

Case No.: U-15990
 Witness: K.A. De Cramer
 Exhibit: A-7
 Schedule: A-3

Michigan Gas Utilities Corporation
 ROE Sensitivity Analysis
 (BK^ROE)
 For the Year Ended, Dec. 31, 2010

	1	2	3	4	5	6	7	8	9	10
1 Return on Equity (ROE) @	6.2527	10.6000	10.7000	10.8000	10.9000	11.0000	11.1000	11.2000	11.3000	11.4000
2 Required Rate of Return	5.0684	7.1233	7.1706	7.2178	7.2651	7.3124	7.3596	7.4069	7.4542	7.5015
3 Jurisdictional Rate Base	189879189	189879189	189879189	189879189	189879189	189879189	189879189	189879189	189879189	189879189
4 Required Return (\$)	9623803	13525664	13615477	13705100	13794913	13884726	13974349	14064162	14153975	14243787
5 Adjusted Net Income	9623803	9623803	9623803	9623803	9623803	9623803	9623803	9623803	9623803	9623803
6 Return Deficiency (\$)	0	3901861	3991674	4081297	4171110	4260923	4350546	4440359	4530172	4619984
7 Additional Income Tax	0	2485485	2542696	2599786	2656997	2714208	2771298	2828509	2885720	2942930
8 Revenue Deficiency	0	6387346	6534370	6681083	6828107	6975131	7121844	7268868	7415892	7562914
9 % of Rev.Def ÷ Revs (MA)	0.000	3.386	3.464	3.542	3.620	3.697	3.775	3.853	3.931	4.009
	11	12	13	14	15	16	17	18	19	20
1 Return on Equity (ROE) @	11.5000	11.6000	11.7000	11.8000	11.9000	12.0000	12.1000	12.2000	12.3000	12.4000
2 Required Rate of Return	7.5487	7.5960	7.6433	7.6905	7.7378	7.7851	7.8323	7.8796	7.9269	7.9741
3 Jurisdictional Rate Base	189879189	189879189	189879189	189879189	189879189	189879189	189879189	189879189	189879189	189879189
4 Required Return (\$)	14333410	14423223	14513036	14602659	14692472	14782285	14871908	14961721	15051533	15141156
5 Adjusted Net Income	9623803	9623803	9623803	9623803	9623803	9623803	9623803	9623803	9623803	9623803
6 Return Deficiency (\$)	4709607	4799420	4889233	4978856	5068669	5158482	5248105	5337918	5427730	5517353
7 Additional Income Tax	3000020	3057231	3114441	3171531	3228742	3285953	3343043	3400254	3457464	3514554
8 Revenue Deficiency	7709627	7856651	8003674	8150387	8297411	8444435	8591148	8738172	8885194	9031907
9 % of Rev.Def ÷ Revs (MA)	4.087	4.165	4.243	4.320	4.398	4.476	4.554	4.632	4.710	4.788

NOTE: For the Adjusted Net Income and Jurisdictional Rate Base amounts calculated, the Breakeven ROE for MGU = 6.2527% as shown in Column 1 above.

PART I SECTION B

Case No.: U-15990
 Witness: K.A. De Cramer
 Exhibit: A-7 (KAD-7)
 Schedule: A-4

Michigan Gas Utilities Corporation
 ROE Sensitivity Analysis
 (BK^ROE)
 For the Year Ended, Dec. 31, 2010

