$66,105.86
9093-005	225.40	LDS	FR	05/10	6.100%	06/01/2019	\$967,206.67	\$956,488.30	9	\$10,718.37	\$55,387.49	\$66,105.86
9093-006	225.41	LDS	FR	05/10	6.300%	06/01/2020	\$968,555.56	\$958,233.60	10	\$10,321.96	\$57,403.07	\$67,725.03
9093-007	225.42	LDS	FR	02/12	4.550%	03/01/2022	\$978,415.15	\$965,291.59	10	\$13,123.56	\$40,890.01	\$54,013.57
9093-008	225.43	LDS	FR	03/12	5.000%	04/01/2024	\$983,258.62	\$971,384.00	12	\$11,874.62	\$45,517.93	\$57,392.55
9093-009	225.44	LDS	FR	02/13	4.100%	03/01/2023						

Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Account 181, 225, 226)

- Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, particulars (details) of expense, premium or discount applicable to each class and series of long-term debt.
- Show premium amounts by enclosing the figures in parentheses.
- In column (b) show the principal amount of bonds or other long-term debt originally issued.
- In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expenses, Premium or Discount (c)	AMORTIZATION PERIOD	
				Date from (d)	Date to (e)
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014	
UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226 (Cont.))				
5. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.		6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years. 7. Explain any debits and credits other than amortization debited to Account 428, <i>Amortization of Debt Discount and Expenses</i> , or credited to Account 429, <i>Amortization of Premium on Debt--Credit</i> .		
Balance at Beginning of Year (f)	Debits During Year (g)	Credit During Year (h)	Balance At End of Year (i)	Line No.
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)

- | | |
|---|---|
| <p>1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Recquired Debt, particulars (details) of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.</p> <p>2. In column (c) show the principal amount of bonds or other long-term debt reacquired.</p> <p>3. In column (d) show the net gain or net loss realized</p> | <p>on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.</p> <p>4. Show loss amounts by enclosing the figures in parentheses.</p> <p>5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1 <i>Amortization of Loss on Recquired Debt</i>, or credited to Account 429.1, <i>Amortization of Gain on Recquired Debt-Credit</i>.</p> |
|---|---|

Line No.	Description of Long-Term Debt (a)	Date Required (b)	Principal of Debt Reacquired (c)	Net Gain or Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
NOTES PAYABLE (Account 231)							
1. Report the particulars indicated concerning notes payable at end of year.				of credit.			
2. Give particulars of collateral pledged, if any.				4. Any demand notes should be designated as such in column (d).			
3. Furnish particulars for any formal or informal compensating balance agreements covering open lines				5. Minor amounts may be grouped by classes, showing the number of such amounts.			
Line No.	Payee (a)	Purpose for which issued (b)	Date of Note (c)	Date of Maturity (d)	Int. Rate (e)	Balance End of Year (f)	
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TOTAL							

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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PAYABLES TO ASSOCIATED COMPANIES* (Account 233, 234)

1. Report particulars of notes and accounts payable to associated companies at end of year.

2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to a total for the combined accounts.

3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate.

4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year.

5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.

*See definition on Page 226B

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
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	TOTAL					

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year.		Indicate clearly the nature of each reconciling amount. 2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated	
Line No.		TOTAL AMOUNT	
1	Utility net operating income (page 114 line 20)		
2	Allocations: Allowance for funds used during construction		
3	Interest expense		
4	Other (specify)		
5	Net income for the year (page 117 line 68)		
6	Allocation of Net income for the year		
7	Add: Federal income tax expenses		
8			
9	Total pre-tax income		
10			
11	Add: Taxable income not reported on books:		
12			
13			
14			
15	Add: Deductions recorded on books not deducted from return		
16			
17			
18			
19	Subtract: Income recorded on books not included in return:		
20			
21			
22			
23	Subtract: Deductions on return not charged against book income:		
24			
25			
26	Federal taxable income for the year		

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (continued)			
return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members. 3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2		4. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions.	
Utility	Other	Line No.	
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
CALCULATION OF FEDERAL INCOME TAX				
Line No.				TOTAL AMOUNT
1	Estimated Federal taxable income for the current year (page 261A)			
2				
3	Show computation of estimated gross Federal income tax applicable to line 1:			
4				
5				
6				
7				
8	TOTAL			
9				
10	Allocation of estimated gross Federal income tax from line 8			
11	Investment tax credits estimated to be utilized for the year (page 264 col (c))			
12				
13	Adjustment of last year's estimated Federal income tax to the filed tax return:			
14				
15	Last year's gross Federal income tax expense per the filed return			
16	Last year's estimated gross Federal income tax expense			
17	Increased (decreased) gross Federal income tax expense			
18				
19	Last year's investment tax credits utilized per the filed return			
20	Last year's investment tax credits estimated to be utilized			
21	Increased (decreased) investment tax credits utilized			
22				
23	Additional Adjustments (specify)			
24				
25				
26				
27	Total Current Federal Income Tax			
28	Expense:			
29	409.1 (page 114, line 12)			
30	409.2 (page 117, line 44)			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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CALCULATION OF FEDERAL INCOME TAX (Continued)

Utility	Other	Line No.
		1
		2
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. in Account 165) (c)
1	PROPERTY TAXES PAYROLL TAXES (FICA, FUTA, SUTA)	468,758	
2		803	
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	TOTAL	469,561	

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged).

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Departments (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1	868,124	256,375		
2	347,240	92,304		
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18	1,215,364	348,679		

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)					
that the total tax for each State and subdivision can readily be ascertained. 5. If any tax (exclude Federal and state income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). 6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses. 7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll		deductions or otherwise pending transmittal of such taxes to the taxing authority. 8. Show in columns (f) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount. 9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.			
Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	
1,124,499	1,079,544		513,713		1
439,544	438,481		1,866		2
					3
					4
					5
					6
					7
					8
					9
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					15
					16
					17
1,564,043	1,518,025		515,579		18
DISTRIBUTION OF TAXES CHARGED (Show utility department were applicable and account charged.)					
Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)		
					1
					2
					3
					4
					5
					6
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

1. Report below information applicable to Account 255. shown in column (h). Include in column (j) the average
Where appropriate, segregate the balances and transactions period over which the tax credits are amortized.
by utility and non-utility operations. Explain by footnote 2. Fill in columns for all line items as appropriate.
any correction adjustments to the account balance

Line No.	Account Subdivisions (a)	Subaccount Number (b)	Balance at Beginning of Year (c)	Deferred for Year	
				Account Number (d)	Amount (e)
1	Gas Utility				
2	3%				
3	4%				
4	7%				
5	8%				
6	10%				
7					
8					
9					
10					
11					
12					
13					
15	JDITC				
16					
17					
18					
19					
20	TOTAL				
21	Other				
22	3%				
23	4%				
24	7%				
25	8%				
26	10%				
27					
28					
29					
30					
31					
32	JDITC				
33					
34					
35	TOTAL				

NOTES

|

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)

Allocations to Current Year's Income		Adjustments (h)	Balance at End of Year (i)	Average Period of Allocation to Income (j)	Line No.
Account Number (f)	Amount (g)				
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
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NOTES (Continued)

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)			
1. Give description and amount of other current and accrued liabilities as of the end of year.			
2. Minor items may be grouped by classes, showing number of items in each class.			
Line No.	Item (a)	Balance End of Year (b)	
1		\$	
2	ACCRUED PAYROLL	136,998	
3	ACCRUED VACATION	157,845	
4	ACCRUED MISCELLANEOUS PTO	215,525	
5	ACCRUED SICK TIME	206,686	
6	ACCRUED RETIREMENT BENEFITS	2,289,627	
7	ACCRUED RETIREE YEARS OF SERVICE BUYOUT	34,767	
8	ACCRUED WORKMAN'S COMP INSURANCE	(39,256)	
9	CURRENT PORTION OF LONG TERM DEBT	2,269,000	
10	ACCRUED SALES TAX REFUND	15,023	
11			
12			
13			
14			
15			
16			
17			
18			
19			
20	TOTAL	5,286,215	
CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)			
Line No.	List advances by department (a)	Balance End of Year (b)	
21			
22	NOT APPLICABLE		
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39	TOTAL		

Name of Respondent	This Report Is:	Date of Report	Year of Report
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OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$10,000) may be grouped by classes.

4. For any undelivered gas obligations to customers under take-or-pay clauses of sale agreements, show the total amount on this page and report particulars (details) called for by page 267. Show also on this page, but as a separate item, any advance billings or receipts for gas sales or service classified in Account 253 but not related to take-or-pay arrangements.

Line No.	Description of Other Deferred Credits (a)	Balance Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1						
2	CONSUMER PREPAYMENTS	3,468,198				3,558,913
3	JUNE SEASONAL	(1,215,931)				(1,238,971)
4	JULY SEASONAL	(1,178,277)				(1,171,012)
5	MAY SEASONAL	(1,261,254)				(1,271,820)
6	GAIN ON RUS BUYOUT	269,991				134,996
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
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44						
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46						
47	TOTAL	82,727				12,106

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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ACCUMULATED DEFERRED INCOME TAXES--ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.
2. For Other (*Specify*), include deferrals relating to other

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other			
6				
7				
8	TOTAL Electric (<i>Enter Total of lines 3 thru 7</i>)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other			
13				
14				
15	TOTAL Gas (<i>Enter Total of lines 10 thru 14</i>)			
16	Other (<i>Specify</i>)			
17	TOTAL (Acct 281) (<i>Total of 8, 15 and 16</i>)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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ACCUMULATED DEFERRED INCOME TAXES--ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

income and deductions.
3. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
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							5
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NOTES (Continued)

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
ACCUMULATED DEFERRED INCOME TAXES--OTHER PROPERTY (Account 282)							
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating				to property not subject to accelerated amortization. 2. For Other (<i>Specify</i>) , include deferrals relating to other			
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR				
			Amounts Debited to Account 410.1	Amounts Credited to Account 411.1 (d)			
1	Account 282						
2	Electric						
3	Gas						
4	Other (<i>Define</i>)						
5	TOTAL (<i>Enter Total of lines 2 thru 4</i>)						
6	Other (<i>Specify</i>)						
7							
8							
9	TOTAL Account 282 (<i>Enter Total of lines 5 thru 8</i>)						
10	Classification of TOTAL						
11	Federal Income Tax						
12	State Income Tax						
13	Local Income Tax						
NOTES							

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ACCUMULATED DEFERRED INCOME TAXES--OTHER PROPERTY (Account 282) (Continued) income and deductions. 3. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
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							11
							12
							13

NOTES (Continued)

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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ACCUMULATED DEFERRED INCOME TAXES--OTHER (Account 283)

1. Report the information called for below concerning the 2. For Other (Specify), include deferral relating to other respondent's accounting for deferred income taxes income and deductions.
relating to amounts recorded in Account 283.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2				
3				
4				
5				
6	Other			
7	TOTAL Electric (total of lines 2 thru 6)			
8	Gas			
9				
10				
11				
12				
13	Other			
14	TOTAL Gas (Total of lines 9 thru 13)			
15	Other (Specify)			
16	TOTAL (Account 283) (Enter Total of lines 7, 14 and 15)			
17	Classification of TOTAL			
18	Federal Income Tax			
19	State Income Tax			
20	Local Income Tax			

NOTES

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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ACCUMULATED DEFERRED INCOME TAXES--OTHER (Account 283) (Continued)

3. Provide in the space below, the order authorizing the use of the account for each line item. Include amounts relating to insignificant items listed under Other.

4. Fill in all columns for all items as appropriate.
5. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
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NOTES (Continued)

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
ACCUMULATED DEFERRED INCOME TAXES--TEMPORARY (Account 284)					
1. Report the information called for below concerning each item included in this account at year end.					
Line No.	Description of Item (a)	Balance at End of Year (b)	Date of Filing for Commission Approval (c)	Case Number (d)	
1	Electric				
2					
3					
4					
5					
6					
7	TOTAL Electric (total of lines 2 thru 6)				
8	Gas				
9					
10					
11					
12					
13					
14	TOTAL Gas (Total of lines 9 thru 13)				
15	Other (Specify)				
16	TOTAL (Account 284) (Enter Total of lines 7, 14 and 15)				
17	Classification of TOTAL				
18	Federal Income Tax				
19	State Income Tax				
20	Local Income Tax				
NOTES					

Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

OTHER REGULATORY LIABILITIES

1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
2. For regulatory liabilities being amortized, show period of amortization in column (a).
3. Minor items (amounts less than \$50,000) may be grouped by classes.
4. Give the number and name of the account(s) where each amount is recorded.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1	NOT APPLICABLE				
2					
3					
4					
5					
6					
7					
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9					
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11					
12					
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14					
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25					
26					
27					
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29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATING REVENUES (ACCOUNT 400)				
1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.		for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.		
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.		4. Report quantities of natural gas sold in Mcf (14.65 psia dry at 60° F). If billings are on a therm basis, give the Btu contents of the gas sold and the sales converted to Mcf.		
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate account; except that where separate meter readings are added for billing purposes, one customer should be counted		5. If increases or decreases from previous years (columns (c), (e) and (g)), are not derived from previously		
Line No.	Title of Account (a)	OPERATING REVENUES		
		Amount for Year (b)	Amount for Previous Year (c)	
1	GAS SERVICE REVENUES			
2	480 Residential Sales	7,712,526	7,012,680	
3	481 Commercial & Industrial Sales			
4	Small (or Comm.) (See Instr. 6)	668,301	607,237	
5	Large (or Ind.) (See Instr. 6)	128,292	108,462	
6	482 Other Sales to Public Authorities	330,205	313,721	
7	484 Interdepartmental Sales			
8	TOTAL Sales to Ultimate Consumers	8,839,324	8,042,100	
9	483 Sales for Resale			
10	TOTAL Nat. Gas Service Revenues	8,839,324	8,042,100	
11	Revenues from Manufactured Gas			
12	TOTAL Gas Service Revenues	8,839,324	8,042,100	
13	OTHER OPERATING REVENUES			
14	485 Intracompany Transfers			
15	487 Forfeited Discounts	22,309	21,353	
16	488 Misc. Service Revenues	55,879	57,275	
17	489 Rev. from Trans. of Gas of Others			
18	490 Sales of Prod. Ext. from Nat. Gas			
19	491 Rev. from Nat. Gas Proc. by Others			
20	492 Incidental Gasoline and Oil Sales			
21	493 Rent from Gas Property	5,823	3,546	
22	494 Interdepartmental Rents			
23	495 Other Gas Revenues	0	0	
24	TOTAL Other Operating Revenues	84,011	82,174	
25	TOTAL Gas Operating Revenues	8,923,335	8,124,274	
26	(Less) 496 Provision for Rate Refunds	(646,497)	291,790	
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	9,569,832		
28	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)	8,839,324		
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)			
30	Sales for Resale			
31	Other Sales to Pub. Auth. (Local Dist. Only)			
32	Interdepartmental Sales			
33	TOTAL (Same as Line 10, Columns (b) and (d))	8,839,324		

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014	
GAS OPERATING REVENUES (ACCOUNT 400) (Continued)				
reported figures, explain any inconsistencies in a footnote. 6. <i>Commercial and Industrial Sales</i> , Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 Mcf		per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.) 7. See pages 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.		
MCF OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTOMERS PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
670,328	576,884	8,453	8,343	2
				3
73,595	63,465	262	257	4
16,753	13,249	2	2	5
38,312	34,510	102	101	6
				7
798,988	688,108	8,819	8,703	8
				9
798,988	688,108	8,819	8,703	10
NOTES				11
				12
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				27
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				30
				31
				32
798,988				33

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1. Report below <i>natural gas operating revenues</i> for each prescribed account, and manufactured gas revenues in total. 2. Natural Gas means either natural gas unmixed or any mixture of natural and manufactured gas. 3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that were separate meter readings are added for billing purposes, one customer should be counted for each group of meters added.				The average number of customers means the average of twelve figures at the close of each month. 4. Report quantities of natural gas sold in Mcf (14.65 psia dry at 60 degrees F). If billings are on therm basis, give the Btu contents of the gas sold and the sales converted to Mcf. 5. If increases or decreases from previous year (columns (c), (e) and (g)), are not derived from previously reported	
Line No.	Title of Account (a)	OPERATING REVENUES			
		Amount for Year (b)	Amount for Previous Year (c)		
1	GAS SERVICE REVENUES				
2	480 Residential Sales				
3	481 Commercial & Industrial Sales				
4	Small (or Comm.) (See Instr. 6)				
5	Large (or Ind.) (See Instr. 6)				
6	482 Other Sales to Public Authorities				
7	484 Interdepartmental Sales				
8	TOTAL Sales to Ultimate Consumers				
9	483 Sales for Resale				
10	TOTAL Nat. Gas Service Revenues				
11	Revenues from Manufactured Gas				
12	TOTAL Gas Service Revenues				
13	OTHER OPERATING REVENUES				
14	485 Intracompany Transfers				
15	487 Forfeited Discounts				
16	488 Misc. Service Revenues				
17	489 Rev. from Trans. of Gas of Others				
18	490 Sales of Prod. Ext. from Nat. Gas				
19	491 Rev. from Nat. Gas Proc. by Others				
20	492 Incidental Gasoline and Oil Sales				
21	493 Rent from Gas Property				
22	494 Interdepartmental Rents				
23	495 Other Gas Revenues				
24	TOTAL Other Operating Revenues				
25	TOTAL Gas Operating Revenues				
26	(Less) 485 Provision for Refunds				
27	TOTAL Gas Operating Revenues Net of Provision for Refunds				
28	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)				
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)				
30	Sales for Resale				
31	Other Sales to Pub. Auth. (Local Dist. Only)				
32	Interdepartmental Sales				
33	TOTAL (Same as Line 10, Columns (b) and (d))				

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RATE AND SALES SECTION

DEFINITIONS OF CLASSES OF SERVICE AND INSTRUCTIONS PERTAINING TO STATEMENTS ON SALES DATA

In the definitions below, the letter preceding the captions distinguish the main classes from the subclasses. Show the data broken into the subclasses if possible, but if not, report data under the main classes, drawing a dash through the subclass.

