



PROJECTION as of May 1, 2015

The St. Lawrence Gas Company

Pension Plan for Employees of The St. Lawrence Gas Company

**Disclosure for Financial Statements - ASC Topic 715
(formerly FAS Statements No. 87, 132r, and 158)
for the Fiscal Year
January 1, 2016 to December 31, 2016**

Prepared by Panrong Xiao, EA, MAAA
Under the Direction of The St. Lawrence Gas Company
May 1, 2015

**Pension Plan for Employees of
St Lawrence Gas Company
Disclosures**

This report may contain information that is considered a covered opinion under Part 10, Title 31 of the Code of Federal Regulations. Nothing in this report is intended or may be relied on for purposes of avoiding penalties under the Internal Revenue Code of 1986 as amended.

This report or any part thereof may not be used to promote or recommend any Federal tax transaction or arrangement or be shared, without our written consent, with any party other than the party to which it is addressed, its advisors and those other parties required by law. Specific tax advice based on your particular circumstances should be obtained from an independent tax advisor before taking any action on any Federal tax matter discussed in this report.

All of the calculations that develop the information provided herewith have been done in accordance with ASC Topic 715 (previously SFAS Nos. 87 and 132r (as revised effective December 15, 2006 by SFAS 158)). Information relating to plan provisions, participant counts by status and other relevant information is provided in the actuarial valuation for ERISA funding requirements.

Revenues ACO/DCS receives for services provided to Pension Plan for Employees of and The St. Lawrence Gas Company constitute less than 2% of the firm's total revenues and are not of a size to compromise the independence of ACO/DCS. Neither ACO/DCS, nor any of its shareholders acts as an officer, director or employee of The St. Lawrence Gas Company.

ACO/DCS is a mid-sized consulting firm wholly-owned by full time employees who are pension plan consultants providing services in actuarial valuations, plan design, compliance, financial disclosure and plan operation.

No information regarding any significant event has come to the attention of ACO/DCS.

I, Panrong Xiao, am an Actuary for ACO/DCS. I am a member of the American Academy of Actuaries, an Enrolled Actuary under the Employee Retirement Income Security Act (ERISA). I have more than 13 years of actuarial experience with FAS calculations. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,



Panrong Xiao, EA, MAAA
Actuary



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

**Amount recognized on balance sheet
for the fiscal year shown below**

Under FAS 158, an asset or a liability derived from the retirement plan must be recognized in the sponsoring corporation's financial statement. Shown below is the amount to be recognized for the current fiscal year, along with a reconciliation with the prior year's recognized amount.

	Fiscal Year Ending:	12/31/2016	12/31/2015
<u>Current year amount to be recognized under FAS 158</u>			
1. Plan Assets as of the fiscal year end		\$ 6,363,601	\$ 5,983,051
2. Projected Benefit Obligation as of the fiscal year end		<u>15,664,798</u>	<u>15,186,449</u>
3. Asset or (liability) reflected in corporate financial statement (1 - 2)		\$ (9,301,197)	\$ (9,203,398)
<u>Reconciliation of change in amount recognized</u>			
4. Actuarial (gain)/loss		-	-
5. Portion coming from the Net Periodic Pension Cost			
a. Service cost with interest to the end of the year		586,451	551,222
b. Interest cost		<u>591,898</u>	<u>572,957</u>
		\$ 1,178,349	\$ 1,124,179
6. Portion coming from plan cash flows			
a. Earnings on assets		287,550	271,850
b. Employer contributions		800,000	600,000
c. Plan expenses paid from assets		<u>(7,000)</u>	<u>(6,000)</u>
		\$ (1,080,550)	\$ (865,850)
7. Increase (decrease) due to change in interest rate or other assumptions		-	-
8. Increase (decrease) due to change in plan		-	-
9. Increase (decrease) from other sources		-	-
10. Increase/(decrease) in amount recognized from prior year end		\$ 97,799	\$ 258,329



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

**AOCI (Accumulated Other Comprehensive Income) Account entries
for the fiscal year shown below**

FAS 158 requires that the charge against Shareholder Equity at the end of each fiscal year shall equal the Unrecognized Expense as of the end of the fiscal year. This has the effect of making the sum of the Accrued (Prepaid) Expense and the balance in the AOCI equal to the funded status of the plan, whether it be an Unfunded PBO or an asset if plan assets are greater than the PBO. The Unrecognized Expense that is the year end charge against Shareholder Equity is calculated in "WS-3 after FAS 158" on page 3 in the worksheet section.