	1	2	3	4	5	6	7	8	9	10
1 Return on Equity (ROE) @	6.2527	10.3000	10.4000	10.5000	10.6000	10.7000	10.8000	10.9000	11.0000	11.1000
2 Required Rate of Return	5.0684	6.9815	7.0288	7.0760	7.1233	7.1706	7.2178	7.2651	7.3124	7.3596
3 Jurisdictional Rate Base	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189
4 Required Return (\$)	9,623,803	13,256,416	13,346,228	13,435,851	13,525,664	13,615,477	13,705,100	13,794,913	13,884,726	13,974,349
5 Adjusted Net Income	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803
6 Return Deficiency (\$)	0	3,632,613	3,722,425	3,812,048	3,901,861	3,991,674	4,081,297	4,171,110	4,260,923	4,350,546
7 Additional Income Tax	0	2,313,974	2,371,185	2,428,275	2,485,485	2,542,696	2,599,786	2,656,997	2,714,208	2,771,298
8 Revenue Deficiency	0	5,946,587	6,093,610	6,240,323	6,387,346	6,534,370	6,681,083	6,828,107	6,975,131	7,121,844
9 % of Rev.Def ÷ Revs (MA)	0.000	3.152	3.230	3.308	3.386	3.464	3.542	3.620	3.697	3.775
	11	12	13	14	15	16	17	18	19	20
1 Return on Equity (ROE) @	11.2000	11.3000	11.4000	11.5000	11.6000	11.7000	11.8000	11.8500	11.9000	12.0000
2 Required Rate of Return	7.4069	7.4542	7.5015	7.5487	7.5960	7.6433	7.6905	7.7142	7.7378	7.7851
3 Jurisdictional Rate Base	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189	189,879,189
4 Required Return (\$)	14,064,162	14,153,975	14,243,787	14,333,410	14,423,223	14,513,036	14,602,659	14,647,660	14,692,472	14,782,285
5 Adjusted Net Income	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803	9,623,803
6 Return Deficiency (\$)	4,440,359	4,530,172	4,619,984	4,709,607	4,799,420	4,889,233	4,978,856	5,023,857	5,068,669	5,158,482
7 Additional Income Tax	2,828,509	2,885,720	2,942,930	3,000,020	3,057,231	3,114,441	3,171,531	3,200,197	3,228,742	3,285,953
8 Revenue Deficiency	7,268,868	7,415,892	7,562,914	7,709,627	7,856,651	8,003,674	8,150,387	8,224,054	8,297,411	8,444,435
9 % of Rev.Def ÷ Revs (MA)	3.853	3.931	4.009	4.087	4.165	4.243	4.320	4.360	4.398	4.476

NOTE: For the Adjusted Net Income and Jurisdictional Rate Base amounts calculated, the Breakeven ROE for MGU = 6.2527% as shown in Column 1 above.

Michigan Gas Utilities Corporation
Customer Percent
Year Ending Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

Customer Counts - Total

Ln	Amount
--	-----
1 Jan	168,881
2 Feb	168,491
3 Mar	166,675
4 Apr	167,144
5 May	166,941
6 Jun	166,311
7 Jul	164,872
8 Aug	164,622
9 Sep	163,448
10 Oct	164,467
11 Nov	164,888
12 Dec	166,807

13 Total	1,993,547
	=====

Revenues - Allocation Method S
Jurisdiction Percent 100.0000 %

Michigan Gas Utilities Corporation
Gas Salaries and Wages
Year Ending Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

Ln

1	Production	305,665	0.031787	0.045613
2	Transmission	261,294	0.027173	0.038992
3	Distribution	5,917,959	0.615421	0.883117
4	Storage	216,301	0.022494	0.032278
5	Customer Accounts	2,612,944	0.271726	
6	Customer Service	301,933	0.031399	
7	Sales	0	0.000000	
8	Salaries & Wages			
	Less A & G(1)	9,616,096	1.000000	1.000000

(1) This salaries and wages total does not include administrative and general. These figures are used for allocation methods in other calculations in this study, not to determine total salaries and wages for the corporation.

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Year Ending Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Gas Gross Plant - Allocation Method M

LN		ENERGY	DEMAND	TRANS- MISSION	DISTRI- BUTION	STORAGE	CUSTOMER	TOTAL
1	Plant In Ser	0	1,393,378	39,969,521	234,844,178	15,948,720	0	292,155,797
2	C W I P	0	1,563	115,586	2,397,739	99,439	0	2,614,327
3	Total	0	1,394,941	40,085,107	237,241,917	16,048,159	0	294,770,124
4	Percentages	0.0000	0.4732	13.5988	80.4837	5.4443	0.0000	100.0000