When gas measured through a single meter is used for more than one class of service as here defined, as for example, for both commercial and residential purposes, assign the total to the class having the principal use.

Average Number of Customers. Number of customers should be reported on the basis of number of meters, plus number of flat-rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be counted for code group of meters so added. The average number of customers means the average of the 12 figures at the close of each month.

Thousands of Cubic Feet or Therms Sold (indicate which one by crossing out the one that does not apply). Give net figures, exclusive of respondent's own use and losses.

Revenues. This term covers revenues derived from (a) Sale of Gas (exclusive of forfeited discounts and penalties) and (b) Other Gas Revenues, such as rent from gas property, interdepartmental rents, customers' forfeited discounts and penalties, servicing of customers' installations and miscellaneous gas revenues.

AB. Residential Service. This class includes all sales for residential uses such as cooking, refrigeration, water heating, space heating and other domestic uses.

A. Residential Service. This class includes all gas for residential use except space heating.

B. Residential Space Heating. This class includes all sales of gas for space heating including gas for other residential uses only when measured through the same meter.

CD. Commercial Service. This class includes service rendered primarily to commercial establishments such as restaurants, hotels, clubs, hospitals, recognized rooming and boarding houses, apartment houses (but not individual tenants therein), garages, churches, warehouses, etc.

C. Commercial Service. This class includes all sales of gas for commercial use except space heating.

D. Commercial Space Heating. This class includes all sales of gas for space heating including gas for other commercial uses only when measured through the same meter.

E. Industrial Service. This class includes service rendered primarily to manufacturing establishments where gas is used principally for large power, heating and metallurgical purposes.

F. Public Street and Highway Lighting. Covers service rendered to municipalities or other governmental units for the purpose of lighting streets, highways, parks and other public places.

G. Other Sales to Public Authorities. Covers service rendered to municipalities or other governmental units for lighting, heating, cooking, water heating and other general uses.

H. Interdepartmental Sales. This class includes gas supplied by the gas department to other departments of the utility when the charges therefor are at tariff or other specific rates.

I. Other Sales. This class includes all service to ultimate consumers not included in the foregoing described classifications.

* A-I. Total sales to Ultimate Consumers. This is the total of the foregoing described classifications.

J. Sales to Other Gas Utilities for Resale. This class includes all sales of gas to other gas utilities or to public authorities for resale to ultimate consumers.

K. Other Gas Revenues. Revenues derived from operations of the respondent other than sales of gas. They include rent from gas property, interdepartmental rents, customers' forfeited discounts and penalties, services of customers' installations and miscellaneous gas revenues, such as fees and charges for changing, connecting and disconnecting service, profit on sales of materials and supplies not ordinarily purchased for resale, commissions on sales or distribution of others' gas (sold under rates filed by such others), management or supervision fees, sale of steam (except where the respondent furnishes steam-heating service) and rentals from leased property on customers' premises.

* A-K. Total Gas Operating Revenues. The total of all the foregoing accounts.

Separate Schedules for Each State. Separate schedules in this section should be filed for each state in which the respondent operates.

Estimates. If actual figures are not available for the schedules in this section, give estimates. Explain the methods used and the factual basis of the estimates, using supplementary sheets, if necessary.

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**625-A. SALES DATA FOR THE YEAR
(For the State of Michigan)**

Line No.	Class of Service (a)	Average Number of Customers per Month (a)	Gas Sold Mcf* (c)	Revenue (Show to nearest dollar) (d)	AVERAGES		
					Mcf* per Customer (e)	Revenue per Customer (f)	Revenue per Mcf* (g)
1	AB. Residential Service	8,453	670,328	\$7,712,526	79.30	\$912.40	\$11.51
2	A. Residential Service						
3	B. Residential space heating service						
4	CD. Commercial Service	262	73,595	\$668,301	280.90	\$2,550.77	\$9.08
5	C. Commercial service, except space heating						
6	D. Commercial space heating						
7	E. Industrial service	2	16,753	\$128,292	8,376.50	\$64,146.00	\$7.66
8	F. Public street & highway lighting						
9	G. Other sales to public authorities	102	38,312	\$330,205	375.61	\$3,237.30	\$8.62
10	H. Interdepartmental sales						
11	I. Other sales						
12	A-I. Total sales to ultimate customers	8,819	798,988	\$8,839,324	90.60	\$1,002.30	\$11.06
13	J. Sales to other gas utilities for resale						
14	A-J. TOTAL SALES OF GAS	8,819	798,988	\$8,839,324	90.60	\$1,002.30	\$11.06
15	K. Other gas revenues			\$84,011			
16	A-K. TOTAL GAS OPERATING REVENUE	8,819	798,988	\$8,923,335	90.60	\$1,011.83	\$11.17

* Report Mcf on a pressure base of 14.65 psia dry and a temperature of 60°F. Give two decimals.

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625-B. SALES DATA BY RATE SCHEDULES FOR THE YEAR

1. Report below the distribution of customers, sales and revenue for the year by individual rate schedules. (See definitions on first page of this section).
2. Column (a) - List all the rate schedules by identification number or symbol. Where the same rate schedule designation applies to different rates in different zones, cities or districts, list separately data for each such area in which the schedule is available.
3. Column (b) - Give the type of service to which the rate schedule is applicable, i.e. cooking, space heating, commercial heating, commercial cooking, etc.
4. Column (c) - Using the classification shown in Schedule 625-A, column (a), indicate the class or classes of customers served under each rate schedule, e.g., (A) for Residential Service, (B) Heating Service, etc.

5. Column (d) - Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 625-A.
6. Columns (e) and (f) - For each rate schedule listed, enter the total number of Mcf sold to, and revenues received from customers billed under that rate schedule. The totals of these columns should equal the totals shown on line 12, Schedule 625-A. If the utility sells gas to ultimate customers under special contracts, the totals for such sales should be entered on a line on this page in order to make the totals of columns (e) and (f) check with those entered on line 12, Schedule 625-A.
7. When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it was effective.

Line No.	Rate Schedule Designation (a)	Type of Service to which Schedule is applicable (b)	Class of Service (c)	Average Number of Customers per Month (d)	Mcf sold (e)	Revenue (Show to nearest dollar (f))
1	RESIDENTIAL	RESIDENTIAL	AB	8,453	670,328	\$7,712,526
2	COMMERCIAL	COMMERCIAL	CD	262	73,595	\$668,301
3	INDUSTRIAL	INDUSTRIAL	E	2	16,753	\$128,292
4	PUBLIC	PUBLIC BUILDINGS	G	102	38,312	\$330,205
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTALS			8,819	798,988	\$8,839,324

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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625-B. CUSTOMER CHOICE SALES DATA BY RATE SCHEDULES

1. Report below the distribution of customers, sales and revenue for the year by individual rate schedules. (See definition on first page of this section).

2. Column (a) - List all the rate schedules by identification number or symbol. Where the same rate schedule designation applies to different rates in different zones, cities or districts, list separately data for each such area in which the schedule is available.

3. Column (b) - Give the type of service to which the rate schedule is applicable, i.e. cooking, space heating, commercial heating, commercial cooking, etc.

4. Column (c) - Using the classification shown in Schedule 625-A, column (a), indicate the class or classes of customers served under each rate schedule, e.g., (A) for Residential Service, (B) Heating Service, etc.

5. Column (d) - Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 625-A.

6. Columns (e) and (f) - For each rate schedule listed, enter the total number of Mcf sold to, and revenues received from customers billed under that rate schedule. The totals of these columns should equal the totals shown on line 12, Schedule 625-A. If the utility sells gas to ultimate customers under special contracts, the totals for such sales should be entered on a line on this page in order to make the totals of columns (e) and (f) check with those entered on line 12, Schedule 625-A.

7. When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it was effective.

Line No.	Rate Schedule Designation (a)	Type of Service to which Schedule is applicable (b)	Class of Service (c)	Average Number of Customers per Month (d)	Mcf sold (e)	Revenue (Show to nearest dollar (f))
1			A			
2	NOT APPLICABLE		B			
3			C			
4			D			
5			E			
6			F			
7			G			
8			H			
9			K			
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTALS					

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OFF-SYSTEM SALES -- NATURAL GAS					
Report particulars (details) concerning off-system sales. Off- system sales include all sales other than MPSC approved rate schedule sales.					
Line No.	Name (a)	Point of Delivery (City or town <u>and</u> State) (b)	Account (c)	Mcf of Gas Sold (Approx. B.T.U. per Cubic Ft.) (d)	
1	NOT APPLICABLE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
OFF-SYSTEM SALES - NATURAL GAS (Continued)					
Revenue for Year (See Instr. 5) (c)	Average Revenue per Mcf (in cents) (f)	Peak Day Delivery to Customers			Line No.
		Date (g)	Mcf		
			Noncoincidental (h)	Coincidental (i)	
					1
					2
					3
					4
					5
					6
					7
					8
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**REVENUES FROM TRANSPORTATION OF GAS OF OTHERS THROUGH GATHERING
FACILITIES - NATURAL GAS (Account 489.1)**

- | | |
|---|--|
| <p>1. Report below particulars (details) concerning revenue from transportation or compression (by respondent) of natural gas for others. Subdivide revenue between transportation or compression for interstate pipeline companies and others.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas. Designate with an asterisk, however, if gas is transported or compressed is other than natural gas.</p> <p>3. Enter the average number of customers per company and/or by rate schedule.</p> | <p>4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Specify the Commission order or regulation authorizing such transaction. Separate out the various customers, volumes and revenues by individual rate schedule.</p> |
|---|--|

Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Number of Transportation Customers (b)	Average Number of Customers per Month (c)	Distance Transported (in miles) (d)
1	NOT APPLICABLE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
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23				
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25				
26				
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28				
29				
30				
TOTAL				

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
REVENUES FROM TRANSPORTATION OF GAS OF OTHERS THROUGH TRANSMISSION OR DISTRIBUTION FACILITIES -- NATURAL GAS (Accounts 489.2, 489.3)					
1. Report below particulars (details) concerning revenue from transportation or compression (by respondent) of natural gas for others. Subdivide revenue between transportation or compression for interstate pipeline companies and others. 2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas. Designate with an asterisk, however, if gas is transported or compressed is other than natural gas. 3. Enter the average number of customers per company and/or by rate schedule.			4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Specify the Commission order or regulation authorizing such transaction. Separate out the various customers, volumes and revenues by individual rate schedules.		
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Number of Transportation Customers (b)	Average Number of Customers per Month (c)	Distance Transported (in miles) (d)	
1					
2	TR-1/ST				
3					
4	TR-2/LT				
5					
6	TR-3/XLT				
7					
8	XXLT				
9					
10	Special Contract Customer Name				
11	Special Contract Customer Name				
12	Special Contract Customer Name				
13	Special Contract Customer Name				
14	Special Contract Customer Name				
15	Special Contract Customer Name				
16	Special Contract Customer Name				
17					
18	Off System				
19					
20	Title Transfers				
21					
22	Miscellaneous Customers				
23					
24	Interstate Customers				
25					
26					
27					
28					
29					
30					
TOTAL					

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**REVENUES FROM TRANSPORTION OF GAS OF OTHERS THROUGH GATHERING
FACILITIES -- NATURAL GAS (Account 489.1) (Cont'd)**

4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system.
5. Enter Mcf at 14.65 psia dry at 60 degrees F.
6. Minor items (less than 1,000,000 Mcf) may be grouped.

"Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a): 284.102, 284.122, 284.222, 284.223(a), 284.233(b), and 284.224. Details for each transportation are reported in separate annual reports required under Part 284 of the Commission's regulations."

Mcf of Gas Received (e)	Mcf of Gas Delivered (f)	Revenue (g)	Average Revenue per Mcf of Gas Delivered (in cents) (h)	FERC Tariff Rate Schedule Designation (i)	Line No.
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
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					28
					29
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
REVENUES FROM TRANSPORTATION OF GAS OF OTHERS THROUGH TRANSMISSION OR DISTRIBUTION FACILITIES -- NATURAL GAS (Account 489.2, 489.3) (Cont'd)					
4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system. 5. Enter Mcf at 14.65 psia dry at 60 degrees F. 6. Minor items (less than 1,000,000 Mcf) may be grouped.		>Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a): 284.102, 284.122, 284.222, 284.223(a), 284.233(b), and 284.224. Details for each transportation are reported in separate annual reports required under Part 284 of the Commission's regulations."			
Mcf of Gas Received (e)	Mcf of Gas Delivered (f)	Revenue (g)	Average Revenue per Mcf of Gas Delivered (in cents) (h)	FERC Tariff Rate Schedule Designation (i)	Line No.
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
REVENUES FROM STORING GAS OF OTHERS -- NATURAL GAS (Account 489.4)				
1. Report below particulars (details) concerning revenue from storage (by respondent) of natural gas for others. Subdivide revenue by intrastate or interstate entities. 2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas. 3. Enter the average number of customers per company and/or by rate schedule. 4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Specify the Commission order or regulation authorizing such transaction. Separate out the various customers, volumes and revenues by individual rate schedule.				
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Average Number of Customers per Month (b)	Mcf of Gas Injected (c)	
1	NOT APPLICABLE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
TOTAL				

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014	
REVENUES FROM STORING OF GAS OF OTHERS-- NATURAL GAS (Acct. 489.4) (Cont'd)				
4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system. 5. Enter Mcf at 14.65 psia at 60 degrees F. 6. Minor items (less than 1,000,000 Mcf) may be grouped.				
Mcf of Gas Withdrawn (d)	Revenue (e)	Average Revenue per Mcf of Gas Injected/Withdrawn (in cents) (f)	FERC Tariff Rate Schedule Designation (g)	Line No.
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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SALES OF PRODUCTS EXTRACTED FROM NATURAL GAS (Account 490)

1. Report particulars (details) concerning sales of gasoline, butane, propane, and other products extracted from natural gas, including sales or any such products which may have been purchased from others for resale.

2. If the purchasers are numerous, it is permissible to group the sales by kind of product. Show the number of purchasers grouped. Show separately, however, sales to associated companies which were associated at the time the application sales contracts were made.

Line No.	Name of Purchaser (Designate associated companies with an asterisk) (a)	Name of Product (b)	Quantity (In gallons) (c)	Amount of Sales (In dollars) (d)	Sales Amount per Gallon (In cents) (d + c) (e)
1	NOT APPLICABLE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					

REVENUES FROM NATURAL GAS PROCESSED BY OTHERS (Account 491)

1. Report particulars (details) concerning royalties and other revenues derived from permission granted to others for the right to remove products from the respondent's natural gas

2. If the respondent's natural gas is processed by others for removal of saleable products and no revenue therefrom is derived by the respondent, complete only columns (a) and (b) below, and include the date of the contract in column (a).