Calculation of Accumulated Other Comprehensive Income Account

	Fiscal Year Ending:	12/31/2016	12/31/2015
1. Asset or (liability) reflected in corporate financial statement		\$ (9,301,197)	\$ (9,203,398)
2. (Accrued)/prepaid pension cost		(5,554,472)	(4,832,737)
3. Calculation of Accumulated Other Comprehensive Income Account		(3,746,725)	(4,370,661)

Reconciliation of Balance in Accumulated Other Comprehensive Income Account

4. Unrecognized net actuarial gain (loss)		(3,746,725)	(4,370,661)
5. Unrecognized prior service (cost) income		-	-
6. Unrecognized transition (obligation) asset		-	-
7. Accumulated Other Comprehensive Income Account		\$ (3,746,725)	\$ (4,370,661)



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

**Disclosure of Net Periodic Pension Cost and Pension Expense
for the fiscal year shown below**

Net Periodic Pension Cost

		Fiscal Year Ending:	12/31/2016	12/31/2015	
1.	Service Cost	\$	586,451	\$	551,222
2.	Interest Cost		591,898		572,957
3.	Actual Investment Return on Assets		280,550		265,850
4.	Amortization and Deferral				
	Transition Amount Amortization		-		-
	Prior Service Cost Amortization		-		-
	Experience (Gain)/Loss Amortization		623,936		640,105
	Deferred Actuarial Investment Gain/(Loss)	\$	-	\$	-
	Total	\$	<u>623,936</u>	\$	<u>640,105</u>
5.	Net Periodic Pension Cost	\$	1,521,735	\$	1,498,434

(Accrued) or Prepaid Pension Expense

		Fiscal Year Ending:	12/31/2016	12/31/2015	
6.	(Accrued) Pension Expense Liability at beginning of fiscal year	\$	(4,832,737)	\$	(3,934,303)
7.	Net Periodic Pension Cost for fiscal year		1,521,735		1,498,434
8.	Contributions made during fiscal year		<u>800,000</u>		<u>600,000</u>
9.	(Accrued) Pension Expense Liability at end of fiscal year (6 - 7 + 8)	\$	(5,554,472)	\$	(4,832,737)



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

**Reconciliation of Funded Status
for the fiscal year shown below**

	Fiscal Year Ending:	12/31/2016	12/31/2015
1. Plan Assets as of the fiscal year end		\$ 6,363,601	\$ 5,983,051
2. Projected Benefit Obligation at fiscal year end	<u>Interest =</u> <u>3.99%</u>		<u>Interest = 3.99%</u>
a) Vested Benefit Obligation	\$ 11,266,396		\$ 11,052,186
b) Non-Vested Benefit Obligation	626,896		333,206
c) Accumulated Benefit Obligation (a + b)	11,893,292		11,385,392
d) Due to Expected Salary Increases	3,771,506		3,801,057
e) Due to Plan Amendments and / or Assumption changes	<u>\$ -</u>		
f) Projected Benefit Obligation (c + d + e)		<u>\$ 15,664,798</u>	<u>\$ 15,186,449</u>
3. Funded Status as of fiscal year end		(9,301,197)	(9,196,908)
4. Unrecognized Transition Amount		-	-
5. Unrecognized Prior Service Cost		-	-
6. Unrecognized Net (Gain)/Loss		<u>\$ 3,746,725</u>	<u>\$ 4,364,171</u>
7. (Accrued)/Prepaid Pension Cost (3 + 4 + 5 + 6)		\$ (5,554,472)	\$ (4,832,737)



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

**Amortization of Gain or (Loss)
for the fiscal year shown below**

The actuarial gain or (loss) is calculated on the first day of the plan year to determine the amortization amount to be included in the Net Periodic Pension Cost. This calculation is shown below. The actuarial gains and losses are separately calculated a second time at the end of the plan year in order to determine the unrecognized gain or loss to be included in the Accumulated Other Comprehensive Income Account at year end.