Gas Rate Base - Allocation Method N

LN		ENERGY	DEMAND	TRANS- MISSION	DISTRI- BUTION	STORAGE	CUSTOMER	TOTAL
Plus:								
5	Working Cap	4,855,317	166,099	2,726,759	23,479,769	1,918,904	0	33,146,848
6	Dir MI Wk Cap	0	0	0	0	0	0	0
7	Dir WI/FERC WC	0	0	0	0	0	0	0
8	Dir RETAIL WC	0	0	0	0	0	0	0
9	Cash/Bank Bal	121,597	54,910	68,290	588,033	48,058	0	880,888
10	Fuel	0	0	0	0	0	0	0
11	Mat & Suppls	0	0	0	577,268	0	0	577,268
12	M & S-Def Tx	0	0	0	-623,345	0	0	-623,345
13	Gas Storage	23,168,031	0	0	0	0	0	23,168,031
14	Prepayments	279	-15,705	-13,277	-302,915	-11,011	0	-342,629
15	Plant Fut Use	0	0	0	0	0	0	0
16	Inv in Subs	0	0	0	0	0	0	0
17	Capt Conserv	0	0	0	0	0	0	0
18	Cap Con-D Tax	0	0	0	0	0	0	0
19	Property Tax	0	-5,183	-148,938	-881,480	-59,627	0	-1,095,228
20	Payroll Tax	0	-780	-667	-15,107	-552	0	-17,106
21	Income Tax	-331,899	-11,354	-186,396	-1,605,028	-131,172	0	-2,265,849
22	Cust Advances	0	0	0	0	0	0	0
23	Cust Ad-D Tax	0	0	0	0	0	0	0
Less:								
24	Accum Depr-SL	0	631,368	26,910,831	123,957,189	6,820,425	0	158,319,814
25	Tot Rate Base	27,813,325	951,560	15,620,047	134,501,923	10,992,334	0	189,879,189
26	Percentages	14.6479	0.5011	8.2263	70.8356	5.7891	0.0000	100.0000

May not cross-check due to rounding

Statement D
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Michigan Gas Utilities Corporation
 Gas Plant in Service
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

LN	Produc- tion Plant	Transmis- sion Plant	Distribu- tion Plant	Storage Plant	General Plant	Total
1 Dec	319,480	39,041,131	213,815,410	15,181,068	23,180,644	291,537,733
2 Jan	319,480	39,041,131	213,770,563	15,181,068	23,190,644	291,502,886
3 Feb	319,480	39,041,131	213,712,999	15,181,068	23,202,194	291,456,872
4 Mar	319,480	39,041,131	213,673,870	15,181,068	23,251,694	291,467,243
5 Apr	319,480	39,041,131	213,702,981	15,181,068	23,284,744	291,529,403
6 May	319,480	39,041,131	213,855,463	15,181,068	23,284,744	291,681,886
7 Jun	319,480	39,041,131	213,781,192	15,181,068	23,467,644	291,790,515
8 Jul	319,480	39,041,131	213,855,005	15,181,068	23,539,694	291,936,377
9 Aug	319,480	39,041,131	213,947,119	15,181,068	23,549,694	292,038,492
10 Sep	319,480	39,041,131	213,873,141	15,181,068	23,656,194	292,071,014
11 Oct	319,480	39,041,131	213,889,540	15,181,068	23,940,744	292,371,963
12 Nov	319,480	39,041,131	213,861,832	15,181,068	24,213,744	292,617,255
13 Dec	319,480	39,290,131	219,593,645	15,366,068	24,704,244	299,273,567
14 Av(1)	319,480	39,051,506	214,052,353	15,188,777	23,543,681	292,155,797
15 Gen	1,073,898	918,015	20,791,825	759,943	-23,543,681(2)	
16 Tot	1,393,378	39,969,521	234,844,178	15,948,720		
17 Total Corp	292,155,797					

- (1) Average balances calculated by dividing the beginning and ending monthly balances by 24.
- (2) Functionalized based on Salaries & Wages: See Allocation Method L.

D1

May not cross-check due to rounding

Statement D-1
 Page 1 of 1

Michigan Gas Utilities Corporation
 Gas Construction Work In Progress
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

LN	Produc- tion Plant	Transmis- sion Plant	Distribu- tion Plant	Storage Plant	General Plant	Total
1 Dec	0	0	10,057	0	17,500	27,557
2 Jan	0	0	30,057	0	7,500	37,557
3 Feb	0	0	612,557	0	20,500	633,057
4 Mar	0	0	763,557	0	20,500	784,057
5 Apr	0	0	1,058,557	10,000	20,500	1,089,057
6 May	0	125,000	1,643,557	90,000	36,500	1,895,057
7 Jun	0	125,000	2,328,557	170,000	49,500	2,673,057
8 Jul	0	125,000	2,943,557	170,000	49,500	3,288,057
9 Aug	0	249,000	3,798,557	185,000	49,500	4,282,057
10 Sep	0	249,000	4,411,057	185,000	49,500	4,894,557
11 Oct	0	249,000	5,208,557	185,000	49,500	5,692,057
12 Nov	0	249,000	5,601,057	185,000	49,500	6,084,557
13 Dec	0	0	10,057	0	0	10,057
14 Av(1)	0	114,250	2,367,474	98,333	34,271	2,614,328
15 G & C	1,563	1,336	30,265	1,106	-34,271(2)	
16 Total	1,563	115,586	2,397,739	99,439		
20 Total Corp	2,614,327					

(1) Average balances calculated by dividing the beginning and ending monthly balances by 24.