Line No.	Name of Processor and Description of Transaction (Designate associated companies with an asterisk) (a)	Mcf of Respondent's Gas Processed (14.73 psia at 60°F) (b)	Revenue (in dollars) (c)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			

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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Production (<i>Submit Supplemental Statement</i>)			
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering			
8	751 Production Maps and Records			
9	752 Gas Wells Expenses			
10	753 Field Lines Expenses			
11	754 Field Compressor Station Expenses			
12	755 Field Compressor Station Fuel and Power			
13	756 Field Measuring and Regulating Station Expenses			
14	757 Purification Expenses			
15	758 Gas Well Royalties			
16	759 Other Expenses			
17	760 Rents			
18	TOTAL Operation (<i>Enter Total of lines 7 thru 17</i>)			
19	Maintenance			
20	761 Maintenance Supervision and Engineering			
21	762 Maintenance of Structures and Improvements			
22	763 Maintenance of Producing Gas Wells			
23	764 Maintenance of Field Lines			
24	765 Maintenance of Field Compressor Station Equipment			
25	766 Maintenance of Field Meas. and Req. Sta. Equipment			
26	767 Maintenance of Purification Equipment			
27	768 Maintenance of Drilling and Cleaning Equipment			
28	769 Maintenance of Other Equipment			
29	TOTAL Maintenance (<i>Enter Total of lines 20 thru 28</i>)			
30	TOTAL Natural Gas Production and Gathering (<i>Total of Lines 18 and 29</i>)			
31	B2. Products Extraction			
32	Operation			
33	770 Operation Supervision and Engineering			
34	771 Operation Labor			
35	772 Gas Shrinkage			
36	773 Fuel			
37	774 Power			
38	775 Materials			
39	776 Operation Supplies and Expenses			
40	777 Gas Processed by Others			
41	778 Royalties on Products Extracted			
42	779 Marketing Expenses			
43	780 Products Purchased for Resale			
44	781 Variation in Products Inventory			
45	(Less) 782 Extracted Products Used by the Utility--Credit			
46	783 Rents			
47	TOTAL Operation (<i>Enter Total of lines 33 thru 46</i>)			

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
	B2. Products Extraction (Continued)			
48	Maintenance			
49	784 Maintenance and Supervision and Engineering			
50	785 Maintenance of Structures and Improvements			
51	786 Maintenance of Extraction and Refining Equipment			
52	787 Maintenance of Pipe Lines			
53	788 Maintenance of Extracted Products Storage Equipment			
54	789 Maintenance of Compressor Equipment			
55	790 Maintenance of Gas Measuring and Reg. Equipment			
56	791 Maintenance of Other Equipment			
57	TOTAL Maintenance (Enter Total of lines 49 thru 56)			
58	TOTAL Products Extraction (Enter Total of lines 47 and 57)			
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals			
62	796 Nonproductive Well Drilling			
63	797 Abandoned Leases			
64	798 Other Exploration			
65	TOTAL Exploration and Development (Enter Total of lines 61 thru 64)			
	D. Other Gas Supply Expenses			
66	Operation			
67	800 Natural Gas Well Head Purchases			
68	800.1 Natural Gas Well Head Purchases, Intracompany Transfers			
69	801 Natural Gas Field Line Purchases			
70	802 Natural Gas Gasoline Plant Outlet Purchases			
71	803 Natural Gas Transmission Line Purchases			
72	804 Natural Gas City Gate Purchases	4,599,658	3,485,484	
73	804.1 Liquefied Natural Gas Purchases			
74	805 Other Gas Purchases			
75	(Less) 805.1 Purchased Gas Cost Adjustments			
76				
77	TOTAL Purchased Gas (Enter Total of lines 67 to 75)	4,599,658	3,485,484	
78	806 Exchange Gas			
79	Purchased Gas Expenses			
80	807.1 Well Expenses -- Purchased Gas			
81	807.2 Operation of Purchased Gas Measuring Stations			
82	807.3 Maintenance of Purchased Gas Measuring Stations			
83	807.4 Purchased Gas Calculations Expenses			
84	807.5 Other Purchased Gas Expenses TRANSPORTATION	137,784	131,059	
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 thru 84)	137,784	131,059	
86	808.1 Gas Withdrawn from Storage--Debit			
87	(Less) 808.2 Gas Delivered to Storage--Credit			
88	809.1 Withdrawals of Liquefied Natural Gas for Processing--Debt			
89	(Less) 809.2 Deliveries of Natural Gas for Processing--Credit			
90	Gas Used in Utility Operations--Credit			
91	810 Gas Used for Compressor Station Fuel--Credit			
92	811 Gas Used for Products Extraction--Credit			
93	812 Gas Used for Other Utility Operations--Credit			
94	TOTAL Gas Used in Utility Operations--Credit (Total of lines 91 thru 93)	0	0	
95	813 Other Gas Supply Expenses	25,237	24,823	
96	TOTAL Other Gas Supply Exp (Total of lines 77, 78, 85, 86 thru 89, 94, 95)	4,762,679	3,641,366	
97	TOTAL Production Expenses (Enter Total of lines 3, 30, 58, 65 and 96)	4,762,679	3,641,366	

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering			
102	815 Maps and Records			
103	816 Wells Expenses			
104	817 Lines Expense			
105	818 Compressor Station Expenses			
106	819 Compressor Station Fuel and Power			
107	820 Measuring and Regulating Station Expenses			
108	821 Purification Expenses			
109	822 Exploration and Development			
110	823 Gas Losses			
111	824 Other Expenses			
112	825 Storage Well Royalties			
113	826 Rents			
114	TOTAL Operation (<i>Enter Total of lines 101 thru 113</i>)			
115	Maintenance			
116	830 Maintenance Supervision and Engineering			
117	831 Maintenance of Structures and Improvements			
118	832 Maintenance of Reservoirs and Wells			
119	833 Maintenance of Lines			
120	834 Maintenance of Compressor Station Equipment			
121	835 Maintenance of Measuring and Regulating Station Equipment			
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment			
124	TOTAL Maintenance (<i>Enter Total of lines 116 thru 123</i>)			
125	TOTAL Underground Storage Expenses (<i>Total of lines 114 and 124</i>)			
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation Supervision and Engineering			
129	841 Operation Labor and Expenses			
130	842 Rents			
131	842.1 Fuels			
132	842.2 Power			
133	842.3 Gas Losses			
134	TOTAL Operation (<i>Enter Total of lines 128 thru 133</i>)			
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering			
137	843.2 Maintenance of Structure and Improvements			
138	843.3 Maintenance of Gas Holders			
139	843.4 Maintenance of Purification Equipment			
140	843.5 Maintenance of Liquefaction Equipment			
141	843.6 Maintenance of Vaporizing Equipment			
142	843.7 Maintenance of Compressor Equipment			
143	843.8 Maintenance of Measuring and Regulating Equipment			
144	843.9 Maintenance of Other Equipment			
145	TOTAL Maintenance (<i>Enter Total of lines 136 thru 144</i>)			
146	TOTAL Other Storage Expenses (<i>Enter Total of lines 134 and 145</i>)			

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
147	C. Liquefied Natural Gas Terminating and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering			
150	844.2 LNG Processing Terminal Labor and Expenses			
151	844.3 Liquefaction Processing Labor and Expenses			
152	844.4 Liquefaction Transportation Labor and Expenses			
153	844.5 Measuring and Regulating Labor and Expenses			
154	844.6 Compressor Station Labor and Expenses			
155	844.7 Communication System Expenses			
156	844.8 System Control and Load Dispatching			
157	845.1 Fuel			
158	845.2 Power			
159	845.3 Rents			
160	845.4 Demurrage Charges			
161	(Less) 845.5 Wharfage Receipts--Credit			
162	845.6 Processing Liquefied or Vaporized Gas by Others			
163	846.1 Gas Losses			
164	846.2 Other Expenses			
165	TOTAL Operating (Enter Total of lines 149 thru 164)			
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering			
168	847.2 Maintenance of Structures and Improvements			
169	847.3 Maintenance of LNG Processing Terminal Equipment			
170	847.4 Maintenance of LNG Transportation Equipment			
171	847.5 Maintenance of Measuring and Regulating Equipment			
172	847.6 Maintenance of Compressor Station Equipment			
173	847.7 Maintenance of Communication Equipment			
174	847.8 Maintenance of Other Equipment			
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)			
176	TOTAL Liquefied Nat Gas Terminating and Processing Exp (Lines 165 & 175)			
177	TOTAL Natural Gas Storage (Enter Total of lines 125, 146 and 176)			
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering			
181	851 System Control and Load Dispatching			
182	852 Communication System Expenses			
183	853 Compressor Station Labor and Expenses			
184	854 Gas for Compressor Station Fuel			
185	855 Other Fuel and Power for Compressor Stations			
186	856 Mains Expenses			
187	857 Measuring and Regulating Station Expenses			
188	858 Transmission and Compression of Gas by Other			
189	859 Other Expenses			
190	860 Rents			
191	TOTAL Operation (Enter Total of lines 180 thru 190)			

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
	3. TRANSMISSION EXPENSES (Continued)			
192	Maintenance			
193	861 Maintenance Supervision and Engineering			
194	862 Maintenance of Structures and Improvements			
195	863 Maintenance of Mains			
196	864 Maintenance of Compressor Station Equipment			
197	865 Maintenance of Measuring and Reg. Station Equipment			
198	866 Maintenance of Communicating Equipment			
199	867 Maintenance of Other Equipment			
200	TOTAL Maintenance (<i>Enter Total lines 193 thru 199</i>)			
201	TOTAL Transmission Expenses (<i>Enter Total of lines 191 and 200</i>)			
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering	17,357	25,362	
205	871 Distribution Load Dispatching			
206	872 Compressor Station Labor and Expenses			
207	873 Compressor Station Fuel and Power			
208	874 Mains and Services Expenses	320,517	298,309	
209	875 Measuring and Regulating Station Expenses--General	12,371	11,709	
210	876 Measuring and Regulating Station Expenses--Industrial			
211	877 Measuring and Regulating Station Expenses--City Gate Check Station	52,420	39,751	
212	878 Meter and House Regulator Expenses	65,550	19,109	
213	879 Customer Installations Expenses	2,060	2,430	
214	880 Other Expenses	40,006	36,060	
215	881 Rents			
216	TOTAL Operation (<i>Enter Total of lines 204 thru 215</i>)	510,281	432,730	
217	Maintenance			
218	885 Maintenance Supervision and Engineering	17,945	16,013	
219	886 Maintenance of Structures and Improvements			
220	887 Maintenance of Mains	24,575	45,067	
221	888 Maintenance of Compressor Station Equipment			
222	889 Maintenance of Meas. and Reg. Sta. Equip.--General	16,241	8,405	
223	890 Maintenance of Meas. and Reg. Sta. Equip.--Industrial			
224	891 Maintenance of Meas. and Reg. Sta. Equip.--City Gate Check Station	16,442	22,714	
225	892 Maintenance of Services	150,145	110,490	
226	893 Maintenance of Meters and House Regulators	19,088	1,257	
227	894 Maintenance of Other Equipment	2,674	2,247	
228	TOTAL Maintenance (<i>Enter Total lines 218 thru 227</i>)	247,110	206,193	
229	TOTAL Distribution Expenses (<i>Enter Total lines 216 and 228</i>)	757,391	638,923	
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision	15,074	14,351	
233	902 Meter Reading Expenses	94,882	95,746	
234	903 Customer Records and Collection Expenses	275,681	258,378	
235	904 Uncollectible Accounts	20,724	19,539	
236	905 Miscellaneous Customer Accounts Expenses			
237	TOTAL Customer Accounts Expenses (<i>Enter Total of lines 232 thru 236</i>)	406,361	388,014	

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) [X] An Original (2) [] A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
239	Operation				
240	907 Supervision				
241	908 Customer Assistance Expenses	130	80		
242	909 Informational and Instructional Expenses	94,301	32,230		
243	910 Miscellaneous Customer Service and Informational Expenses				
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)	94,431	32,310		
245	7. SALES EXPENSES				
246	Operation				
247	911 Supervision				
248	912 Demonstrating and Selling Expenses				
249	913 Advertising Expenses				
250	916 Miscellaneous Sales Expenses				
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)	0	0		
252	8. ADMINISTRATIVE AND GENERAL EXPENSES				
253	Operation				
254	920 Administrative and General Salaries	145,094	127,649		
255	921 Office Supplies and Expenses				
256	(Less) (922) Administrative Expenses Transferred--Cr.				
257	923 Outside Services Employed	43,716	50,356		
258	924 Property Insurance	20,555	19,504		
259	925 Injuries and Damages				
260	926 Employee Pensions and Benefits	25,823	52,484		
261	927 Franchise Requirements				
262	928 Regulatory Commission Expenses				
263	(Less) (929) Duplicate Charges--Cr.				
264	930.1 General Advertising Expenses				
265	930.2 Miscellaneous General Expenses	54,132	37,773		
266	931 Rents				
267	TOTAL Operation (Enter Total of lines 254 thru 266)	289,320	287,766		
268	Maintenance				
269	935 Maintenance of General Plant	48,438	45,942		
270	TOTAL Administrative and General Exp (Total of lines 267 and 269)	337,758	333,708		
271	TOTAL Gas O. and M. Exp (Lines 97, 177, 201, 229, 237, 244, 251, and 270)	6,358,620	5,034,321		
NUMBER OF GAS DEPARTMENT EMPLOYEES					
1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31. 2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote. 3. The number of employees assignable to the gas department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.					
1. Payroll Period Ended (Date)		10/30/2014			
2. Total Regular Full-Time Employees		10			
3. Total Part-Time and Temporary Employees		3			
3a. Employees with Joint Functions		34			
4. Total Employees		47			

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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (NONMAJOR)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Prod. (Submit Supplement Statement)			
4	B. Natural Gas Production			
5	B.1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering			
8	755 Field Compressor Station Fuel and Power			
9	758 Gas Well Royalties			
10	759 Other Expenses			
11	760 Rents			
12	TOTAL Operation (Total of lines 7 thru 11)			
13	Maintenance			
14	763 Maintenance of Producing Gas Wells			
15	764 Maintenance of Field Lines			
16	769.1 Maintenance of Other Plant			
17	TOTAL Maintenance (Total of lines 14 thru 16)			
18	TOTAL NG Production and Gathering Expenses			
19				
20	B.2. Products Extraction			
21	Operation			
22	776 Operation Supplies and Expenses			
23	Maintenance			
24	792 Maintenance of Products Extraction Plant			
25	TOTAL Prod. Extraction (Total lines 22 and 24)			
26				
27	C. Exploration and Development			
28	Operation			
29	795 Delay Rentals			
30	796 Nonproductive Well Drilling			
31	797 Abandoned Leases			

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (NONMAJOR)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
32	798 Other Exploration			
33	799 Natural Gas Purchases			
34	TOTAL Expl. And Dev. (Total of lines 29 thru 33)			
35				
36	D. Other Gas Supply Expenses			
37	803.1 Off-system Gas Purchases			
38	805 Other Gas Purchases			
39	807 Purchased Gas Expenses			
40	808.1 Gas Withdrawn from Underground Storage-Debit			
41	808.2 Gas Delivered to Underground Storage-Credit			
42	812.1 Gas Used in Utility Operations-Credit			
43	813 Other Gas Supply Expenses			
44	813.1 Synthetic Gas Supply Expenses			
45	813.2 Gas Cost Recovery Expenses-Royalties			
46	TOTAL Other Gas Sup. Exp. (Total of lines 37 thru 45)			
47	TOTAL Production Exp. (Total of lines 3, 18, 25, 34 & 46)			
48				
49	2. NATURAL GAS STORAGE EXPENSE			
50	A. Underground Storage Expense			
51	Operation			
52	814 Operation Supervision and Engineering			
53	823 Gas Losses			
54	825 Storage Well Royalties			
55	826 Rents			
56	827 Operation Supplies and Expenses			
57	TOTAL Operation (Total of lines 52 thru 56)			
58	Maintenance			
59	832 Maintenance of Reservoirs and Wells			
60	838 Maint. of Other Underground Storage Plant			
61	TOTAL Maintenance (Total of lines 59 and 60)			
62	TOTAL Underground Stor. Exp. (Total of lines 57 & 61)			

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (NONMAJOR)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
63	B. Other Storage Expenses			
64	848.4 Maintenance of Other Storage Plant			
65	TOTAL Other Storage Expenses			
66	TOTAL Natural Gas Storage (Total of lines 62 & 65)			
67				
68	3. TRANSMISSION EXPENSES			
69	Operation			
70	850 Operation Supervision and Engineering			
71	853.1 Compressor Station Fuel and Power			
72	857.1 Operation Supplies and Expenses			
73	858 Transmission and Compression of Gas by Others			
74	860 Rents			
75	TOTAL Operation (Total of lines 70 thru 74)			
76	Maintenance			
77	863 Maintenance of Mains			
78	864 Maintenance of Compressor Station Equipment			
79	868 Maintenance of Other Plant			
80	TOTAL Maintenance (Total of lines 77 thru 79)			
81	TOTAL Transmission Exp. (Total of lines 75 and 80)			
82				
83	4. DISTRIBUTION EXPENSES			
84	Operation			
85	870 Operation Supervision and Engineering			
86	874 Mains and Services Expenses			
87	878 Meter and House Regulator Expenses			
88	879 Customer Installations Expenses			
89	880.1 Miscellaneous Distribution Expenses			
90	881 Rents			
91	TOTAL Operation (Total of lines 85 thru 90)			
92				
93				