	Fiscal Year Ending:	12/31/2016	12/31/2015
1. Projected Benefit Obligation at fiscal year beginning		\$ 15,186,449	\$ 14,662,270
2. Fair Value of Assets on Valuation Date at fiscal year beginning		5,983,051	5,717,201
3. Unrecognized Transition Obligation at fiscal year beginning		-	-
4. Unrecognized Prior Service Cost at fiscal year beginning		-	-
5. (Accrued)/Prepaid Pension Expense at fiscal year beginning		<u>(4,832,737)</u>	<u>(3,934,303)</u>
6. Beginning of year (gain) or loss = (1) - (2) - (3) - (4) + (5)		4,370,661	5,010,766
7. End of year (gain) or loss from Schedule C		3,746,725	4,370,661

<u>Year Ending</u>	<u>Balance at Beginning of Current Year</u>	<u>Statutory 10 year Straight Line Amortization</u>	<u>Balance at End of Current Year</u>
9/30/2006	\$ (37,061)	\$ (37,061)	\$ -
12/31/2007	(45,334)	(22,666)	(22,668)
12/31/2008	130,870	43,623	87,247
12/31/2009	172,291	43,074	129,217
12/31/2010	263,686	52,737	210,949
12/31/2011	1,022,077	170,345	851,732
12/31/2012	1,849,405	264,201	1,585,204
12/31/2013	(220,652)	(27,581)	(193,071)
12/31/2014	1,235,379	137,264	1,098,115
12/31/2015	-	-	-
12/31/2016	<u>-</u>	<u>-</u>	<u>-</u>
Total:	\$4,370,661	\$623,936	\$3,746,725

Note: All figures on this page are as of the beginning of the fiscal year



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

**Asset Gain or (Loss)
for the fiscal year shown below**

	Fiscal Year Ending:	12/31/2016	12/31/2015
1. Fair Value of Assets as end of Fiscal Year	\$	6,363,601	\$ 5,983,051
2. Actual Distributions		700,000	600,000
3. Actual Contributions		800,000	600,000
4. Employee Contributions		-	-
5. Fair Value of Assets at beginning of Fiscal Year		<u>5,983,051</u>	<u>5,717,201</u>
6. Actual Return on Assets (1 + 2 - 3 - 4 -5) <Current Year Approximate annual Rate Of Return = 4.65%>	\$	280,550	\$ 265,850
7. Expected Return on Assets		<u>280,550</u>	<u>265,850</u>
8. Asset (Gain)/Loss (7 - 6)	\$	-	\$ -



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

**FAS 132r Disclosures for Footnote to Financial Statements
after transition to FAS 158 for the fiscal year shown below**

	Fiscal Year Ending:	12/31/2016	12/31/2015
1.	Changes in Benefit Obligation		
	a. Benefit obligation at fiscal year beginning	\$ 15,186,449	\$ 14,662,270
	b. Employer Service cost	586,451	551,222
	c. Employee Contributions for the year	-	-
	d. Interest cost	591,898	572,957
	e. Amendments	-	-
	f. Actuarial (Gain)/Loss	-	-
	g. Assumption Change	-	-
	h. Benefits paid	<u>(700,000)</u>	<u>(600,000)</u>
	i. Benefit obligation at fiscal year end (Sum a through h)	\$ 15,664,798	\$ 15,186,449
2.	Change in Plan Assets		
	a. Assets at fiscal year beginning	5,983,051	5,717,201
	b. Actual return on plan assets	287,550	271,850
	c. Expenses	(7,000)	(6,000)
	d. Employer contributions for fiscal year 2016	800,000	600,000
	e. Employee contributions	-	-
	f. Benefits paid	<u>(700,000)</u>	<u>(600,000)</u>
	g. Assets at fiscal year end (Sum a through f)	\$ 6,363,601	\$ 5,983,051
3.	Funded (Unfunded) Status at fiscal year end		
	a. (Accrued) Prepaid pension cost	(5,554,472)	(4,832,737)
	b. Balance in Accumulated Other Comprehensive Income Account		
	1. Unrecognized net actuarial gain (loss)	(3,746,725)	(4,370,661)
	2. Unrecognized prior service (cost) income	-	-
	3. Unrecognized transition (obligation) asset	-	-
	4. Total unrecognized (expense) asset	<u>\$ (3,746,725)</u>	<u>\$ (4,370,661)</u>
	c. Funded status (Unfunded PBO) at fiscal year end (a. + b.4.)	\$ (9,301,197)	\$ (9,203,398)
4.	Weighted-average assumptions at year-end		
	a. Interest rate used to calculate Net Periodic Pension Cost	3.99%	3.99%
	b. Interest rate used to calculate year end disclosure information	3.99%	3.99%
	c. Expected return on plan assets	4.65%	4.65%
	d. Salary scale to calculate NPPC for FY	4.00%	4.00%
	e. Salary scale for disclosure information as of fiscal year end	4.00%	4.00%