(2) Functionalized based on Salaries & Wages: See Allocation Method L.

D2

May not cross-check due to rounding

Statement D-2
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Michigan Gas Utilities Corporation
Gas Current Construction Expenditure Schedule
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

LINE	DESCRIPTION	13-MO AVE CORPORATE
1	Production Plant	0
2	Transmission	0
3	Distribution Plant	10,057
4	Storage	0
5	General	0
6	Intangible	0
7	Total	10,057

May not cross-check due to rounding

Statement E
 Page 1 of 1

Michigan Gas Utilities Corporation
 Gas Accumulated Depreciation
 Straight Line
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Production Acc Depr	Transmission Acc Depr	Distribution Acc Depr	Storage Acc Depr	General Acc Depr	Total
1 Dec	252,899	26,124,071	114,199,008	6,350,752	7,653,893	154,580,624
2 Jan	252,917	26,201,289	114,604,702	6,384,404	7,759,893	155,203,205
3 Feb	252,935	26,278,507	115,010,293	6,418,056	7,865,986	155,825,777
4 Mar	252,952	26,355,726	115,415,782	6,451,708	7,972,252	156,448,420
5 Apr	252,970	26,432,944	115,821,259	6,485,360	8,078,737	157,071,270
6 May	252,988	26,510,162	116,226,921	6,519,012	8,185,340	157,694,423
7 Jun	253,005	26,587,381	116,632,661	6,552,664	8,292,187	158,317,897
8 Jul	253,023	26,664,599	117,037,313	6,586,316	8,399,442	158,940,693
9 Aug	253,040	26,741,817	117,442,143	6,619,968	8,506,885	159,563,853
10 Sep	253,058	26,819,036	117,846,972	6,653,620	8,614,846	160,187,531
11 Oct	253,076	26,896,254	118,251,744	6,687,272	8,724,665	160,813,010
12 Nov	253,093	26,973,472	118,656,747	6,720,924	8,837,142	161,441,379
13 Dec	253,111	27,050,923	119,067,982	6,754,889	8,953,106	162,080,011
14 Av(1)	253,005	26,587,390	116,631,669	6,552,677	8,295,073	158,319,814
15 Gen	378,363	323,441	7,325,520	267,748	-8,295,073(2)	
16 Total	631,368	26,910,831	123,957,189	6,820,425		
17 Total Corp	158,319,814					

(1) Average balances calculated by dividing the beginning and ending monthly balances by 24.

(2) Functionalized based on Salaries & Wages: See Allocation Method L.

May not cross-check due to rounding

Statement F
 Page 1 of 9

Michigan Gas Utilities Corporation
 Gas Materials and Supplies
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

LN	FUEL STOCK	OTHER		STORED GAS
		DISTRIB	AUTO&GEN	
1 Dec	0	0	571,316	24,876,741
2 Jan	0	0	571,934	16,203,663
3 Feb	0	0	572,675	9,650,929
4 Mar	0	0	573,540	3,666,944
5 Apr	0	0	574,652	5,484,217
6 May	0	0	575,888	13,208,992
7 Jun	0	0	577,124	20,364,533
8 Jul	0	0	578,360	27,331,375
9 Aug	0	0	579,596	34,006,949
10 Sep	0	0	580,832	41,162,205
11 Oct	0	0	582,068	43,339,319
12 Nov	0	0	583,057	37,223,480
13 Dec	0	0	583,675	27,870,797
14 Ave (1)	0	0	577,268	23,168,031

MATERIALS AND SUPPLIES MGU

	TOTAL	FUEL STOCK	OTHER		STORED GAS
			DISTRIB	AUTO&GEN	
15 Fuel Stock	0	0			
16 Other	577,268		0	577,268	
17 Stored Gas	23,168,031				23,168,031
18 Responsibility Factor MGU		1.000000(2)	1.000000(3)	1.000000(3)	1.000000(4)
19 MGU	23,745,299	0	0	577,268	23,168,031