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (NONMAJOR)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
94	Maintenance			
95	892.1 Maintenance of Lines			
96	893 Maintenance of Meters and House Regulators			
97	895 Maintenance of Other Plant			
98	TOTAL Maintenance (Total of lines 95 thru 97)			
99	TOTAL Distribution Exp. (Total of lines 91 & 98)			
100				
101	5. CUSTOMER ACCOUNTS EXPENSES			
102	902 Meter Reading Expenses			
103	903 Customer Records and Collection Expenses			
104	904 Uncollectible Accounts			
105	TOTAL Customer Accts. Exp. (Total of lines 102-104)			
106				
107	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
108	906 Customer Service and Informational Expenses			
109	TOTAL Cust. Service & Informational Exp.			
110				
111	7. SALES PROMOTION EXPENSES			
112	917 Sales Expense			
113	TOTAL Sales Expenses			
114				
115	8. ADMINISTRATIVE AND GENERAL EXPENSES			
116	Operation			
117	920 Administrative and General Salaries			
118	921 Office Supplies and Expenses			
119	922 Administrative Services Transferred-Credit			
120	923 Outside Services Employed			
121	924 Property Insurance			
122	925 Injuries and Damages			
123	926 Employee Pensions and Benefits			

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS OPERATION AND MAINTENANCE EXPENSES (NONMAJOR)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
124	927 Franchise Requirements			
125	928 Regulatory Commission Expenses			
126	929 Duplicate Charges-Credit			
127	930.1 General Advertising Expenses			
128	930.2 Miscellaneous General Expenses			
129	931 Rents			
130	TOTAL Operation (Total of lines 117 thru 129)			
131	Maintenance			
132	933 Transportation Expenses			
133	935 Maintenance of General Plant			
134	TOTAL Maintenance (Total of lines 132 & 133)			
135	TOTAL Admin. & Gen. Exp. (Total of lines 130 & 134)			
136	TOTAL Gas Operation of Maintenance Expenses (Total of lines 47, 66, 81, 99, 105, 109, 113 and 135)			

NUMBER OF GAS DEPARTMENT EMPLOYEES	
1.	The data on number of employees should be reported for the payroll period ending nearest to December 31, or any payroll period ending 60 days before or after December 31.
2.	If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3.	The number of employees assignable to the gas department from joint functions or combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalents employees attributed to the gas department from joint functions.
1.	Payroll Period Ended (Date)
2.	Total Regular Full-Time Employees
3.	Total Part-Time and Temporary Employees
4.	Total Employees

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
EXPLORATION AND DEVELOPMENT EXPENSES (Account 795, 796, 798) (Except Abandoned Leases, Account 797)							
1. Report below the exploration and development costs for the year, exclusive of Account 797, <i>Abandoned Leases</i> , according to the prescribed accounts shown by the column headings. 2. Provide subheadings and subtotals for exploration and development costs for each State.				3. Explain in a footnote any difference between the amounts reported in column (f) and the amount shown on page 231, Preliminary Survey and Investigation Charges, for clearance to Account 798 during the year from Account 183.1 <i>Preliminary Natural Gas Survey and Investigation Charges</i> .			
Line No.	Field (a)	County (b)	Delay Rentals (Account 795) (c)	Nonproductive Well Drilling (Account 796)		Other Exploration Costs (Accounts 798) (f)	Total (g)
				Number of Wells (d)	Amount (e)		
1		NOT APPLICABLE					
2							
3							
4							
5							
6							
7							
8							
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18							
19							
20							
21							
22							
23							
24							
25							
26							
27	TOTAL						
ABANDONED LEASES (Account 797)							
1. Report below the particulars (details) concerning the provision for the year to cover probable loss on abandonment of natural gas leases included in Account 105, Gas Plant Held for Future Use which have never been productive. 2. Explain the basis of determining the year's provision and state whether the basis is the same as that used for the preceding year.				If the year's total provision is comprised of separate determinations with respect to certain groups or classes of leases, show separately the determinations for each such group or class. If the provision was so determined that component amounts may be identified by territories, fields, or counties, show the component amounts identified as such.			
Line No.	Item (a)						Amount (b)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10	TOTAL						

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS PURCHASES (Accounts 800, 801, 802, 803, 803.1, 804, 804.1 and 805)			
1. Report particulars of gas purchases during the year in the manner prescribed below. 2. Provide subheadings and totals for prescribed accounts as follow: 800 Natural Gas Well Head Purchases. 801 Natural Gas Field Line Purchases. 802 Natural Gas Gasoline Plant Outlet Purchases. 803 Natural Gas Transmission Line Purchases. 803.1 Off-System Gas Purchases. 804 Natural Gas City Gate Purchases. 804.1 Liquefied Natural Gas Purchases. 805 Other Gas Purchases. Purchases are to be reported in account number sequence, e.g. all purchases charged to Account 800, followed by charges to Account 801, etc. Under each account number, purchases should be reported by states in alphabetical order. Totals are to be shown for each account in Columns (h) and (i) and should agree with the books of account, or any differences reconciled. In some cases, two or more lines will be required to report a purchase, as when it is charged to more than one account. 3. Purchases may be reported to gas purchase contract totals (at the option of the respondent) provided that the same price is being paid for all gas purchased under the contract. If two or more prices are in effect under the same contract, separate details for each price shall be reported. The name of each seller included in the contract total shall be listed on separate sheets, clearly cross-referenced. Where two or more prices are in effect the sellers at each price are to be listed separately. 4. Purchases of less than 100,000 Mcf per year per contract from sellers not affiliated with the reporting company may (at the option of the respondent) be grouped by account number, except when the purchases were permanently discontinued during the reporting year. When grouped purchases are reported, the number of grouped purchases is to be reported in Column (b). Only Columns (a), (b), (h), (i) and (j) are to be completed for grouped purchases; however, the Commission may request additional details when necessary. Grouped non-jurisdictional purchases should be shown on a separate line.		5. Column instructions are as follows: <u>Column (b)</u> - Report the names of all sellers. Abbreviations may be used where necessary. <u>Column (c)</u> - Give the name of the producing field only for purchases at the wellhead or from field lines. The plant name should be given for purchase from gasoline outlets. If purchases under a contract are from more than one field or plant, use the name of the one contributing the largest volume. Use a footnote to list the other fields or plants involved. <u>Columns (d) and (e)</u> - Designate the state and county where the gas is received. Where gas is received in more than one county, use the name of the county having the largest volume and by footnote list the other counties involved. <u>Column (f)</u> - Show date of the gas purchase contract. If gas is purchased under a renegotiated contract, show the date of the original contract and the date of the renegotiated contract on the following line in brackets. If new acreage is dedicated by ratification of an existing contract show the date of the ratification, rather than the date of the original contract. If gas is being sold from a different reservoir than the original dedicated acreage pursuant to Section 2.56(f)(2) of the Commission's Rules of Practice and Procedure, place the letter "A" after the contract date. If the purchase was permanently discontinued during the reporting year, so indicate by an asterisk (*) in Column (f). <u>Column (g)</u> - Show for each purchase the approximate Btu per cubic foot. <u>Column (h)</u> - State the volume of purchased gas as measured for purpose of determining the amount payable for the gas. Include current year receipts of make-up gas that was paid for in prior years. <u>Column (i)</u> - State the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in Column (h). <u>Column (j)</u> - State the average cost per Mcf to the nearest hundredth of a cent. [Column (i) divided by Column (h) multiplied by 100].	

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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GAS PURCHASES (Accounts 800, 801, 802, 803, 803.1, 804, 804.1 and 805) (Continued)

Line No.	Account No. (a)	Name of Seller (Designate Associated Companies) (b)	Name of Producing Field or Gasoline Plant (c)	State (d)
1		SEE ATTACHED		
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
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15				
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22				
23				
24				
25				

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014			
GAS PURCHASES (Account 800, 801, 802, 803.1, 804, 804.1, and 805) (Continued)						
County (e)	Date of Contract (f)	Approx. Btu per Cu. Ft. (g)	Gas Purchased-Mcf (14.73 psia 60°F) (h)	Cost of Gas (i)	Cost per Mcf (cents) (j)	Line No.
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25

NATURAL GAS PURCHASES

JANUARY, 2014 TO DECEMBER, 2014

PURCHASED FROM	DATE PURCHASED	DESCRIPTION	AMOUNT PURCHASED	PURCHASE PRICE	TOTAL COST
January, 2014					
PROLIANCE ENERGY	8/24/2010	Original Purchase	2,997	\$6.5894	\$19,748.43
PROLIANCE ENERGY	10/8/2010	Original Purchase	3,000	\$6.3158	\$18,947.26
PROLIANCE ENERGY	11/29/2010	Original Purchase	3,000	\$6.1344	\$18,403.13
SEQUENT ENERGY	1/19/2011	Original Purchase	2,511	\$6.0900	\$15,291.99
SEQUENT ENERGY	2/22/2011	Original Purchase	2,511	\$6.0100	\$15,091.11
PROLIANCE ENERGY	4/12/2011	Original Purchase	3,000	\$6.2665	\$18,799.59
SEQUENT ENERGY	5/16/2011	Original Purchase	2,511	\$6.1500	\$15,442.65
SEQUENT ENERGY	6/21/2011	Original Purchase	2,511	\$5.8900	\$14,789.79
SEQUENT ENERGY	7/19/2011	Original Purchase	2,511	\$5.8300	\$14,639.13
SEQUENT ENERGY	8/16/2011	Original Purchase	2,511	\$5.9500	\$14,940.45
SEQUENT ENERGY	9/20/2011	Original Purchase	2,511	\$5.8400	\$14,664.24
SEQUENT ENERGY	10/18/2011	Original Purchase	2,511	\$5.5100	\$13,835.61
SEQUENT ENERGY	11/15/2011	Original Purchase	2,511	\$5.2100	\$13,082.31
SEQUENT ENERGY	12/13/2011	Original Purchase	2,511	\$4.9400	\$12,404.34
SEQUENT ENERGY	2/21/2012	Original Purchase	2,511	\$4.6100	\$11,575.71
SEQUENT ENERGY	3/20/2012	Original Purchase	2,511	\$4.4000	\$11,048.40
SEQUENT ENERGY	4/17/2012	Original Purchase	2,511	\$4.2300	\$10,621.53
SEQUENT ENERGY	5/30/2012	Original Purchase	2,511	\$4.3200	\$10,847.52
SEQUENT ENERGY	6/29/2012	Original Purchase	2,511	\$4.3800	\$10,998.18
SEQUENT ENERGY	7/31/2012	Original Purchase	2,511	\$4.5800	\$11,500.38
SEQUENT ENERGY	9/18/2012	Original Purchase	2,511	\$4.3900	\$11,023.29
SEQUENT ENERGY	10/16/2012	Original Purchase	2,511	\$4.6600	\$11,701.26
SEQUENT ENERGY	11/21/2012	Original Purchase	2,511	\$4.6600	\$11,701.26
SEQUENT ENERGY	12/10/2012	Original Purchase	5,022	\$4.4300	\$22,247.46
SEQUENT ENERGY	1/16/2013	Original Purchase	2,511	\$4.3900	\$11,023.29
SEQUENT ENERGY	2/19/2013	Original Purchase	2,511	\$4.2900	\$10,772.19
SEQUENT ENERGY	3/19/2013	Original Purchase	5,022	\$4.6400	\$23,302.08
SEQUENT ENERGY	4/16/2013	Original Purchase	5,022	\$4.9000	\$24,607.80
SEQUENT ENERGY	5/22/2013	Original Purchase	2,511	\$4.9200	\$12,354.12
SEQUENT ENERGY	6/12/2013	Original Purchase	5,022	\$4.4300	\$22,247.46
SEQUENT ENERGY	7/16/2013	Original Purchase	5,022	\$4.3400	\$21,795.48
LAKESHORE ENERGY	8/20/2013	Original Purchase	3,100	\$4.0850	\$12,663.50
LAKESHORE ENERGY	9/17/2013	Original Purchase	3,100	\$4.2450	\$13,159.50
SEQUENT ENERGY	12/27/2013	Original Purchase	12,400	\$4.7100	\$58,404.00
SEQUENT ENERGY	1/6/2014	Spot Market Purchase	1,500	\$5.7200	\$8,580.00
SEQUENT ENERGY	1/7/2014	Spot Market Purchase	2,500	\$5.1200	\$12,800.00
SEQUENT ENERGY	1/8/2014	Spot Market Purchase	3,000	\$4.8200	\$14,460.00
SEQUENT ENERGY	1/9/2014	Spot Market Purchase	44,000	\$7.1898	\$316,350.00
			161,949	\$5.5935	\$905,864.44

February, 2014

PROLIANCE ENERGY	8/24/2010	Original Purchase	1,988	\$6.5444	\$13,010.26
PROLIANCE ENERGY	10/8/2010	Original Purchase	2,000	\$6.3619	\$12,723.74
PROLIANCE ENERGY	11/29/2010	Original Purchase	2,000	\$6.3299	\$12,659.73
SEQUENT ENERGY	1/19/2011	Original Purchase	2,492	\$6.1100	\$15,226.12
SEQUENT ENERGY	2/22/2011	Original Purchase	2,492	\$6.1900	\$15,425.48
PROLIANCE ENERGY	4/12/2011	Original Purchase	3,000	\$6.2395	\$18,718.39
SEQUENT ENERGY	5/16/2011	Original Purchase	2,492	\$6.2000	\$15,450.40
SEQUENT ENERGY	6/21/2011	Original Purchase	2,492	\$5.9700	\$14,877.24
SEQUENT ENERGY	7/19/2011	Original Purchase	2,492	\$5.8800	\$14,652.96
SEQUENT ENERGY	8/16/2011	Original Purchase	2,492	\$5.9000	\$14,702.80
SEQUENT ENERGY	9/20/2011	Original Purchase	2,492	\$5.7900	\$14,428.68
SEQUENT ENERGY	10/18/2011	Original Purchase	2,492	\$5.4900	\$13,681.08
SEQUENT ENERGY	11/15/2011	Original Purchase	2,492	\$5.1900	\$12,933.48
SEQUENT ENERGY	12/13/2011	Original Purchase	2,492	\$4.9300	\$12,285.56
SEQUENT ENERGY	2/21/2012	Original Purchase	2,492	\$4.6000	\$11,463.20
SEQUENT ENERGY	3/20/2012	Original Purchase	2,492	\$4.3900	\$10,939.88
SEQUENT ENERGY	4/17/2012	Original Purchase	2,492	\$4.2200	\$10,516.24
SEQUENT ENERGY	5/30/2012	Original Purchase	2,492	\$4.3000	\$10,715.60

NATURAL GAS PURCHASES

JANUARY, 2014 TO DECEMBER, 2014

PURCHASED FROM	DATE PURCHASED	DESCRIPTION	AMOUNT PURCHASED	PURCHASE PRICE	TOTAL COST
SEQUENT ENERGY	6/29/2012	Original Purchase	2,492	\$4.3600	\$10,865.12
SEQUENT ENERGY	7/31/2012	Original Purchase	2,492	\$4.5700	\$11,388.44
SEQUENT ENERGY	9/18/2012	Original Purchase	2,492	\$4.3800	\$10,914.96
SEQUENT ENERGY	10/16/2012	Original Purchase	2,492	\$4.6200	\$11,513.04
SEQUENT ENERGY	11/21/2012	Original Purchase	2,492	\$4.6400	\$11,562.88
SEQUENT ENERGY	12/10/2012	Original Purchase	2,492	\$4.4200	\$11,014.64
SEQUENT ENERGY	1/16/2013	Original Purchase	2,492	\$4.4200	\$11,014.64
SEQUENT ENERGY	2/19/2013	Original Purchase	2,492	\$4.3200	\$10,765.44
SEQUENT ENERGY	3/19/2013	Original Purchase	2,492	\$4.7300	\$11,787.16
SEQUENT ENERGY	4/16/2013	Original Purchase	2,492	\$4.8600	\$12,111.12
SEQUENT ENERGY	5/22/2013	Original Purchase	2,492	\$4.9000	\$12,210.80
SEQUENT ENERGY	6/12/2013	Original Purchase	4,984	\$4.4400	\$22,128.96
SEQUENT ENERGY	7/16/2013	Original Purchase	2,492	\$4.3400	\$10,815.28
LAKESHORE ENERGY	8/20/2013	Original Purchase	2,800	\$4.0850	\$11,438.00
LAKESHORE ENERGY	9/17/2013	Original Purchase	2,800	\$4.2500	\$11,900.00
SEQUENT ENERGY	12/27/2013	Original Purchase	11,200	\$4.7100	\$52,752.00
SEQUENT ENERGY	2/25/2014	Spot Market Purchase	2,000	\$21.8000	\$43,600.00
SEQUENT ENERGY	2/26/2014	Spot Market Purchase	2,000	\$20.5100	\$41,020.00
SEQUENT ENERGY	2/27/2014	Spot Market Purchase	2,800	\$26.6000	\$74,480.00
			102,364	\$6.2297	\$637,693.32