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

FAS 132r Disclosures for Footnote to Financial Statements - continued

	Fiscal Year Ending:	12/31/2016	12/31/2015
5.	Components of net periodic benefit cost		
	a. Service cost	\$ 586,451	\$ 551,222
	b. Interest cost	591,898	572,957
	c. Expected return on plan assets	(280,550)	(265,850)
	d. Amortization of transition (asset)/obligation	-	-
	e. Amortization of prior service cost	-	-
	f. Recognized net actuarial loss	<u>623,936</u>	<u>640,105</u>
	g. Net periodic benefit cost	\$ 1,521,735	\$ 1,498,434
6.	Accumulated Benefit Obligation		
	a. ABO at 12/31/2015 (end of prior fiscal year)	\$ 11,385,392	\$ 10,812,116
	b. Actuarial Experience (gain) loss from data as of January 1, 2016	-	-
	c. ABO at January 1, 2016 valuation date = (a + b)	11,385,392	10,812,116
	d. Increase in ABO due to additional service and salary	738,209	725,013
	e. Increase in ABO due to employee paid benefits	-	-
	f. Interest on ABO at annual rate of 3.99%	483,732	460,331
	g. Expected distributions	700,000	600,000
	h. Interest on expected distributions at annual rate of 3.99%	14,041	12,068
	i. ABO projected to year-end	11,893,292	11,385,392
	j. Assumption Change & Actuarial Gain/Loss	-	-
	k. ABO at year-end	\$ 11,893,292	\$ 11,385,392
7.	Projection of benefits for next ten fiscal years		
	<u>Fiscal Years</u>	<u>Projected Benefits</u>	
	2017	\$ 58,238	
	2018	116,664	
	2019	149,532	
	2020	246,010	
	2021	245,347	
	Sum of Fiscal Years 2022 through 2026	\$ 2,891,653	
8.	Contributions for the Fiscal Year beginning January 1, 2017 are not available until that valuation report is completed. In the meantime, a reasonable projection of the minimum contribution for the fiscal year beginning January 1, 2017 would be \$600,000.		



**Pension Plan for Employees of The St. Lawrence Gas Company
St Lawrence Gas Company**

**Assumptions to Develop Net Periodic Pension Cost and Year End Disclosure
for the fiscal year shown below**

Measurement Date: December 31, 2016
Participant data provided by The St. Lawrence Gas Company
Participant data is as of: January 1, 2015

Actuarial assumptions used at the direction of The St. Lawrence Gas Company	Assumptions used to calculate year disclosures as of 12/31/2016	Assumptions used to calculate NPPC for fiscal year 2016
<u>Long term rate of return on assets:</u> <i>The long-term rate of return on assets reflects the client's expectation as called for in Paragraph 45 of FAS Standard 87 regarding the expected returns to be earned by the plan's assets.</i>	4.65%	4.65%
<u>Discount (interest) rate assumptions reflected in this report:</u> <i>The discount rate used for disclosure was calculated based on the single rate that produces a present value of interest discounted payments for the plan's expected PBO payment stream which is equal to the present value of the plan's expected PBO payment stream as of December 31, 2014, with each yearly payment in the stream discounted using that year's value in the published December 31, 2014 Citigroup Pension Discount Curve.</i>	3.99%	3.99%
<u>Retirement assumption:</u>	100% at Age 63	100% at Age 63
<u>Mortality Rates</u>		
male:	RP2014 Generational	RP2014 Generational
female:	RP2014 Generational	RP2014 Generational
<i>The mortality table used for disclosure was the RP2014 Generational.</i>		
<u>Disability:</u>	None	None
<u>Termination rates:</u>	T-5	T-5
<u>Salary increases:</u>	4.00%	4.00%
<u>Annual increase in 415 limits:</u>	3.00%	3.00%
<u>Annual increase in 401(a)(17) compensation limits:</u>	3.00%	3.00%



