

MICHIGAN GAS UTILITIES CORPORATION

Summary of Employee Benefits Costs

Test Year Ended December 31, 2010

Line No.	Sub-Account Description	2008	2010	Increase	Increase	Forecast Method
		Actual \$	Forecast \$	\$	%	
1	926015 A&G PensExp-TEG Transition Costs	\$ 44,602	\$ -	\$ (44,602)	-100.0%	Not Requested for Recovery
2	Subtotal - Not Requested for Recovery	44,602	-	(44,602)	-100.0%	
3						
3	926300 IBS Billed Benefits	911,135	1,527,055	615,920	67.6%	MGUC Estimate
4	Subtotal - MGUC Estimate	911,135	1,527,055	615,920	67.6%	
5						
6	926000 A&G Employee Pensions & Benefits	16	17	1	4.6%	Inflationary
7	926007 Company Match 401K	297,791	311,566	13,775	4.6%	Inflationary
8	926020 Time Away Frm Work Resid Bal	1163461	1,217,280	53,819	4.6%	Inflationary
9	926025 Time Away From Work - Clearing	-1164453	(1,218,317)	(53,864)	4.6%	Inflationary
10	926050 Human Resources Dept Gen	8,444	8,835	391	4.6%	Inflationary
11	926070 Christmas Gift Check Expense-Retirees	4,770	4,991	221	4.6%	Inflationary
12	926080 A&G Dental Benefits	107,649	112,628	4,980	4.6%	Inflationary
13	926090 A&G Medical Benefits	1,081,875	1,131,919	50,044	4.6%	Inflationary
14	926100 Benefits Expense-AWASSA Lodge	170	178	8	4.6%	Inflationary
15	926120 Joint Plant A&G & NonUtil Loading	(30,119)	(31,512)	(1,393)	4.6%	Inflationary
16	926135 Fully-Insured Long Term Disability Premium Exp	24,236	25,357	1,121	4.6%	Inflationary
17	926140 A&G ESOP Contribution Expense	209,924	219,634	9,710	4.6%	Inflationary
18	926170 A&G Capitalized Pensions and Benefits	(598,430)	(626,112)	(27,682)	4.6%	Inflationary
19	926190 Goal Sharing	194,221	203,205	8,984	4.6%	Inflationary
20	926200 Employee Benefits Tuition Reimbursement	20,819	21,782	963	4.6%	Inflationary
21	926250 Company Provided Life Insurance	25,555	26,737	1,182	4.6%	Inflationary
22	926260 Executive Deferred Comp ESOP Match	2,152	2,252	100	4.6%	Inflationary
23	926510 Profit Sharing Expense	213,728	223,614	9,886	4.6%	Inflationary
24	Subtotal - Inflationary Items	1,561,808	1,634,054	72,246	4.6%	
25						
26	926060 A&G Pension Expense (1)	660,379	1,394,606	734,227	111.2%	Actuarial Analysis
27	926130 Survivor Income Benefit Plan	(34,841)	(14,000)	20,841	-59.8%	Actuarial Analysis
28	926180 A&G Post Retirement Medical (1)	625,874	931,727	305,853	48.9%	Actuarial Analysis
29	926210 & 926220 Pension Restoration and Supp Pension Plan Exp (1)	74,101	69,956	(4,145)	-5.6%	Actuarial Analysis
30	Subtotal - Actuarial Analysis	1,325,512	2,382,289	1,056,777	79.7%	
31						
32	TOTAL EMPLOYEE BENEFIT COSTS	\$3,843,057	\$5,543,398	\$1,700,341	44.2%	

Note(1): The amortization of \$1,594,678 from Exhibit A-3 (KAD-1), Schedule C20, Page 1 of 2 is included in lines 26, 28 and 29 above.