March, 2014

PROLIANCE ENERGY	8/24/2010	Original Purchase	1,998	\$6.3578	\$12,702.78
PROLIANCE ENERGY	10/8/2010	Original Purchase	2,000	\$6.1944	\$12,388.90
PROLIANCE ENERGY	11/29/2010	Original Purchase	2,000	\$6.1695	\$12,338.93
SEQUENT ENERGY	1/19/2011	Original Purchase	2,511	\$6.0100	\$15,091.11
SEQUENT ENERGY	2/22/2011	Original Purchase	2,511	\$5.9000	\$14,814.90
PROLIANCE ENERGY	4/12/2011	Original Purchase	2,000	\$6.1573	\$12,314.52
SEQUENT ENERGY	5/16/2011	Original Purchase	2,511	\$6.2000	\$15,568.20
SEQUENT ENERGY	6/21/2011	Original Purchase	2,511	\$5.9000	\$14,814.90
SEQUENT ENERGY	7/19/2011	Original Purchase	2,511	\$5.9200	\$14,865.12
SEQUENT ENERGY	8/16/2011	Original Purchase	2,511	\$5.8200	\$14,614.02
SEQUENT ENERGY	9/20/2011	Original Purchase	2,511	\$5.7200	\$14,362.92
SEQUENT ENERGY	10/18/2011	Original Purchase	2,511	\$5.4100	\$13,584.51
SEQUENT ENERGY	11/15/2011	Original Purchase	2,511	\$5.1200	\$12,856.32
SEQUENT ENERGY	12/13/2011	Original Purchase	2,511	\$4.8600	\$12,203.46
SEQUENT ENERGY	2/21/2012	Original Purchase	2,511	\$4.5500	\$11,425.05
SEQUENT ENERGY	3/20/2012	Original Purchase	2,511	\$4.3600	\$10,947.96
SEQUENT ENERGY	4/17/2012	Original Purchase	2,511	\$4.1700	\$10,470.87
SEQUENT ENERGY	5/30/2012	Original Purchase	2,511	\$4.2400	\$10,646.64
SEQUENT ENERGY	6/29/2012	Original Purchase	2,511	\$4.2900	\$10,772.19
SEQUENT ENERGY	7/31/2012	Original Purchase	2,511	\$4.5000	\$11,299.50
SEQUENT ENERGY	9/18/2012	Original Purchase	2,511	\$4.3100	\$10,822.41
SEQUENT ENERGY	10/16/2012	Original Purchase	2,511	\$4.5800	\$11,500.38
SEQUENT ENERGY	11/21/2012	Original Purchase	2,511	\$4.6000	\$11,550.60
SEQUENT ENERGY	12/10/2012	Original Purchase	2,511	\$4.3900	\$11,023.29
SEQUENT ENERGY	1/16/2013	Original Purchase	2,511	\$4.3500	\$10,922.85
SEQUENT ENERGY	2/19/2013	Original Purchase	2,511	\$4.2700	\$10,721.97
SEQUENT ENERGY	3/19/2013	Original Purchase	2,511	\$4.7200	\$11,851.92
SEQUENT ENERGY	4/16/2013	Original Purchase	2,511	\$4.7600	\$11,952.36
SEQUENT ENERGY	5/22/2013	Original Purchase	2,511	\$4.8500	\$12,178.35
SEQUENT ENERGY	6/12/2013	Original Purchase	2,511	\$4.4000	\$11,048.40
SEQUENT ENERGY	7/16/2013	Original Purchase	2,511	\$4.2900	\$10,772.19
LAKESHORE ENERGY	8/20/2013	Original Purchase	3,100	\$4.0900	\$12,679.00
LAKESHORE ENERGY	9/17/2013	Original Purchase	3,100	\$4.2200	\$13,082.00
SEQUENT ENERGY	12/27/2013	Original Purchase	12,400	\$4.7100	\$58,404.00
SEQUENT ENERGY	2/10/2014	Original Purchase	31,000	\$5.4950	\$170,345.00
SEQUENT ENERGY	2/28/2014	Spot Market Purchase	4,500	\$35.0000	\$157,500.00
SEQUENT ENERGY	3/3/2014	Spot Market Purchase	1,000	\$38.6600	\$38,660.00
SEQUENT ENERGY	3/4/2014	Spot Market Purchase	1,000	\$15.1200	\$15,120.00

NATURAL GAS PURCHASES

JANUARY, 2014 TO DECEMBER, 2014

PURCHASED FROM	DATE PURCHASED	DESCRIPTION	AMOUNT PURCHASED	PURCHASE PRICE	TOTAL COST
SEQUENT ENERGY	3/6/2014	Spot Market Purchase	26,500	\$9.3854	\$248,712.50
			158,395	\$6.9253	\$1,096,930.02
April, 2014					
SEQUENT ENERGY	7/19/2011	Original Purchase	2,490	\$5.7200	\$14,242.80
SEQUENT ENERGY	8/16/2011	Original Purchase	2,490	\$5.5700	\$13,869.30
SEQUENT ENERGY	9/20/2011	Original Purchase	2,490	\$5.5100	\$13,719.90
SEQUENT ENERGY	10/18/2011	Original Purchase	2,490	\$5.2000	\$12,948.00
SEQUENT ENERGY	11/15/2011	Original Purchase	2,490	\$4.9400	\$12,300.60
SEQUENT ENERGY	12/13/2011	Original Purchase	2,490	\$4.6900	\$11,678.10
SEQUENT ENERGY	2/21/2012	Original Purchase	2,490	\$4.4300	\$11,030.70
SEQUENT ENERGY	3/20/2012	Original Purchase	2,490	\$4.2400	\$10,557.60
SEQUENT ENERGY	4/17/2012	Original Purchase	2,490	\$4.0500	\$10,084.50
SEQUENT ENERGY	5/30/2012	Original Purchase	2,490	\$4.0800	\$10,159.20
SEQUENT ENERGY	6/29/2012	Original Purchase	2,490	\$4.1800	\$10,408.20
SEQUENT ENERGY	7/31/2012	Original Purchase	2,490	\$4.3800	\$10,906.20
SEQUENT ENERGY	9/18/2012	Original Purchase	2,490	\$4.1800	\$10,408.20
SEQUENT ENERGY	10/16/2012	Original Purchase	2,490	\$4.5000	\$11,205.00
SEQUENT ENERGY	11/21/2012	Original Purchase	2,490	\$4.4400	\$11,055.60
SEQUENT ENERGY	2/19/2013	Original Purchase	2,490	\$4.1900	\$10,433.10
SEQUENT ENERGY	3/19/2013	Original Purchase	2,490	\$4.5200	\$11,254.80
SEQUENT ENERGY	4/16/2013	Original Purchase	990	\$4.4800	\$4,435.20
SEQUENT ENERGY	5/22/2013	Original Purchase	990	\$4.6700	\$4,623.30
SEQUENT ENERGY	6/12/2013	Original Purchase	2,490	\$4.2600	\$10,607.40
SEQUENT ENERGY	7/16/2013	Original Purchase	2,490	\$4.2300	\$10,532.70
SEQUENT ENERGY	8/20/2013	Original Purchase	990	\$4.0100	\$3,969.90
SEQUENT ENERGY	9/17/2013	Original Purchase	990	\$4.0600	\$4,019.40
SEQUENT ENERGY	10/15/2013	Original Purchase	990	\$4.1500	\$4,108.50
SEQUENT ENERGY	11/18/2013	Original Purchase	2,490	\$3.7100	\$9,237.90
SEQUENT ENERGY	12/6/2013	Original Purchase	990	\$4.1800	\$4,138.20
SEQUENT ENERGY	1/21/2014	Original Purchase	2,490	\$4.4800	\$11,155.20
SEQUENT ENERGY	4/29/2014	Spot Market Purchase	4,000	\$4.9200	\$19,680.00
SEQUENT ENERGY	4/30/2014	Spot Market Purchase	4,000	\$4.9500	\$19,800.00
			66,230	\$4.5685	\$302,569.50
May, 2014					
SEQUENT ENERGY	8/16/2011	Original Purchase	992	\$5.5800	\$5,535.36
SEQUENT ENERGY	11/15/2011	Original Purchase	992	\$4.9600	\$4,920.32
SEQUENT ENERGY	7/31/2012	Original Purchase	2,511	\$4.1900	\$10,521.09
SEQUENT ENERGY	9/18/2012	Original Purchase	2,511	\$4.0700	\$10,219.77
SEQUENT ENERGY	11/21/2012	Original Purchase	2,511	\$4.4300	\$11,123.73
SEQUENT ENERGY	2/19/2013	Original Purchase	2,511	\$4.2100	\$10,571.31
SEQUENT ENERGY	3/19/2013	Original Purchase	2,511	\$4.4900	\$11,274.39
SEQUENT ENERGY	4/16/2013	Original Purchase	992	\$4.4400	\$4,404.48
SEQUENT ENERGY	5/22/2013	Original Purchase	992	\$4.6200	\$4,583.04
SEQUENT ENERGY	6/12/2013	Original Purchase	2,511	\$4.3200	\$10,847.52
SEQUENT ENERGY	7/16/2013	Original Purchase	2,511	\$4.2800	\$10,747.08
SEQUENT ENERGY	8/20/2013	Original Purchase	992	\$4.0400	\$4,007.68
SEQUENT ENERGY	9/17/2013	Original Purchase	992	\$4.0700	\$4,037.44
SEQUENT ENERGY	10/15/2013	Original Purchase	992	\$4.1600	\$4,126.72
SEQUENT ENERGY	11/18/2013	Original Purchase	2,511	\$3.7500	\$9,416.25
SEQUENT ENERGY	12/6/2013	Original Purchase	2,511	\$4.2100	\$10,571.31
SEQUENT ENERGY	1/21/2014	Original Purchase	2,511	\$4.3900	\$11,023.29
SEQUENT ENERGY	3/18/2014	Original Purchase	2,511	\$4.7000	\$11,801.70
SEQUENT ENERGY	4/15/2014	Original Purchase	2,511	\$4.8400	\$12,153.24
			37,076	\$4.3663	\$161,885.72
June, 2014					
SEQUENT ENERGY	8/16/2011	Original Purchase	990	\$5.6100	\$5,553.90
SEQUENT ENERGY	4/16/2013	Original Purchase	990	\$4.4700	\$4,425.30

NATURAL GAS PURCHASES

JANUARY, 2014 TO DECEMBER, 2014

PURCHASED FROM	DATE PURCHASED	DESCRIPTION	AMOUNT PURCHASED	PURCHASE PRICE	TOTAL COST
SEQUENT ENERGY	6/12/2013	Original Purchase	990	\$4.3300	\$4,286.70
SEQUENT ENERGY	7/16/2013	Original Purchase	990	\$4.3200	\$4,276.80
SEQUENT ENERGY	8/20/2013	Original Purchase	990	\$4.0700	\$4,029.30
SEQUENT ENERGY	9/17/2013	Original Purchase	990	\$4.1000	\$4,059.00
SEQUENT ENERGY	10/15/2013	Original Purchase	990	\$4.1900	\$4,148.10
SEQUENT ENERGY	11/18/2013	Original Purchase	990	\$3.8000	\$3,762.00
SEQUENT ENERGY	12/6/2013	Original Purchase	990	\$4.2400	\$4,197.60
SEQUENT ENERGY	1/21/2014	Original Purchase	2,490	\$4.3500	\$10,831.50
SEQUENT ENERGY	3/18/2014	Original Purchase	2,490	\$4.7300	\$11,777.70
SEQUENT ENERGY	4/15/2014	Original Purchase	2,490	\$4.8600	\$12,101.40
			16,380	\$4.4841	\$73,449.30

July, 2014

SEQUENT ENERGY	8/16/2011	Original Purchase	992	\$5.6300	\$5,584.96
SEQUENT ENERGY	4/16/2013	Original Purchase	992	\$4.5000	\$4,464.00
SEQUENT ENERGY	6/12/2013	Original Purchase	992	\$4.3800	\$4,344.96
SEQUENT ENERGY	7/16/2013	Original Purchase	992	\$4.3500	\$4,315.20
SEQUENT ENERGY	8/20/2013	Original Purchase	992	\$4.1000	\$4,067.20
SEQUENT ENERGY	9/17/2013	Original Purchase	992	\$4.1500	\$4,116.80
SEQUENT ENERGY	10/15/2013	Original Purchase	992	\$4.2200	\$4,186.24
SEQUENT ENERGY	11/18/2013	Original Purchase	992	\$3.8300	\$3,799.36
SEQUENT ENERGY	12/6/2013	Original Purchase	992	\$4.2700	\$4,235.84
SEQUENT ENERGY	1/21/2014	Original Purchase	992	\$4.4000	\$4,364.80
SEQUENT ENERGY	3/18/2014	Original Purchase	992	\$4.7600	\$4,721.92
SEQUENT ENERGY	4/15/2014	Original Purchase	992	\$4.8700	\$4,831.04
SEQUENT ENERGY	5/20/2014	Original Purchase	992	\$4.7400	\$4,702.08
			12,896	\$4.4769	\$57,734.40

August, 2014

SEQUENT ENERGY	8/16/2011	Original Purchase	992	\$5.6700	\$5,624.64
SEQUENT ENERGY	4/16/2013	Original Purchase	992	\$4.5100	\$4,473.92
SEQUENT ENERGY	6/12/2013	Original Purchase	992	\$4.3900	\$4,354.88
SEQUENT ENERGY	7/16/2013	Original Purchase	992	\$4.3600	\$4,325.12
SEQUENT ENERGY	8/20/2013	Original Purchase	992	\$4.1100	\$4,077.12
SEQUENT ENERGY	9/17/2013	Original Purchase	992	\$4.1700	\$4,136.64
SEQUENT ENERGY	10/15/2013	Original Purchase	992	\$4.2300	\$4,196.16
SEQUENT ENERGY	11/18/2013	Original Purchase	992	\$3.8500	\$3,819.20
SEQUENT ENERGY	12/6/2013	Original Purchase	992	\$4.2800	\$4,245.76
SEQUENT ENERGY	1/21/2014	Original Purchase	992	\$4.4000	\$4,364.80
SEQUENT ENERGY	3/18/2014	Original Purchase	992	\$4.7600	\$4,721.92
SEQUENT ENERGY	4/15/2014	Original Purchase	992	\$4.8700	\$4,831.04
SEQUENT ENERGY	5/20/2014	Original Purchase	992	\$4.7900	\$4,751.68
			12,896	\$4.4915	\$57,922.88

September, 2014

SEQUENT ENERGY	8/16/2011	Original Purchase	990	\$5.6800	\$5,623.20
SEQUENT ENERGY	11/15/2011	Original Purchase	990	\$5.0500	\$4,999.50
SEQUENT ENERGY	4/16/2013	Original Purchase	990	\$4.5200	\$4,474.80
SEQUENT ENERGY	6/12/2013	Original Purchase	990	\$4.4000	\$4,356.00
SEQUENT ENERGY	7/16/2013	Original Purchase	990	\$4.3800	\$4,336.20
SEQUENT ENERGY	8/20/2013	Original Purchase	990	\$4.1100	\$4,068.90
SEQUENT ENERGY	9/17/2013	Original Purchase	990	\$4.1700	\$4,128.30
SEQUENT ENERGY	10/15/2013	Original Purchase	990	\$4.2200	\$4,177.80
SEQUENT ENERGY	11/18/2013	Original Purchase	2,490	\$3.8700	\$9,636.30
SEQUENT ENERGY	12/6/2013	Original Purchase	990	\$4.3000	\$4,257.00
SEQUENT ENERGY	1/21/2014	Original Purchase	2,490	\$4.4200	\$11,005.80
SEQUENT ENERGY	3/18/2014	Original Purchase	2,490	\$4.7100	\$11,727.90
SEQUENT ENERGY	4/15/2014	Original Purchase	990	\$4.8800	\$4,831.20
SEQUENT ENERGY	5/20/2014	Original Purchase	2,490	\$4.7500	\$11,827.50
SEQUENT ENERGY	6/16/2014	Original Purchase	990	\$5.0500	\$4,999.50