WS-1

The St. Lawrence Gas Company
Determination Of Net Periodic Pension Cost
P R O J E C T I O N as of May 01, 2015

1. Service Cost	
a. Amount due at beginning of fiscal year - 1/1/2016	\$ 563,949
b. Accrual of discount at annual rate of 3.99% per annum to 12/31/2016	22,502
c. Total service cost as of 12/31/2016 = (a) + (b)	\$ 586,451
2. Interest Cost	
a. Projected Benefit Obligation (PBO) at beginning of fiscal year - 1/1/2016	\$ 15,186,449
b. Expected distributions, weighted for timing	351,913
c. Total interest cost on PBO to 12/31/2016 = [(a) - (b)] x 3.99%	\$ 591,898
3. Expected Return on Assets	
a. Market-related value of assets at beginning of fiscal year - 1/1/2016	\$ 5,983,051
b. Expected distributions, weighted for timing	351,913
c. Expected contributions, weighted for timing	402,186
d. Expected return on assets to 12/31/2016 = [(a) - (b) + (c)] x 4.65%	\$ 280,550
4. Amortization of Transition (Asset) or Obligation - Schedule A	\$ -
5. Amortization of Prior Service Cost -Schedule B	\$ -
6. Amortization of (Gain) or Loss - Schedule C	\$ 623,936
7. Net Periodic Pension Cost = (1c) + (2c) - (3d) + (4) + (5) + (6)	\$ 1,521,735

The St. Lawrence Gas Company
Disclosure of Net Periodic Pension Cost
PROJECTION as of May 01, 2015

Pension cost is determined by an actuarial valuation usually completed before the end of the fiscal year. The pension expense components that must be disclosed in the financial statements are slightly different from those determined in the actuarial valuation. After the end of the fiscal year, when the actual return on plan assets is available, this worksheet can be used to convert the determination of pension cost to the required components for disclosure.

1.	Service cost with interest to 12/31/2016 as shown in WS-1 (1c)	\$ 586,451
2.	Interest cost to December 31, 2016 as shown in WS-1 (2e)	\$ 591,898
3.	Return on Assets	
	(a) Expected return to 12/31/2016 as shown in WS -1 (3f)	\$ 280,550
	(b) Asset (gain) loss - Schedule F	-
	(c) Actual return = (a) - (b)	\$ 280,550
4.	Net amortization and deferral	
	(a) Transition amount - WS-1 line 4	\$ -
	(b) Prior service cost - WS-1 line 5	-
	(c) (Gain) or loss - WS-1 line 6	623,936
	(d) Asset (gain) or loss - Schedule F	-
	(e) Total = (a) + (b) + (c) - (d)	\$ 623,936
5.	Net periodic pension cost	\$ 1,521,735
	= (1) + (2) - (3c) + (4e) = WS-1 (7)	

The St. Lawrence Gas Company
FAS 158 requires that all unrecognized costs be booked to Shareholder Equity
through Accumulated Other Comprehensive Income Account
PROJECTION as of May 01, 2015

Unrecognized Costs that have arisen from:				
	<u>Not</u> <u>Applicable</u>	<u>Prior Service</u>	<u>Experience</u> <u>(gains) / losses</u>	<u>Total</u>
1. Amounts as of the beginning of the year - 1/1/2016	N/A	\$ -	\$ 4,370,661	\$ 4,370,661
2. New Amounts first measured at the beginning of the current plan year (participant data)	N/A	-	-	-
		(changes, if any, are due to plan amendments)	(Arises from changes in participant data in prior year.)	
3. Amounts recognized in Net Periodic Pension Cost	-	-	(623,936)	(623,936)
4. Changes at the end of the plan year = asset (gain) loss + assumption changes (if any)	N/A	-	-	-
5. Unrecognized expense to be reflected in Shareholder Equity as of the end of the year - 12/31/2016	N/A	\$ -	\$ 3,746,725	\$ 3,746,725

Note there is no Intangible Asset for pension plans after transition to FAS 158.