- (1) Average balances calculated by dividing the beginning and ending monthly balances by 24.
- (2) Demand Responsibility, Allocation Method B. (M-3 P.1)
- (3) Ratio of Jurisdiction Direct Assigned Distribution - Gross Plant, Allocation Method C. (M-1 P.1)
- (4) Energy Responsibility, Allocation Method A. (M-2 P.1)

May not cross-check due to rounding

Michigan Gas Utilities Corporation
Other Deferred Taxes
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

	M & S/CWIP DEF TAX (283110,210)
1 Dec	664,995
2 Jan	658,053
3 Feb	651,112
4 Mar	644,170
5 Apr	637,228
6 May	630,286
7 Jun	623,345
8 Jul	616,403
9 Aug	609,461
10 Sep	602,520
11 Oct	595,578
12 Nov	588,636
13 Dec	581,695
14 Ave(1)	623,345

(1)Average balances calculated by dividing the beginning and ending monthly balances by 24.

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Customer Advances
 (Account 252)
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Amount
1 Dec	0
2 Jan	0
3 Feb	0
4 Mar	0
5 Apr	0
6 May	0
7 Jun	0
8 Jul	0
9 Aug	0
10 Sep	0
11 Oct	0
12 Nov	0
13 Dec	0
14 Ave(1)	0

Gas Customer Advances - Deferred Taxes
 End of Month Balances

Ln	Amount
1 Dec	0
2 Jan	0
3 Feb	0
4 Mar	0
5 Apr	0
6 May	0
7 Jun	0
8 Jul	0
9 Aug	0
10 Sep	0
11 Oct	0
12 Nov	0
13 Dec	0
14 Ave(1)	0

(1) Average balances calculated by dividing the beginning and ending monthly balances by 24.

May not cross-check due to rounding

Statement F
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Michigan Gas Utilities Corporation
 Gas Working Capital Allowance
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

LN ASSETS:	Electric	Gas	Non-Util	Total	Source
1 Utility Plant-ARO 101200	0	109,660	0	109,660	WPB4-2
2 Accum Deprec-ARO 108200	0	-89,470	0	-89,470	WPB4-2
3 Special Funds 129	0	0	0	0	WPB4-1
4 Temporary Cash 136	0	1,219,039	0	1,219,039	WPB4-7
5 Notes Receivable 141	0	0	0	0	WPB4-7
6 Customer A/R 142	0	24,595,045	0	24,595,045	WPB4-8
7 Other A/R 143	0	466,055	0	466,055	WPB4-8
8 Acc Prov Uncoll Accts 144	0	-2,604,195	0	-2,604,195	WPB4-8
9 A/R from Assoc Co. 146	0	483,411	0	483,411	WPB4-8
10 Taxes Rec. Other Co. 147	0	0	0	0	WPB4-8
11 Accrued Utility Rev 173	0	17,157,762	0	17,157,762	WPB4-8
12 Misc and Accrued 174	0	3,589,740	13,647,831	17,237,571	WPB4-8
13 Derivative Assets 175	0	0	0	0	WPB4-8
14 Other Deferred Debits	0	63,005,598	127,923,360	190,928,958	WPB4-9
15 Unamort Debt Exp 181	0	0	0	0	WPB5-3a
16 TOTAL ASSETS	0	107,932,645	141,571,191	249,503,836	
=====					
LIABILITIES:					
17 Unamort Debt Disc 226	0	0	0	0	WPB5-3a
18 AccmProv Pnsion/Bnft 228	0	14,931,955	0	14,931,955	WPB5-4
19 Accounts Payable 230	0	137,051	0	137,051	WPB5-6a
20 Accounts Payable 232	0	13,641,549	0	13,641,549	WPB5-6b
21 Accounts Payable Othr 234	0	4,233,358	0	4,233,358	WPB5-6d
22 Customer Deposits 235	0	0	599,045	599,045	WPB5-6e
23 Accrued Interest 237	0	-251,513	0	-251,513	WPB5-6f
24 Dividends Declared 238	0	0	0	0	WPB5-6g
25 Tax Collections Pyble 241	0	98,353	0	98,353	WPB5-6h
26 MiscCur/Accrd Liab 242	0	16,694,532	0	16,694,532	WPB5-6i
27 Derivative Liab 244	0	0	0	0	WPB5-7
28 Oth Deferred Credits 253	0	25,135,884	0	25,135,884	WPB5-9
29 Reg. Liabilities 254	0	164,628	0	164,628	WPB5-11
30 TOTAL LIABILITIES	0	74,785,797	599,045	75,384,842	
=====					
31 WORKING CAPITAL	0	33,146,848	140,972,146	174,118,994	
=====					

Working Capital is Functionalized based on Rate Base, Allocation Method N.