NATURAL GAS PURCHASES

JANUARY, 2014 TO DECEMBER, 2014

PURCHASED FROM	DATE PURCHASED	DESCRIPTION	AMOUNT PURCHASED	PURCHASE PRICE	TOTAL COST
SEQUENT ENERGY	7/16/2014	Original Purchase	3,000	\$4.3500	\$13,050.00
			23,850	\$4.5073	\$107,499.90
October, 2014					
SEQUENT ENERGY	8/16/2011	Original Purchase	992	\$5.6600	\$5,614.72
SEQUENT ENERGY	11/15/2011	Original Purchase	992	\$5.0800	\$5,039.36
SEQUENT ENERGY	4/17/2012	Original Purchase	2,511	\$4.2300	\$10,621.53
SEQUENT ENERGY	5/30/2012	Original Purchase	2,511	\$4.2300	\$10,621.53
SEQUENT ENERGY	6/29/2012	Original Purchase	2,511	\$4.2600	\$10,696.86
SEQUENT ENERGY	9/18/2012	Original Purchase	2,511	\$4.3500	\$10,922.85
SEQUENT ENERGY	11/21/2012	Original Purchase	2,511	\$4.4900	\$11,274.39
SEQUENT ENERGY	12/10/2012	Original Purchase	2,511	\$4.4800	\$11,249.28
SEQUENT ENERGY	3/19/2013	Original Purchase	2,511	\$4.6900	\$11,776.59
SEQUENT ENERGY	4/16/2013	Original Purchase	2,511	\$4.5500	\$11,425.05
SEQUENT ENERGY	6/12/2013	Original Purchase	2,511	\$4.4100	\$11,073.51
SEQUENT ENERGY	7/16/2013	Original Purchase	2,511	\$4.4000	\$11,048.40
SEQUENT ENERGY	8/20/2013	Original Purchase	992	\$4.1400	\$4,106.88
SEQUENT ENERGY	9/17/2013	Original Purchase	2,511	\$4.1900	\$10,521.09
SEQUENT ENERGY	10/15/2013	Original Purchase	2,511	\$4.2400	\$10,646.64
SEQUENT ENERGY	11/18/2013	Original Purchase	2,511	\$3.8800	\$9,742.68
SEQUENT ENERGY	12/6/2013	Original Purchase	992	\$4.3200	\$4,285.44
SEQUENT ENERGY	1/21/2014	Original Purchase	2,511	\$4.4500	\$11,173.95
SEQUENT ENERGY	3/18/2014	Original Purchase	2,511	\$4.7400	\$11,902.14
SEQUENT ENERGY	4/15/2014	Original Purchase	992	\$4.8700	\$4,831.04
SEQUENT ENERGY	5/20/2014	Original Purchase	2,511	\$4.7900	\$12,027.69
SEQUENT ENERGY	6/16/2014	Original Purchase	992	\$5.0600	\$5,019.52
SEQUENT ENERGY	7/16/2014	Original Purchase	3,100	\$4.3800	\$13,578.00
SEQUENT ENERGY	8/22/2014	Original Purchase	2,511	\$4.1400	\$10,395.54
SEQUENT ENERGY	9/15/2014	Original Purchase	2,511	\$4.1200	\$10,345.32
			54,250	\$4.4229	\$239,940.00
November, 2014					
SEQUENT ENERGY	7/19/2011	Original Purchase	2,490	\$6.2200	\$15,487.80
SEQUENT ENERGY	8/16/2011	Original Purchase	2,490	\$5.7600	\$14,342.40
SEQUENT ENERGY	9/20/2011	Original Purchase	2,490	\$5.8100	\$14,466.90
SEQUENT ENERGY	10/18/2011	Original Purchase	2,490	\$5.4400	\$13,545.60
SEQUENT ENERGY	11/15/2011	Original Purchase	2,490	\$5.1900	\$12,923.10
SEQUENT ENERGY	12/13/2011	Original Purchase	2,490	\$4.9500	\$12,325.50
SEQUENT ENERGY	2/21/2012	Original Purchase	2,490	\$4.6100	\$11,478.90
SEQUENT ENERGY	3/20/2012	Original Purchase	2,490	\$4.5300	\$11,279.70
SEQUENT ENERGY	4/17/2012	Original Purchase	2,490	\$4.3200	\$10,756.80
SEQUENT ENERGY	5/30/2012	Original Purchase	2,490	\$4.3300	\$10,781.70
SEQUENT ENERGY	6/29/2012	Original Purchase	2,490	\$4.3800	\$10,906.20
SEQUENT ENERGY	7/31/2012	Original Purchase	2,490	\$4.5900	\$11,429.10
SEQUENT ENERGY	9/18/2012	Original Purchase	2,490	\$4.4600	\$11,105.40
SEQUENT ENERGY	10/16/2012	Original Purchase	2,490	\$4.6400	\$11,553.60
SEQUENT ENERGY	11/21/2012	Original Purchase	2,490	\$4.6100	\$11,478.90
SEQUENT ENERGY	12/10/2012	Original Purchase	2,490	\$4.5400	\$11,304.60
SEQUENT ENERGY	3/19/2013	Original Purchase	2,490	\$4.7500	\$11,827.50
SEQUENT ENERGY	4/16/2013	Original Purchase	2,490	\$4.6900	\$11,678.10
SEQUENT ENERGY	5/22/2013	Original Purchase	2,490	\$4.8100	\$11,976.90
SEQUENT ENERGY	6/12/2013	Original Purchase	2,490	\$4.5400	\$11,304.60
SEQUENT ENERGY	7/16/2013	Original Purchase	2,490	\$4.5200	\$11,254.80
SEQUENT ENERGY	8/20/2013	Original Purchase	990	\$4.2600	\$4,217.40
SEQUENT ENERGY	9/17/2013	Original Purchase	2,490	\$4.2800	\$10,657.20
SEQUENT ENERGY	10/15/2013	Original Purchase	2,490	\$4.3100	\$10,731.90
SEQUENT ENERGY	11/18/2013	Original Purchase	2,490	\$3.9600	\$9,860.40
SEQUENT ENERGY	12/6/2013	Original Purchase	990	\$4.3500	\$4,306.50
SEQUENT ENERGY	1/21/2014	Original Purchase	2,490	\$4.5800	\$11,404.20
SEQUENT ENERGY	3/18/2014	Original Purchase	2,490	\$4.7600	\$11,852.40

NATURAL GAS PURCHASES

JANUARY, 2014 TO DECEMBER, 2014

PURCHASED FROM	DATE PURCHASED	DESCRIPTION	AMOUNT PURCHASED	PURCHASE PRICE	TOTAL COST
SEQUENT ENERGY	4/15/2014	Original Purchase	990	\$4.9600	\$4,910.40
SEQUENT ENERGY	5/20/2014	Original Purchase	2,490	\$4.9000	\$12,201.00
SEQUENT ENERGY	6/16/2014	Original Purchase	990	\$5.1200	\$5,068.80
SEQUENT ENERGY	7/16/2014	Original Purchase	3,000	\$4.4700	\$13,410.00
SEQUENT ENERGY	8/22/2014	Original Purchase	2,490	\$4.2800	\$10,657.20
SEQUENT ENERGY	9/15/2014	Original Purchase	2,490	\$4.3400	\$10,806.60
SEQUENT ENERGY	10/21/2014	Original Purchase	2,490	\$4.0400	\$10,059.60
SEQUENT ENERGY	11/25/2014	Spot Market Purchase	4,500	\$4.5900	\$20,655.00
SEQUENT ENERGY	11/26/2014	Spot Market Purchase	10,000	\$4.5700	\$45,700.00
			96,160	\$4.6767	\$449,706.70

December, 2014

SEQUENT ENERGY	7/19/2011	Original Purchase	2,511	\$6.2400	\$15,668.64
SEQUENT ENERGY	8/16/2011	Original Purchase	2,511	\$5.8800	\$14,764.68
SEQUENT ENERGY	9/20/2011	Original Purchase	2,511	\$6.0100	\$15,091.11
SEQUENT ENERGY	10/18/2011	Original Purchase	2,511	\$5.6800	\$14,262.48
SEQUENT ENERGY	11/15/2011	Original Purchase	2,511	\$5.3900	\$13,534.29
SEQUENT ENERGY	12/13/2011	Original Purchase	2,511	\$5.1700	\$12,981.87
SEQUENT ENERGY	2/21/2012	Original Purchase	2,511	\$4.7900	\$12,027.69
SEQUENT ENERGY	3/20/2012	Original Purchase	2,511	\$4.7200	\$11,851.92
SEQUENT ENERGY	4/17/2012	Original Purchase	2,511	\$4.5100	\$11,324.61
SEQUENT ENERGY	5/30/2012	Original Purchase	2,511	\$4.5200	\$11,349.72
SEQUENT ENERGY	6/29/2012	Original Purchase	2,511	\$4.5400	\$11,399.94
SEQUENT ENERGY	7/31/2012	Original Purchase	2,511	\$4.7800	\$12,002.58
SEQUENT ENERGY	9/18/2012	Original Purchase	2,511	\$4.6000	\$11,550.60
SEQUENT ENERGY	10/16/2012	Original Purchase	2,511	\$4.7500	\$11,927.25
SEQUENT ENERGY	11/21/2012	Original Purchase	2,511	\$4.7700	\$11,977.47
SEQUENT ENERGY	12/10/2012	Original Purchase	2,511	\$4.6700	\$11,726.37
SEQUENT ENERGY	1/16/2013	Original Purchase	2,511	\$4.6800	\$11,751.48
SEQUENT ENERGY	2/19/2013	Original Purchase	2,511	\$4.6700	\$11,726.37
SEQUENT ENERGY	3/19/2013	Original Purchase	2,511	\$4.8500	\$12,178.35
SEQUENT ENERGY	4/16/2013	Original Purchase	2,511	\$4.8300	\$12,128.13
SEQUENT ENERGY	5/22/2013	Original Purchase	2,511	\$4.9200	\$12,354.12
SEQUENT ENERGY	6/12/2013	Original Purchase	2,511	\$4.6800	\$11,751.48
SEQUENT ENERGY	7/16/2013	Original Purchase	2,511	\$4.6500	\$11,676.15
SEQUENT ENERGY	8/20/2013	Original Purchase	2,511	\$4.4100	\$11,073.51
SEQUENT ENERGY	9/17/2013	Original Purchase	2,511	\$4.4300	\$11,123.73
SEQUENT ENERGY	10/15/2013	Original Purchase	2,511	\$4.4500	\$11,173.95
SEQUENT ENERGY	11/18/2013	Original Purchase	2,511	\$4.0800	\$10,244.88
SEQUENT ENERGY	12/6/2013	Original Purchase	2,511	\$4.4700	\$11,224.17
SEQUENT ENERGY	1/21/2014	Original Purchase	2,511	\$4.6700	\$11,726.37
SEQUENT ENERGY	2/18/2014	Original Purchase	2,511	\$5.1400	\$12,906.54
SEQUENT ENERGY	3/18/2014	Original Purchase	2,511	\$4.9000	\$12,303.90
SEQUENT ENERGY	4/15/2014	Original Purchase	2,511	\$5.0700	\$12,730.77
SEQUENT ENERGY	5/20/2014	Original Purchase	2,511	\$4.9900	\$12,529.89
SEQUENT ENERGY	6/16/2014	Original Purchase	2,511	\$5.2400	\$13,157.64
SEQUENT ENERGY	7/16/2014	Original Purchase	3,100	\$4.5700	\$14,167.00
SEQUENT ENERGY	8/22/2014	Original Purchase	2,511	\$4.4200	\$11,098.62
SEQUENT ENERGY	9/15/2014	Original Purchase	2,511	\$4.5500	\$11,425.05
SEQUENT ENERGY	10/21/2014	Original Purchase	2,511	\$4.2000	\$10,546.20
LAKESHORE ENERGY	11/18/2014	Original Purchase	9,300	\$4.8300	\$44,919.00
			105,307	\$4.8369	\$509,358.52

COST OF GAS PURCHASED

847,753

\$5.43

\$4,600,554.70

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas)					
1. Report below particulars (details) concerning the gas volumes and related dollar amounts of natural gas exchange transactions during the year. Minor			transactions (less than 100,000 Mcf) may be grouped. 2. Also give the particulars (details) call for concerning each natural gas exchange where consideration		
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Exchange Gas Received			Debit (Credit) Account 242 (d)
		Point of Receipt (City, state, etc.) (b)	Mcf (c)		
1	NOT APPLICABLE				
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44					
45	TOTAL				

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
EXCHANGE GAS TRANSACTION (Account 806, Exchange Gas) (Continued)					
was received or paid in performance of gas exchange services. 3. List individually net transactions occurring during the year for each rate schedule.			4. Indicate points of receipt and delivery of gas so that they may be readily identified on a map of the respondent's pipeline system.		
Exchange Gas Delivered			Excess Mcf Received or Delivered (h)	Debit (Credit) Account 806 (i)	Line No.
Point of Delivery (City, state, etc.) (e)	Mcf (f)	Debit (Credit) Account 174 (g)			
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)

5. Furnish any additional explanations needed to further explain the accounting for exchange gas transactions.

6. Report the pressure base of measurement of gas volumes at 14.73 psia at 60°F.

Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Charges Paid or Payable by Respondent		Revenues Received or Receivable by Respondent		FERC Tariff Rate Schedule Identification (n)
		Amount (j)	Account (k)	Amount (l)	Account (m)	
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44						
45	TOTAL					

Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

GAS USED IN UTILITY OPERATIONS--CREDIT (Accounts 810, 811, 812)

1. Report below particulars (details) of credits during the year to Accounts 810, 811 and 812 which offset charges to operating expenses or other accounts for the cost of gas from the respondent's own supply.

2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.

3. If the reported Mcf for any use is an estimated quantity, state such fact in a footnote.

4. If any natural gas was used by the respondent for which a change was not made to the appropriate operating expense or other account, list separately in column (c) the Mcf of gas used, omitting entries in columns (d) and (e).

5. Report pressure base of measurement of gas volumes at 14.73 psia at 60°F.

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas			Manufactured Gas	
			Mcf of Gas Used (c)	Amount of Credit (d)	Amount per Mcf (In Cents) (e)	Mcf of Gas Used (f)	Amount of Credit (g)
1	810 Gas used for Compressor Station Fuel--Cr						
2	811 Gas use for Products Extractions--Cr.						
3	Gas Shrinkage and Other Usage in Respondent's Own Proc.						
4	Gas Shrinkage, Etc. for Resondent's Gas Processed by Others						
5	812 Gas used for Other Util. Oprs--Cr (Rpt sep. for each prin. Use. Group minor uses)						
6	812.1 Gas used in Util. Oprs--Cr (Nonmajor only)						
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25	TOTAL						

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (Account 858)			
1. Report below particulars (details) concerning gas transported or compressed for respondent by others equaling more than 1,000,000 Mcf (Bcf) and amounts of payments for such services during the year.		Minor items (less than 1,000,000 Mcf) must be grouped. 2. In column (a) give name of companies to which payments were made, points of delivery and receipt of gas, names of companies to which gas was delivered and from	
Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk) (a)	Distance Transported (In miles) (b)	
1	NOT APPLICABLE		
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46	TOTAL		

Name of Respondent Presque Isle Electric & Gas Co- op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014	
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (Account 858) (Continued)				
which received. Points of delivery and receipt should be so designated that they can be identified readily on map of respondent's pipeline system.		3. If the Mcf of gas received differs from the Mcf delivered, explain in a footnote the reason for difference, i.e. uncompleted deliveries, allowance for transmission loss, etc.		
Mcf of Gas Delivered (14.73 psia at 60°F) (c)	Mcf of Gas Received (14.73 psia at 60°F) (d)	Amount of Payment (In dollars) (e)	Amount per Mcf of Gas Received (In cents) (f)	Line No.
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
LEASE RENTAL CHARGED			
1. For purposes of this schedule a "lease" is defined as a contract or other agreement by which one party (lessor) conveys an intangible right or land or other tangible property and equipment to another (lessee) for a specified period of one year or more for rent. 2. Report below, for leases with annual charges of \$25,000 or more, but less than \$250,000, the data called for in column a, b (description only), f, g and j. 3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below. 4. The annual charges referred to in Instruction 2 and 3 include the basic lease payment and other payments to or on behalf of the lessor such as taxes, depreciation, assumed interest or dividends on the lessor's securities, cost of replacements** and other expenditures with respect to leased property. The expenses paid by lessee are to be itemized in column (e) below.		5. Leases of construction equipment in connection with construction work in progress are not required to be reported herein. Continuous, master or open-ended leases for EDP or office equipment, automobile fleets and other equipment that is short-lived and replaced under term of the lease or for pole rentals shall report only the data called for in columns a, b (description only), f, g and j, unless the lessee has the option to purchase the property. 6. In column (a) report the name of the Lessor. List lessors which are associated companies* (describing association) first, followed by non-associated lessors. 7. In column (b) for each leasing arrangement, report in order, classified by production plant, storage plant, transmission line, distribution system, or other operating unit or system, followed by any other leasing arrangement not covered under the preceding classifications:	
A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Leases, Primary (P) or Renewal (R) (c)	
NOT APPLICABLE			

** See Gas Plant Instruction 6 & Operating Expense Instruction 3 of the Uniform System of Accounts.

Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

LEASES RENTALS CHARGED (Continued)

Description of the property, whether lease is a sale and leaseback, whether lessee has option to purchase and conditions of purchase, whether lease is cancellable by either party and the cancellation conditions, the tax treatment used, the accounting treatment of the lease payments (levelized charges to expense or other treatment), the basis of any charges apportioned between the lessor and lessee, and the responsibility of the respondent for operation and maintenance expenses and replacement of property. The above information is to be reported with initiation of the lease and thereafter when changed or every five years, whichever occurs first.