Reconciliation of Accumulated Other Comprehensive Income Account
Beginning of the year (1/1/2016) through the end of the year (12/31/2016)

6. Unrecognized transition (asset) or obligation	\$ -
7. Total unrecognized prior service cost	-
8. Unrecognized actuarial (gain) loss	3,746,725
9. Unrecognized Expense not yet recognized in Shareholder's Equity via AOCI account	\$ 3,746,725

The St. Lawrence Gas Company
Reconciliation of Funded Status
PROJECTION as of May 01, 2015

1.	Projected benefit obligation projected to December 31, 2016 - Schedule D-2 line 12	\$ 15,664,798
2.	Plan assets at fair value as of December 31, 2016	<u>6,363,601</u>
3.	Funded status at December 31, 2016 = (2) - (1)	\$ (9,301,197)
4.	Unrecognized transition amount - Schedule A last column	-
5.	Unrecognized prior service cost - Schedule B last column	-
6.	Unrecognized net (gain) or loss at December 31, 2016 - Schedule C line 6 end of year	<u>3,746,725</u>
7.	(Accrued) / prepaid pension cost = (3) + (4) + (5) + (6)	\$ (5,554,472)
8.	(Total pension liability) / prepaid pension cost = (7)	<u>\$ (5,554,472)</u>

Schedule A

The St. Lawrence Gas Company
Amortization of Transition Amount
PROJECTION as of May 01, 2015

Annual Amortization of Transition amount¹ appears in WS-1 line 4
 Amortization Amount is adjusted ratably if reporting period is less than a full year.

\$ -

Amortization Schedule

<u>Fiscal Year</u>	<u>Unamortized TA Remaining at Beginning of Year</u>	<u>Amount Recognized</u>	<u>Unamortized TA Remaining at End of Year</u>
1900	\$ -	\$ -	\$ -
1901	-	-	-
1902	-	-	-
1903	-	-	-
1904	-	-	-
1905	-	-	-
1906	-	-	-
1907	-	-	-
1908	-	-	-
1909	-	-	-
1910	-	-	-
1911	-	-	-
1912	-	-	-
1913	-	-	-
1914	-	-	-
1915	-	-	-
1916	-	-	-
1917	-	-	-
1918	-	-	-
1919	-	-	-
1920	-	-	-
1921	-	-	-
1922	-	-	-

¹This schedule is fixed at the date of transition and is not affected by changes in benefits or assumptions.

Settlements, curtailments, or plan termination may change this schedule.

Schedule B

The St. Lawrence Gas Company
Amortization of Prior Service Cost
PROJECTION as of May 01, 2015

	<u>Unamortized PSC Remaining at Beginning of Year</u>	<u>Amortization Amount</u>	<u>Unamortized PSC Remaining at End of Year</u>
1. Amendment #1 - Schedule B-1	\$ -	\$ -	\$ -
2. Amendment #2 - Schedule B-2	-	-	-
3. Amendment #3 - Schedule B-3	-	-	-
4. Amendment #4 - Schedule B-4	-	-	-
5. Amendment #5 - Schedule B-5	-	-	-
6. Amendment #6 - Schedule B-6	-	-	-
7. Total	\$ -	\$ -	\$ -
8. Current year plan amendment	N/A	N/A	-
9. Unamortized PSC at End of Year including current plan amendment, if any.			\$ -

NOTE:

If, for any item, the Balance at the End of Year would be less than 5.00% of the Amount Recognized, the Amount Recognized is set equal to the Balance at the Beginning of Year.

to Schedule C
line 4

to WS-1
line 5
and WS-2
line 4b

to WS-
line 8
and
WS-4
line 5

The Schedules B-x that are reflected in the table above will be at the end of these Worksheet pages.

Schedule C

The St. Lawrence Gas Company
Amortization of (Gain) or Loss
PROJECTION as of May 01, 2015

To develop net (gain) or loss complete lines 1-5 below or alternate development in Schedule C-1.