	Total	Production Energy	Demand	Trans-mission	Distri-bution	Storage	Cust-omer
32 Work Capital **	33,146,848	4,855,317	166,099	2,726,759	23,479,769	1,918,904	0
33 MGU Resp		1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
34 MGU	33,146,848	4,855,317	166,099	2,726,759	23,479,769	1,918,904	0
=====							

** Working Capital on this page, is included in Working Capital Allowance on SCH B3

(1) Non-Utility includes accounts 129%, 17400M, 191000, 235%, AND 242010

Statement F
 Page 5 of 9

Michigan Gas Utilities Corporation
 Gas Plant Held for Future Use
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Production	Transmission	Distribution	Storage	General
1 Dec	0	0	0	0	0
2 Jan	0	0	0	0	0
3 Feb	0	0	0	0	0
4 Mar	0	0	0	0	0
5 Apr	0	0	0	0	0
6 May	0	0	0	0	0
7 Jun	0	0	0	0	0
8 Jul	0	0	0	0	0
9 Aug	0	0	0	0	0
10 Sep	0	0	0	0	0
11 Oct	0	0	0	0	0
12 Nov	0	0	0	0	0
13 Dec	0	0	0	0	0
14 Ave (1)	0	0	0	0	0

PLANT HELD MICHIGAN

	Production						
	Total	Energy	Demand	Trans.	Distrib.	Storage	Customer
15 Plant Held	0	0	0	0	0	0	0
16 Resp Factor MGU		1.000000(2)	1.000000(2)	1.000000(2)	1.000000(2)	1.000000(2)	1.000000(2)
17 MGU	0	0	0	0	0	0	0

(1) Average balances calculated by dividing the beginning and ending monthly balances by 24.

(2) Direct Assignment to Jurisdiction.

May not cross-check due to rounding

Statement F
 Page 6 of 9

Michigan Gas Utilities Corporation
 Gas Prepayments
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Insurance 165010 165015	Licenses 165020 110 & 120	Taxes 165030 165180	Interest Comm Paper 165040	Gross Rec Tax 165080	Gas Cost 165200
1 Dec	-261,477	0	0	0	0	0
2 Jan	-270,481	0	0	0	0	3,807
3 Feb	-212,037	0	0	0	0	3,461
4 Mar	-243,506	0	0	0	0	3,115
5 Apr	-274,306	0	0	0	0	2,769
6 May	-303,215	0	0	0	0	2,423
7 Jun	-332,815	0	0	0	0	2,077
8 Jul	-363,570	0	0	0	0	1,731
9 Aug	-394,325	0	0	0	0	1,385
10 Sep	-425,100	0	0	0	0	1,038
11 Oct	-455,876	0	0	0	0	692
12 Nov	-475,406	0	0	0	0	346
13 Dec	-506,054	0	0	0	0	0
14 Ave(1)	-344,534	0	0	0	0	1,904

	Functionalization (2):						
	Total	Production Energy	Demand	Trans.	Distrib.	Storage	Customer
15 Insuran	-344,534	0	-15,715	-13,434	-304,264	-11,121	0
16 License	0	0	0	0	0	0	0
17 Taxes	0	0	0	0	0	0	0
18 Interest	0	0	0	0	0	0	0
19 Grs Rcts	0	0	0	0	0	0	0
20 Gas Csts	1,905	279	10	157	1,349	110	0
21 Total	-342,629	279	-15,705	-13,277	-302,915	-11,011	0

- (1) Average balances calculated by dividing the beginning and ending monthly balances by 24.
- (2) Following are the functionalization methods used for each sub-account:
 - Insurance: Salaries and Wages (Allocation L).
 - Licenses: Salaries and Wages (Allocation L).
 - Taxes: Net Plant (Allocation Method M).
 - Interest: Rate Base (Allocation Method N).
 - Gross Rect: Gross Plant (Allocation Method M).
 - Gas Costs: Rate Base (Allocation Method N).