8. Report in column (d), as of the date of the current lease term, the original cost of the property leased, estimated if not known, or the fair market of the property if greater than original cost and indicate as shown. If leased property is part of a large unit, such as part of a building, indicate without associating any cost or value with it.

9. Report in column (k) below the estimated remaining annual charges under the current term of the lease. Do not apply a present value to the estimate. Assume that cancellable leases will not be cancelled when estimating the remaining charges.

* See definition on page 226 (B)

A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES

Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES (Continued)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Leases, Primary (P) or Renewal (R) (c)	
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES (Continued)

Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		

B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)

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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
OTHER GAS SUPPLY EXPENSES (Account 813)			
Report other gas supply expenses by descriptive titles which expenses separately. Indicate the functional classification and clearly indicate the nature of such expenses. Show maintenance purpose of property to which any expenses relate.			
Line No.	Description (a)	Amount (In dollars) (b)	
1			
2	LETTER OF CREDIT -- SUPPLIER	11,765	
3			
4	AMORTIZATION OF TAP FEES	1,996	
5			
6	OTHER	11,476	
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50	TOTAL	25,237	

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)				
1	Industry association dues			
2	Experimental and general research expenses			
3	Publishing and distributing information and reports to stockholders; trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent			
4	Other expenses (Items of \$5,000 or more must be listed separately in this column showing the (1) purpose, (2), recipient and (3) amount of such items. Amounts of less than \$5,000 may be grouped by classes if the number of items so grouped is shown)			
5	DIRECTORS FEES & MILEAGE ANNUAL MEETING EXPENSES PATRONAGE EXPENSES COMMUNITY SERVICE MISCELLANEOUS			19,806
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49	TOTAL			54,132

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Account 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)					
1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown. 2. Report all available information called for in Section B for the report year 1971, 1974 and every fifth year thereafter. Report only annual changes in the intervals					
between the report years (1971, 1974 and every fifth year thereafter). Report in column (b) all depreciable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate at the bottom of Section B the					
Section A. Summary of Depreciation, Depletion, and Amortization Charges					
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (c)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (d)	
1	Intangible plant	2,087			
2	Production plant, manufactured gas				
3	Production and gathering plant, natural gas				
4	Products extraction plant				
5	Underground gas storage plant				
6	Other storage plant				
7	Base load LNG terminating and processing plant				
8	Transmission plant				
9	Distribution plant	618,281			
10	General plant	57,902			
11	Common plant-gas				
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24					
25	TOTAL	678,270			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Depreciation Plant Base (Thousands) (b)	Applied Depr. Rate(s) (Percent) (c)
1	Production and Gathering Plant		
2	Offshore		
3	Onshore		
4	Underground Gas Storage Plant		
5	Transmission Plant		
6	Offshore		
7	Onshore		
8	General Plant		
9			
10			

Notes to Depreciation, Depletion and Amortization of Gas Plant

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Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (NONMAJOR)

(Accounts 403.1, 404, 405)

(Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.

2. Report all available information called for in Section B for the report year 1971, 1974 and every fifth year thereafter. Report only annual charges in the intervals between the report years (1971, 1974 and every fifth year thereafter).

Report in column (b) all depreciable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classification other than those pre-printed in column (a). Indicate at the bottom of Section B the manner in which column (b) balances

are obtained. If average balances, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show at the bottom of Section B any revisions made to estimated gas reserves.

3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section B the amounts and nature of the provisions and the plant items to which related.

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation and Depletion Expense (Account 403.1) (b)	Amortization of Limited-Term Gas Plant (Account 404) (c)	Amortization of Other Gas Plant (Account 405) (d)	TOTAL (b+c+d) (e)
1	Intangible plant				
2	Production plant, manufactured gas				
3	Production and gathering plant, natural gas				
4	Products extraction plant				
5	Underground gas storage plant				
6	Other storage plant				
7	Base load LNG terminating and processing plant				
8	Transmission plant				
9	Distribution plant				
10	General plant				
11	Common plant-gas				
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19					
20	TOTAL	\$	\$	\$	\$

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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INCOME FROM UTILITY PLANT LEASED TO OTHERS (Account 412 and 413)

- | | |
|---|---|
| <p>1. Report below the following information with respect to utility property leased to others constituting an operating unit or system.</p> <p>2. For each lease show: (1) name of lessee and description and location of the leased property; (2) revenues; (3) operating expenses classified as to operation, maintenance, depreciation, rents, amortization; and (4) net income from lease for year. Arrange amounts so that deductions appear as a</p> | <p>subtraction from revenues, and income as the remainder.</p> <p>3. Provide a subheading and total for each utility department in addition to a total for all utility departments.</p> <p>4. Furnish particulars (details) of the method of determining the annual rental for the property.</p> <p>5. Designate with an asterisk associated companies.</p> |
|---|---|

1	NOT APPLICABLE
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) *Miscellaneous Amortization* (Account 425) -- Describe the nature of items included in the account, the contra account charged, the total of amortizations charges for the year, and the period of amortization.

(b) *Miscellaneous Income Deductions* -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, *Donations*; 426.2, *Life Insurance*; 426.3, *Penalties*; 426.4, *Expenditures for Certain Civic, Political and Related Activities*; and 426.5, *Other*

Deductions, of the Uniform System of Accounts. Amounts of less than \$10,000 may be grouped by classes within the above accounts.

(c) *Interest on Debt to Associated Companies* (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) *Other Interest Expense* (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1		
2	(a) MISCELLANEOUS AMORTIZATION	
3		
4	AMORTIZATION OF FRANCHISE COSTS	2,087
5		
6	(d) OTHER INTEREST EXPENSE	
7		
8	CFC LINE OF CREDIT INTEREST	15,891
9	INTEREST ON SECURITY DEPOSITS	5,419
10		
11	TOTAL	21,310
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS

1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.

2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416) -- Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.

3. Nonutility Operations (Accounts 417 and 417.1) -- Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the operation. Give the basis of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.

4. Nonoperating Rental Income (Account 418) -- For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective

date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.

5. Equity in earnings of subsidiary companies (Account 418.1) -- Report the utility's equity in the earnings or losses of each subsidiary company for the year.

6. Interest and Dividend Income (Account 419) -- Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses included in Account 419 as required by the Uniform System of Accounts.

7. Miscellaneous Nonoperation Income (Account 421) -- Give the nature and source of each miscellaneous nonoperating income, and expense and the amount for the year. Minor items may be grouped by classes.

Line No.	Item (a)	Amount (b)
1		
2	INTEREST INCOME -- VARIOUS ACCOUNTS	3,409
3		
4		
5		
6		
7	REVENUE FROM MERCHANDISING	4,336
8		
9	EXPENSE OF MERCHANDISING	(3,031)
10		
11	MISCELLANEOUS NON-OPERATING INCOME	1,603
12		
13	GAIN(LOSS) ON DISPOSITION OF CAPITAL ASSETS	5,649
14		
15	TOTAL INCOME(LOSS) FROM EQUITY INVESTMENTS	8,557
16		
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAIN OR LOSS ON DISPOSITION OF PROERTY (Account 421.1 and 421.2)					
1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type: Leased, Held for Future Use, or Nonutility. 2. Individual gains for losses relating to property with an original cost of less than \$100,000 may be grouped		with the number of such transactions disclosed in column (a). 3. Give the date of Commission approval of journal entries in columns (b), when approval is required. Where approval is required but has not been received, give explanation following item in column (a). (See account 102, Utility Plant Purchased or Sold.)			
Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	Gain on disposition of property:				
2					
3	NONE				
4					
5					
6					
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17	Total Gain				

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAIN OR LOSS ON DISPOSITION OF PROERTY (Account 421.1 and 421.2) (continued)					
Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
18	Loss on disposing				
19					
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23					
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32					
33					
34	Total Loss				

Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES
(Account 426.4)

1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation or ordinances (either with respect to the possible adoption of new referenda. Legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities, Account 426.4.

2. Advertising expenditures in this Account shall be classified according to subheadings, as follows:
(a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customer's bills; (d) inserts in

reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.

3. Expenditures within the definition of paragraph (1), other than advertising shall be reported according to captions or descriptions clearly indicating the nature and purpose of the activity.

4. If respondent has not incurred any expenditures contemplated by the instructions of Account 426.4, so state.

5. For reporting years which begin during the calendar year 1963 only, minor amounts may be grouped by classes if the number of items so grouped is shown.

NOTE: The classification of expenses as nonoperating and their inclusion in this amount is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

Line No.	Item (a)	Amount (b)
1	NONE	
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
REGULATORY COMMISSION EXPENSES					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which			such a body was a party. 2. In columns (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.		
Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case). (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e)
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46	TOTAL				

Name of Respondent Presque Isle Electric & Gas Co-op			This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014	
REGULATORY COMMISSION EXPENSES (Continued)							
3. Show in column (k) any expenses incurred in prior years which are amortized. List in column (a) the period of amortization.				for Account 186.			
4. The totals of columns (e), (i), (k), and (l) must agree with the totals shown at the bottom of page 233				5. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.			
				6. Minor items (less than \$25,000 may be grouped.			
EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR		Deferred in Account 186, End of Year (l)	Line No.
CHARGED CURRENTLY TO			Deferred to Account 186 (i)	Contra Account (j)	Amount (k)		
Department (f)	Account No. (g)	Amount (h)					
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES			
1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) projects initiated, continued, or concluded during the year. Report also support given to others during the year for jointly-supported projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts). 2. Indicate in column (a) the applicable classification, as shown below. Classifications: A. Gas R, D & D Performed Internally (1) Pipeline a. Design b. Efficiency		(2) Compressor Station a. Design b. Efficiency (3) System Planning, Engineering, and Operation (4) Transmission Control and Dispatching (5) LNG Storage and Transportation (6) Underground Storage (7) Other Storage (8) New Appliances and New Uses (9) Gas Exploration, Drilling, Production, and Recovery (10) Coal Gasification (11) Synthetic Gas (12) Environmental Research (13) Other (<i>Classify and Include Items in Excess of \$5,000.</i>) (14) Total Cost Incurred	
Line No.	Classification (a)	Description (b)	
1	NONE		
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014		
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)					
B. Gas, R, D & D Performed Externally (1) Research Support to American Gas Association (2) Research Support to Others (<i>Classify</i>) (3) Total Cost Incurred 3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A.(13) and B.(2) classify items by type of R, D&D activity.			4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107 (Construction Work in Progress) first. Show in column (f) the amounts related to the account charged in column (e). 5. Show in column (g) the total unamortized accumulation of costs of projects. This total must equal the balance in Account 188 <i>Research, Development, and Demonstration Expenditures</i> outstanding at the end of the year. 6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d) and (f) with such amounts identified by "Est." 7. Report separately research and related testing facilities operated by the respondent.		
Costs Incurred Internally Current Year (c)	Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
DISTRIBUTION OF SALARIES AND WAGES				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to <i>Utility Departments, Construction, Plant Removals, and Other Accounts</i> , and enter such amounts		in the appropriate lines and columns provided. In determining the segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production			
4	Transmission			
5	Distribution	220,970		
6	Customer Accounts	518,758		
7	Customer Service and Informational	13,884		
8	Sales			
9	Administration and General	478,945		
10	TOTAL Operation (<i>Total of lines 3 thru 9</i>)	1,232,557		
11	Maintenance			
12	Production			
13	Transmission			
14	Distribution	888,726		
15	Administration and General			
16	TOTAL Maint. (<i>Total of lines 12 thru 14</i>)	888,726		
17	Total Operation and Maintenance			
18	Production (<i>Total lines 3 and 12</i>)	0		
19	Transmission (<i>Total of lines 4 and 13</i>)	0		
20	Distribution (<i>Total of lines 5 and 14</i>)	1,109,696		
21	Customer Accounts (<i>Line 6</i>)	518,758		
22	Customer Service and Informational (<i>Line 7</i>)	13,884		
23	Sales (<i>Line 8</i>)	0		
24	Administration and General (<i>Total of lines 9 and 15</i>)	478,945		
25	TOTAL Oper. And Maint. (<i>Total of lines 18 thru 24</i>)	2,121,283		2,121,283
26	Gas			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (including Expl. And Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminating and Processing			
32	Transmission			
33	Distribution	171,545		
34	Customer Accounts	148,273		
35	Customer Service and Informational	3,478		
36	Sales	0		
37	Administration and General	116,900		
38	TOTAL Operation (<i>Total of lines 28 thru 37</i>)	440,196		
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminating and Processing			
44	Transmission			
45	Distribution	101,289		
46	Administrative and General			
47	TOTAL Maint. (<i>Total of lines 40 thru 46</i>)	101,289		

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	Gas (Continued)			
48	Total Operation and Maintenance			
49	Production--Manufactured Gas (Lines 28 and 40)			
50	Production--Natural Gas (Including Expl. And Dev.)			
51	Other Gas Supply (Lines 30 and 42)			
52	Storage, LNG Terminating and Processing			
53	Transmission (Lines 32 and 44)			
54	Distribution (Lines 33 and 45)	272,834		
55	Customer Accounts (Line 34)	148,273		
56	Customer Service and Informational (Line 35)	3,478		
57	Sales (Line 36)	0		
58	Administrative and General (Lines 37 and 46)	116,900		
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	541,485		541,485
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	2,662,768		2,662,768
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	821,200		821,200
66	Gas Plant	252,811		252,811
67	Other	0		0
68	TOTAL Construction (Total of lines 65 thru 67)	1,074,011		1,074,011
69	Plant Removal (By Utility Departments)			
70	Electric Plant	133,887		133,887
71	Gas Plant	0		0
72	Other	0		0
73	TOTAL Plant Removal (Total of lines 70 thru 72)	133,887		133,887
74	Other Accounts (Specify)			
75				
76	MISCELLANEOUS	818,427		818,427
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88				
89				
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94				
95	TOTAL Other Accounts	818,427		818,427
96	TOTAL SALARIES AND WAGES	4,689,093		4,689,093

Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

COMMON UTILITY PLANT AND EXPENSES

1. Furnish a schedule describing the property carried in the utility's accounts as common utility plant and showing the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 14, Common Utility Plant, of the Uniform System of Accounts. Such schedule also shall show the allocation of such plant costs to the respective departments using the common utility plant, explain the basis of allocation used, and give the allocation factors.	such accumulated provisions relate including explanation of basis of allocation and factors used.
2. Furnish a schedule of the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provision, and amounts allocated to utility departments using the common utility plant to which	3. Furnish a schedule showing for the year the expenses of operation, maintenance, rents, depreciation and amortization of common utility plant classified by accounts as provided by the Uniform System of Accounts. Such schedule also shall show the allocation of such expenses to the departments using the common utility plant to which such expenses are related, explain the basis of allocation used, and give the factors of allocation.
	4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

Line No.	
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3	NOT APPLICABLE
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization or any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$50,000, including payments for legislative services, except those which should be reported in Account 426.4, Expenditures for Certain civic, Political and Related Activities.)

(a) Name and address of person or organization rendering services.
(b) description of services received during year and project or case to which services relate,
(c) basis of charges,
(d) total charges for the year, detailing utility department and account charged.

2. For any services which are of a continuing nature, give the date and term or contract and date of Commission authorization, if contract received Commission approval.

3. Designate with an asterisk associated companies.

Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
1					
2					
3	DYKEMA GOSSETT PLLC	LEGAL (ELECTRIC)		923.00	\$13,485
4	400 RENAISSANCE CE	LEGAL (GAS)		923.00.50	\$16,935
5	DETROIT, MI 48243	FRANCHISES & CONSENTS(GAS)		302.00	\$40,791
6					
7					
8					
9	POWER SYSTEM ENGINEERING	RATES (ELECTRIC)		923.00	\$42,041
10	1532 W. BROADWAY, SUITE 100	RATES (GAS)		923.00.50	\$10,589
11	MADISON, WI 53713				
12					
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.). 4. In column (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
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TOTAL					

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the classified to non-operating income and the account(s) in which reported. 6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported. 7. In column (j) report the total. 8. In column (k) indicate the pricing method (cost, per contract terms, etc).						
Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.). 4. In column (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
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TOTAL					

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)

5. In columns (f) and (g) report the classified to non-operating income and the account(s) in which reported.

6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.