	<u>Beginning of Year</u>	<u>End of Year</u>
1. PBO as of 1/1/2016 and (projected) 12/31/2016, respectively.	\$ 15,186,449	\$ 15,664,798
2. Fair value of plan assets at 12/31/2015 and (Proj.) 12/31/2016, respectively.	5,983,051	6,363,601
3. Unrecognized transition obligation or (assets) - Schedule A	-	-
4. Unrecognized prior service cost (credit) - Schedule B	-	-
5. (Accrued) or prepaid pension expense - Schedule E	(4,832,737)	(5,554,472)
6. (Gain) or loss = (1) - (2) - (3) - (4) + (5) <Note this (gain) loss is cumulative as of 1/1/2016 and 12/31/2016, respectively.>	\$ 4,370,661	\$ 3,746,725
7. (Gain) or loss not reflected in market related value		
a. Fair value	5,983,051	6,363,601
b. Market-related value	5,983,051	6,363,601
c. Amount included in unrecognized transition obligation or (asset), not yet reflected in MRV -Schedule C-Z Column 1	-	-
d. Amount not related to MRV = (a) - (b) - (c)	-	-
8. (Gain) or loss subject to amortization (6) + (7d)	4,370,661	3,746,725
9. Greater of (1) or (7b)	15,186,449	15,664,798
10. Amortization Corridor - 10% of (9)	1,518,645	1,566,480
11. (Gain) or loss subject to amortization - Excess of (8) over (10)	\$ 2,852,016	\$ 2,180,245
12. Average future service of plan participants expected to receive benefits	See page 5 in 1st section	See page 5 in 1st section
13. Amortization amount = (11) / (12) to WS-1 line 6	\$ 623,936	\$ 660,997

The St. Lawrence Gas Company
Projection Of ABO (Accumulated Benefit Obligation)
P R O J E C T I O N as of May 01, 2015

Accumulated Benefit Obligation

If a new valuation with new data is not completed at the time financial statements are prepared, the accumulated benefit obligation must be projected from the valuation date to the measurement date in order to calculate the required minimum liability.

For a non-pay related plan the projected ABO is normally the same as the projected PBO.
 A pay related plan must consider increases in the ABO due to service and salary increases.

1.	ABO at 12/31/2015 (end of prior fiscal year)	\$ 11,385,392
2.	Actuarial Experience (gain) loss from data as of January 1, 2016	-
3.	ABO at January 1, 2016 valuation date = (1 + 2)	\$ 11,385,392
4.	Increase in ABO due to additional service and salary*	738,209
5.	Increase in ABO due to employee paid benefits	-
6.	Interest on ABO at annual rate of 3.99%	483,732
7.	Expected distributions	700,000
8.	Interest on expected distributions at annual rate of 3.99%	14,041
9.	ABO projected to year-end based on 3.99% interest rate = (3 + 4 + 5 + 6 - 7 - 8)	\$ 11,893,292
10.	Assumptions were not changed this year.	-
11.	Actuarial (Gain)/Loss	-
12.	The plan was not amended this year.	-
13.	ABO at year-end (December 31, 2016) = (9 + 10 + 11 + 12) to WS-3 line 1	\$ 11,893,292

* Equals service cost for non-pay related plans

The St. Lawrence Gas Company
PBO (Pension Benefit Obligation) At Year-End
PROJECTION as of May 01, 2015

Projected Benefit Obligation

If a new valuation with new data is not completed at the time financial statements are prepared, the projected benefit obligation calculated at the valuation date must be "projected" to the measurement date for disclosure in the sponsor's financial statement. This amount also may be used in determining the gain or loss for the year (Schedule c-1).

1.	PBO at 12/31/2015 (end of prior fiscal year)	\$ 15,186,449
2.	Actuarial Experience (gain) loss arising from participant data as of January 1, 2016	-
3.	PBO at January 1, 2016 valuation date = (1 + 2)	\$ 15,186,449
4.	Interest on PBO at annual rate of 3.99%	605,939
5.	Service cost at year-end WS-1 (1c)	586,451
6.	Increase in PBO due to employee paid benefits	-
7.	Expected distributions	700,000
8.	Interest on expected distributions at annual rate of 3.99%	14,041
9.	PBO at year-end based on 3.99% interest rate = (3 + 4 + 5 + 6 - 7 - 8)	\$ 15,664,798
10.	Assumptions were not changed this year.	-
11.	Actuarial Gain/Loss	-
12.	The plan was not amended this year.	-
13.	PBO at year-end (December 31, 2016) = (9 + 10 + 11+12) to WS-4 line 1	\$ 15,664,798

The St. Lawrence Gas Company
Projection of Assets
PROJECTION as of May 01, 2015

A projection of the fair value of assets at year end is needed to estimate the amount to be recognized, on the balance sheet at year end.