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Cash and Bank Balances
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Cash 131	Interest Special Deposits 132	Other Special Deposits 134-134.7	Working Fund 135
1 Dec	825,287	0	42,000	4,850
2 Jan	825,287	0	45,750	4,850
3 Feb	825,287	0	45,750	4,850
4 Mar	825,287	0	45,750	4,850
5 Apr	825,287	0	49,500	4,850
6 May	825,287	0	49,500	4,850
7 Jun	825,287	0	49,500	4,850
8 Jul	825,287	0	53,250	4,850
9 Aug	825,287	0	53,250	4,850
10 Sep	825,287	0	53,250	4,850
11 Oct	825,287	0	57,000	4,850
12 Nov	825,287	0	57,000	4,850
13 Dec	825,287	0	57,000	4,850
14 Ave (1)	825,287	0	50,750	4,850

Functionalization (2)

	Total	Production Energy	Demand	Trans.	Distrib.	Storage	Customer
15 Cash	825,288	120,887	4,136	67,891	584,597	47,777	0
16 Int Dep	0	0	0	0	0	0	0
17 Oth Dep	50,750	0	50,750	0	0	0	0
18 Wk Fund	4,850	710	24	399	3,436	281	0
19 Total	880,888	121,597	54,910	68,290	588,033	48,058	0

- (1) Average balances calculated by dividing the beginning and ending monthly balances by 24.
- (2) Following are the functionalization methods used for each sub-account:
 - Cash: Rate Base (Allocation N).
 - Interest: Rate Base (Allocation N).
 - Special Deposits: Production - Demand Related.
 - Working Fund: Rate Base (Allocation N).

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Taxes
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

	Property	Payroll	Income
1 Dec	159,178	17,107	2,265,849
2 Jan	455,178	17,107	2,265,849
3 Feb	740,578	17,107	2,265,849
4 Mar	1,036,578	17,107	2,265,849
5 Apr	1,332,578	17,107	2,265,849
6 May	1,628,578	17,107	2,265,849
7 Jun	1,924,578	17,107	2,265,849
8 Jul	581,078	17,107	2,265,849
9 Aug	877,078	17,107	2,265,849
10 Sep	1,173,078	17,107	2,265,849
11 Oct	1,469,078	17,107	2,265,849
12 Nov	1,765,078	17,107	2,265,849
13 Dec	159,378	17,107	2,265,849
14 Avg	1,095,228	17,107	2,265,849

JURISDICTIONAL TAXES (2)

	Total	Production Energy	Demand	Trans.	Distrib.	Storage	Customer
15 Property	1,095,228	0	5,183	148,938	881,480	59,627	0
16 Payroll	17,106	0	780	667	15,107	552	0
17 Income	2,265,849	331,899	11,354	186,396	1,605,028	131,172	0
18 Total	3,378,183	331,899	17,317	336,001	2,501,615	191,351	0

(1) Average balances calculated by dividing the beginning and ending monthly balances by 24.

(2) Functionalized Allocation Basis:
 Property Tax - M, Net Plant
 Payroll Tax - L, Salaries & Wages
 Income Tax - N, Rate Base

May not cross-check due to rounding

Michigan Gas Utilities Corporation
Investments in Subsidiaries
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

End of Month Balances

Ln	Investments
--	-----
1 Dec	0
2 Jan	0
3 Feb	0
4 Mar	0
5 Apr	0
6 May	0
7 Jun	0
8 Jul	0
9 Aug	0
10 Sep	0
11 Oct	0
12 Nov	0
13 Dec	0

14 Ave (1)	0

	=====

- (1) Average balances calculated by dividing the beginning and ending monthly balances by 24.
- (2) Ratio of Jurisdiction Direct Assigned Distribution - Gross Plant, Allocation Method C.