7. In column (j) report the total.

8. In column (k) indicate the pricing method (cost, per contract terms, etc).

Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
						1
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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NATURAL GAS RESERVES AND LAND ACREAGE

1. Report below particulars (details) concerning the remaining recoverable saleable gas reserves and natural gas land acreage at end of year. Designate gas reserves on acreage acquired before October 8, 1969, and reserves on acreage acquired after October 7, 1969.

2. Classify the gas reserves and related land and land rights and costs under the sub-headings: (a) Producing Gas Lands, and (B) Non-producing Gas Lands. Provide a total for each classification.

3. For producing gas lands, report the required information alphabetically by State, County, or offshore area, and field.

If the field name is not assigned, report as "unnamed." Identify offshore fields according to their location in State or Federal domains by using the letter "S" for State domain, and "F" for Federal domain in column (a). For column (b), enter the zone number if applicable. The land, leasehold, and gas rights costs so reported should agree with the amounts carried under Account 101, *Gas Plant in Service*, as a reported for Accounts 325.1, 325.2, and 325.3 on pages 204-205. In column (e) show for each field the year and remaining recoverable saleable gas reserves available to respondent from owned lands, leaseholds, and gas rights.

Line No.	OFFSHORE AREA		Name of Field or Block (c)	Name of State/ County/Offshore Area (d)	Recoverable Gas Reserves (Thousand Mcf) (e)	OWNED LANDS
	Domain (a)	Zone (b)				Acres (f)
1			A. PRODUCING GAS LANDS			
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40	TOTAL					

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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NATURAL GAS RESERVES AND LAND ACREAGE (Continued)

4. For non-producing gas lands, report the required information alphabetically by State, County, or offshore area by blocks. Report offshore lands in the same manner as producing gas lands. The land, leasehold, and gas rights costs reported should agree with the amounts carried under Accounts 105, *Gas Plant Held for Future Use*, and 105.1 *Production Properties Held for Future Use*, and reported in total on pages 214 and 215. Do not report estimates of gas reserves (column (e)) for unproven fields; however, if the company made estimates for such lands and normally includes such estimates in stating its reserve position in connecting with proposed financing and for managerial and other purposes, include such estimates on this page.

5. Report the cost of lands, leaseholds, and gas rights in accordance with the provisions of the Uniform System of Accounts for Natural Gas Companies.

6. For column (j) and (k), do not duplicate acreages reported for owned lands and leaseholds. Designate with an asterisk royalty interests separately owned.

7. Indicate by footnote whether acres reported are gross acres or net acres based on proportion of ownership in jointly owned tracts.

8. Do not include oil mineral interests in the cost of acreage reported.

9. Report volumes on a pressure base of 14.73 psia at 60°F.

OWNED LANDS (Cont.)	LEASEHOLDS		OWNED GAS RIGHTS		TOTAL		Line No.
Cost (g)	Acre (h)	Cost (i)	Acre (j)	Cost (k)	Acre (l)	Cost (m)	
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						TOTAL	40

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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CHANGES IN ESTIMATED HYDROCARBON RESERVES AND COSTS, AND NET REALIZED VALUE

1. Report changes during the year in recoverable saleable reserves of the respondent located on acreage acquired after October 7, 1969. Have the reported reserves attested to every three years by an Independent appraiser. File the attestation with the Commission along with this report. If the reserves, at the time the reserve determination is made, significantly differ from those reported on this page, file a reconciliation and explanation of such differences along with the attestation.

2. For any important changes in the estimated reserves due to purchases, sales, or exchanges of lands, leaseholds, or rights, furnish on page 505 a brief explanation of the transactions and

reserves involved. Also, explain the criteria used to estimate the net realizable value of reserves.

3. For column (d), report the reserves and changes associated with lands, leaseholds, and rights included in Account 105.1 *Production Properties Held for Future Use*. (See *Gas Plant Accounts Instruction 7G of the U.S. of A.*)

4. Report pressure base of gas volumes at 14.73 psia at 60°F.

5. For line 16 base the net realizable value of hydrocarbon reserves on the current selling price of the hydrocarbon reserves less estimated costs of extraction, completion, and disposal.

Line No.	Items (a)	Total Reserves Gas (Thousands Mcf) (b)	Lands, Leaseholds and Rights		Total Reserves Oil and Liquids (Barrels) (e)	Investment (Net Book Value) (f)
			In Service Gas (Thousands Mcf) (c)	Held for Future Use Gas (Thousands Mcf) (d)		
1	Estimated Recoverable Reserves at Beginning of Year					
2	ADDITIONS					
3	Purchases and Exchanges of Lands Leaseholds, and Rights					
4	Transfers from Reserves Held for Future Use					
5	Upward Revision of Basic Reserve Estimates (<i>Explain in a footnote</i>)					
6	Other Increases (<i>Explain in a footnote</i>)					
7	TOTAL Additions (<i>Lines 3 thru 6</i>)					
8	DEDUCTIONS					
9	Production During Year					
10	Sales and Exchanges of Lands, Leaseholds, and Rights					
11	Transfers of Reserves Held for Future Use to Reserves in Service					
12	Downward Revision of Estimates of Recoverable Reserves (<i>Explain in a footnote</i>)					
13	Other Decreases (<i>Explain in a footnote</i>)					
14	TOTAL Deductions (<i>Lines 9 thru 13</i>)					
15	Estimates Recoverable Reserves at End of Year (<i>Enter Total of lines 1, 7, and 14</i>)					

16 Net Realizable Value at End of Reporting Year (*Explain on page 505*) : \$

NOTES

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
HYDROCARBON RESERVES AND COSTS, AND NET REALIZABLE VALUE (Continued)			
Explain below items for which explanations are required on page 504, Changes in Estimated Hydrocarbon Reserves and Costs, and Net Realizable Value. For line 16 on page 504, explain the criteria used to estimate such value and provide an explanation of any significant revision in the value of the reserves, other than from addition of new reserves.			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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COMPRESSOR STATIONS

1. Report below particulars (details) concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.	2. For column (a), indicate the production areas where such stations are used. Relatively small field compressor stations may be grouped by production areas. Show the number of stations grouped. Designate any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of the respondent's title, and percent of ownership,
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Line No.	Name of Station and Location (a)	Number of Employees (b)	Plant Cost (c)
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	(Mo, Da, Yr) 4/30/2015	12/31/2014

COMPRESSOR STATIONS (Continued)

If jointly owned. Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book costs are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote the size of each such unit, and the date each such unit was placed in operation.

3. For column (d) include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.

Expenses (Except depreciation and taxes)		Gas for Compressor Fuel Mcf (14.73 psia at 60°F)	Operation Date			Line No.
Fuel or Power (d)	Other (e)		Total Compressor Hours of Operation During Year (g)	No. of Compressors Operated at Time of Station Peak (h)	Date of Station Peak (f)	
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Presque Isle Electric & Gas Co-op	(1) ☒ An Original (2) ☐ A Resubmission	4/30/2015	12/31/2014

GAS AND OIL WELLS

1. Report below the particulars (details) concerning gas and oil wells of the respondent which are either producing or capable of production. (gas wells, oil wells, combination wells). Designate any wells not operated during the past year, and in a footnote state whether the book cost of such wells, or any portion thereof, has been retired in the books of account, or what disposition of the wells and their book cost is contemplated.

2. Report the required information alphabetically by states. List wells located offshore separately.

3. For column (a), under separate headings, list gas wells first, oil wells second, and combination wells third. Combination wells are wells producing or capable of production from one or more oil reservoirs and also from one or more gas reservoirs. Enter totals for each of the headings

4. In column (f), report well reclassified during the year as oil wells, gas wells, or combination wells. Show additions in black and deductions enclosed in parentheses. The total additions equal the total deductions.

Line No.	Location of Wells (a)	Number of Wells Beginning of Year (b)	ADDITIONS DURING YEAR			Wells Reclassified (f)	REDUCTIONS DURING YEAR			Number of Wells at End of Year (j)
			Successful Wells Drilled (c)	Wells Purchased (d)	Total (c + d) (e)		Wells Abandoned (g)	Wells Sold (h)	Total (g + h) (i)	
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS STORAGE PROJECTS			
1. Report particulars (details) for total gas storage projects. 2. Total storage plant (column b) should agree with amounts reported by the respondent in Acct's 350.1 to 364.8 inclusive (pages 206-207).		3. Give particulars (details) of any gas stored for the benefit of another company under a gas exchange arrangement or on basis of purchase and resale to other company. Designate with an asterisk if other company is an associated company.	
Line No.	Item (a)	Total Amount (b)	
1	Natural Gas Storage Plant		
2	Land and Land Rights		
3	Structures and Improvements		
4	Storage Wells and Holders		
5	Storage Lines		
6	Other Storage Equipment		
7	TOTAL (Enter Total of Lines 2 Thru 6)		
8	Storage Expenses		
9	Operation		
10	Maintenance		
11	Rents		
12	TOTAL (Enter Total of Lines 9 Thru 11)		
13	Storage Operations (In Mcf)		
14	Gas Delivered to Storage		
15	January		
16	February		
17	March		
18	April		
19	May		
20	June		
21	July		
22	August		
23	September		
24	October		
25	November		
26	December		
27	TOTAL (Enter Total of Lines 15 Thru 26)		
28	Gas Withdrawn from Storage		
29	January		
30	February		
31	March		
32	April		
33	May		
34	June		
35	July		
36	August		
37	September		
38	October		
39	November		
40	December		
41	TOTAL (Enter Total of Lines 29 Thru 40)		

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
GAS STORAGE PROJECTS (Continued)				
Line No.	Item (a)	Total Amount (b)		
	Storage Operations <i>(In Mcf)</i>			
42	Top or Working Gas End of Year			
43	Cushion Gas (Including Native Gas)			
44	Total Gas in Reservoir <i>(Enter Total of Line 42 and Line 43)</i>			
45	Certified Storage Capacity			
46	Number of Injection -- Withdrawl Wells			
47	Number of Observation Wells			
48	Maximum Day's Withdrawl from Storage			
49	Date of Maximum Day's Withdrawl			
50	LNG Terminal Companies (In Mcf)			
51	Number of Tanks			
52	Capacity of Tanks			
53	LNG Volumes			
54	a) Received at "Ship Rail"			
55	b) Transferred to Tanks			
56	c) Withdrawn from Tanks			
57	d) "Boil Off" Vaporization Loss			
58	e) Converted to Mcf at Tailgate of Terminal			

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
DISTRIBUTION AND TRANSMISSION LINES			
1. Report below by States the total miles of pipe lines operated by respondent at end of year. 2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.		3. Report separately any line that was not operated during the past year. Enter in a footnote the particulars (details) and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the lines and its book costs are contemplated. 4. Report the number of miles of pipe to one decimal point.	
Line No.	Designation (Identification) of Line or Group of Lines (a)	Total Miles of Pipe (to 0.1) (b)	
1	DISTRIBUTION MAINS	635.9	
2			
3			
4			
5			
6			
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12			
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15			
16			
17			
18			
19			
20	TOTAL		

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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015		Year of Report 12/31/2014	
LIQUEFIED PETROLEUM GAS OPERATIONS							
1. Report the information called for below concerning plants which produce gas from liquefied petroleum gas (LPG). 2. For column (a), give city and State or such other designation necessary to locate plant on a map of the respondent's system. 3. For column (b) and (c), the plant cost and operation and				maintenance expenses of any liquefied petroleum gas installation which is only adjunct of a manufactured gas plant, may include or exclude (as appropriate) the plant cost and expenses of any plant used jointly with the manufactured gas facilities on the basis of predominant use, indicate in a footnote how the plant cost and expenses for the liquefied petroleum plant described above are reported.			
Line No.	Location of Plant and Year Installed (City, state, etc). (a)	Cost of Plant (Land struct. equip.) (b)	Expenses				
			Oper. Maintenance, Rents etc. (c)	Cost of LPG Used (d)			
1	NOT APPLICABLE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
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39							
40	TOTAL						

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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LIQUEFIED PETROLEUM GAS OPERATIONS (Continued)

Designate any plant held under a title other than full ownership and in a footnote state name of owner or co-owner, nature of respondent's title, and percent ownership if jointly owned.

4. For column (g) report the Mcf that is mixed with natural gas or which is substituted for deliveries normally made from natural gas. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas or mixture of natural gas and gasified LPG.

5. If any plant was not operated during the past year, give particulars (details) in a footnote, and state whether the book cost of such plant, or any portion thereof, has been retired in the books of account, or what disposition of the plant and its book cost is contemplated.

6. Report pressure base of gas at 14.73 psia at 60 °F. Indicate the Btu content in a footnote.

Gallons of LPG Used (e)	Gas Produced		LPG Storage Cap. Gallons (h)	Function of Plant (Base load, peaking, etc.) (f)	Line No.
	Amount of Mcf (f)	Amount of Mcf Mixed with Natural Gas (g)			
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
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Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
DISTRIBUTION SYSTEM PEAK DELIVERIES					
1. Report below the total distribution system deliveries of gas, excluding deliveries to storage, for the periods of system peak deliveries indicated below during the calendar year.			2. Report Mcf on press base of 14.73 psia at 60°F.		
Line No.	Item (a)	Day/Month (b)	Amount of Mcf (c)	Curtailments on Day/Month Indicated (d)	
	Section A. Three Highest Days of System Peak Deliveries				
1	Date of Highest Day's Deliveries	2/27/2014			
2	Deliveries to Customers Subject to MPSC Rate Schedules				
3	Deliveries to Others		6,458		
4	TOTAL		6,458		
5	Date of Second Highest Day's Deliveries	1/21/2014			
6	Deliveries to Customers Subject to MPSC Rate Schedules				
7	Deliveries to Others		6,002		
8	TOTAL		6,002		
9	Date of Third Highest Day's Deliveries	1/27/2014			
10	Deliveries to Customer Subject to MPSC Rate Schedules				
11	Deliveries to Others		5,918		
12	TOTAL		5,918		
	Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)				
13	Dates of Three Consecutive Days Highest System Peak Deliveries	1/21/2014			
		1/22/2014			
		1/23/2014			
14	Deliveries to Customer Subject to MPSC Rate Schedules				
15	Deliveries to Others		17,120		
16	TOTAL		17,120		
17	Supplies from Line Pack				
18	Supplies from Underground Storage				
19	Supplies from Other Peaking Facilities				
	Section C. Highest Month's System Deliveries				
20	Month of Highest Month's System Deliveries	JANUARY, 2014			
21	Deliveries to Customer Subject to MPSC Rate Schedules				
22	Deliveries to Others		141,010		
23	TOTAL		141,010		

Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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AUXILIARY PEAKING FACILITY

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.

2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is

submitted. For other facilities, report the rated maximum daily delivery capacities.

3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general Instruction 12 of the Uniform System of Accounts.

	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility, Mcf at 14.73 psia at 60° (c)	Cost of Facility (In dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?	
					Yes (e)	No (f)
1	NOT APPLICABLE					
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Name of Respondent Presque Isle Electric & Gas Co-op	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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SYSTEM MAPS

1. Furnish 5 copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.
 - (a) Transmission lines--colored in red, if they are not otherwise clearly indicated.
 - (b) Principal pipeline arteries of gathering systems.
 - (c) Sizes of pipe in principal pipelines shown on map.
 - (d) Normal directions of gas flow--indicated by arrows.
 - (e) Location of natural gas fields or pools in which the respondent produces or purchases natural gas.
 - (f) Locations of compressor stations, product extraction plants, stabilization plants, important purification plants, underground storage areas, recycling areas, etc.
 - (g) Important main line interconnections with other natural gas is received or delivered and name of connecting company.
 - (h) Principal communities in which respondent renders local distribution service.
2. Indicate the following information on the maps:
 3. In addition, show on each map: graphic scale to which map is drawn; date as of which the map represents the facts it purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, and giving name of such other company.
 4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to size not larger than this report. Bind the maps to the report.

THERE HAVE BEEN NO SIGNIFICANT CHANGES SINCE THE LAST MAPS WERE SUBMITTED.

SYSTEM MAPS WERE LAST SUBMITTED FOR THE 2007 OPERATING YEAR.

Name of Respondent Presque Isle Electric & Gas Co-op		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 4/30/2015	Year of Report 12/31/2014
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