1. Fair Value at beginning of year (January 1, 2016)	\$ 5,983,051
2. Expected return on assets at 4.65%	278,212
3. Expected distributions	700,000
4. Interest offset on weighted distributions at 4.65%	16,364
5. Expected contributions	800,000
6. Expected employee contributions	-
7. Expected return on weighted contributions at 4.65%	18,702
8. Projected fair value at end of period (December 31, 2016) = (1) + (2) - (3) - (4) + (5) + (6) + (7)	\$ 6,363,601

Schedule E

The St. Lawrence Gas Company
(Accrued) or Prepaid Pension Expense
P R O J E C T I O N as of May 01, 2015

1. (Accrued) / prepaid at beginning of Year (January 1, 2016)	<u>\$ (4,832,737)</u>
2. Net periodic pension cost for year (from WS-1 line 7)	<u>1,521,735</u>
3. Contributions made during year (amounts not segregated in a trust or otherwise restricted are not considered contributions for Schedule B of Form 5500)	<u>800,000</u>
4. (Accrued) / Prepaid pension expense at end of period (December 31, 2016) to WS-3 line 4 = (1) - (2) + (3)	<u>\$ (5,554,472)</u>

Schedule F

The St. Lawrence Gas Company
Asset (Gain) Or Loss
PROJECTION as of May 01, 2015

1.	Fair value at beginning of year	\$ 5,983,051
2.	Actual contributions	800,000
3.	Actual employee contributions	-
4.	Actual distributions	700,000
5.	Fair value of plan assets at end of year (December 31, 2016)	6,363,601
6.	Actual return on assets = (5 + 4 - 1 - 2 - 3) <Current Year Approximate annual Rate Of Return = 4.65%>	280,550
7.	Expected Return - WS-1 (3f)	280,550
8.	Asset (gain) or loss = (7 - 5) to WS-2 line 3b and 4d	\$ -

Note - an asset gain is shown as a negative number

The St. Lawrence Gas Company
FAS 132 for Footnote to Financial Statements
PROJECTION as of May 01, 2015

1.	Changes in Projected Benefit Obligation		
a.	Projected Benefit Obligation at December 31, 2015		\$ 15,186,449
b.	Service cost with interest to the end of the year		586,451
c.	Employee Contributions for the year		-
d.	Interest cost		591,898
e.	Amendments		-
f.	Actuarial (Gain)/Loss		-
g.	Assumption Change		-
h.	<u>Benefits paid</u>		<u>(700,000)</u>
i.	Projected Benefit Obligation at December 31, 2016 = Sum a through h		\$ 15,664,798
2.	Change in Plan Assets		
a.	Assets at December 31, 2015		\$ 5,983,051
b.	Actual return on plan assets		287,550
c.	Expenses		(7,000)
d.	Employer contributions		800,000
e.	Employee contributions		-
f.	<u>Benefits paid, including expenses</u>		<u>(700,000)</u>
g.	Assets at December 31, 2016 = Sum a through f		\$ 6,363,601
3.	Weighted-average assumptions at year-end		
a.	Interest rate used to calculate Net Periodic Pension Cost		3.99%
b.	Interest rate used to calculate year end disclosure information		3.99%
c.	Long Term Rate of Return on Assets		4.65%
d.	Salary scale to calculate NPPC for FY that began 1/1/2016		4.00%
e.	Salary scale to calculate disclosure information as of 12/31/2016		4.00%
4.	Components of net periodic pension cost for the period January 1, 2016 through December 31, 2016		
a.	Service cost		\$ 586,451
b.	Interest cost		591,898
c.	Expected return on plan assets		(280,550)
d.	Amortization of transition (asset)/obligation		-
e.	Amortization of prior service cost		-
f.	Recognized net actuarial loss		623,936
g.	Net periodic benefit cost = Sum a through f		\$ 1,521,735
5.	Funded Status at December 31, 2016 after transition to FAS 158.		
a.	(Accrued)/prepaid pension cost = 3.e.		\$ (5,554,472)
b.	Balance in Accumulated Other Comprehensive Income Account		
1.	Unrecognized net actuarial gain (loss)	\$ (3,746,725)	
2.	Unrecognized prior service (cost) income	-	
3.	Unrecognized transition (obligation) asset	-	<u>(3,746,725)</u>
c.	Funded status (Unfunded PBO) at December 31, 2016	(a + b)	\$ (9,301,197)