May not cross-check due to rounding

Statement H
 Page 1 of 15

Michigan Gas Utilities Corporation
 Gas Operation and Maintenance Expenses
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Total Operation and Maintenance Expense	Amount	
Production - Gas Purchases:			
1	Energy	129,245,489	(Hp15)
2	Dem-Peak Day (D-1)	0	(Hp15)
3	Other COG	0	(Hp15)
4	Total Prod-Gas Purch.:	129,245,489	
Production - Other:			
5	Energy	692,680	(Hp3)
6	Dem-Peak Day (D-1)	666,909	(Hp3)
7	Other COG	0	(Hp3)
8	Total Prod-Other:	1,359,589	
9	Transmission	806,903	(Hp3)
10	Distribution	15,943,775	(Hp3)
11	Storage	1,087,890	(Hp3)
12	Customer Accounts	14,418,131	(Hp4)
13	Customer Service	955,900	(Hp4)
14	Sales	15	(Hp4)
15	Total Operation and Maintenance Expense	163,817,692	

Note: The CUST portion of Ad & Gen from H2 line 12 is apportioned between customer accounts, customer service, and sales based on their relative percentages from AML.

H1

May not cross-check due to rounding

Statement H
 Page 2 of 15

Michigan Gas Utilities Corporation
 Gas Operation and Maintenance Expenses
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Gas	Energy	Pk Day Demand	Other COG	Trans- mission	Distri- bution	Storage	Cust
1 En Pur	129,245,489	129,245,489						
2 D-1 Dem	0		0					
3 Other	0			0				
4 Tot Pur	129,245,489	129,245,489	0	0				
5 Prod Cost	0		0					
6 Rem Pro	922,031	692,681	229,350	0				
7 Tot Pro	130,167,519	129,938,169	229,350	0				
8 Transmi	432,857				432,857			
9 Distrib	7,472,291					7,472,291		
10 Storage	778,252						778,252	
11 Cust Acc	10,677,728							10,677,728
12 Cust Srv	523,682							523,682
13 Sales	15							15
14 A & G(1)	13,765,348	0	437,559	0	374,046	8,471,484	309,638	4,172,621
15 Tot O&M	163,817,692	129,938,169	666,909	0	806,903	15,943,775	1,087,890	15,374,046

(1) Split on the basis of Salaries and Wages: Allocation Method L. Production and Transmission salaries and wages ratios added to determine Demand Ratio.

H2

May not cross-check due to rounding

Statement H
 Page 3 of 15

Michigan Gas Utilities Corporation
 Jurisdictional O & M by Function
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln		Energy	Pk Day Demand	Other COG	Trans-mission	Distri-bution	Storage	Cust-omer	Total
1	O&M less A&G & Other Prod	129,245,488	0	0	432,857	7,472,291	778,252	11,201,425	149,130,314
2	less PBAB	0	0	0	0	0	0	0	0
3	Amount	129,245,489	0	0	432,857	7,472,291	778,252	11,201,425	149,130,314
Other Prod Cost:									
4	Remain Prod	692,681	229,350	0	0	0	0	0	922,031
5	Prod Cost	0	0	0	0	0	0	0	0
6	Other Cost	692,681	229,350	0	0	0	0	0	922,031
A & G:									
7	A&G By Funct.	0	437,559	0	374,046	8,471,484	309,638	4,172,621	13,765,348
10	A&G	0	437,559	0	374,046	8,471,484	309,638	4,172,621	13,765,348
11	TOT O&M	129,938,170	666,909	0	806,903	15,943,775	1,087,890	15,374,046	163,817,693

H3

May not cross-check due to rounding

Statement H
 Page 4 of 15

Michigan Gas Utilities Corporation
 MGU Jurisdictional Customer Amounts
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Customer Accounts	Customer Services	Customer Sales	Total
1 Accts	10,677,728	0	0	10,677,728
2 Serv	0	523,682	0	523,682
3 Sales	0	0	15	15
4 A&G	3,740,403	432,218	0	4,172,621
5 Total	14,418,131	955,900	15	15,374,046

Note: The CUST portion of Ad & Gen from H2 line 12 is apportioned between customer accounts, customer service, and sales based on their relative percentages from AML.

H4

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Utility Operation and Maintenance Expense
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

		PRODUCTION PLANT			
Gas Ln	Steam Production Operation	Energy	Demand	Direct	Total
1	Acct 700	0	0	0	0
2	701	0	0	0	0
3	702	0	0	0	0
4	703	0	0	0	0
5	704	0	0	0	0
6	Total Operation	0	0	0	0
	Maint'nce				
7	705	0	0	0	0
8	706	0	0	0	0
9	707	0	0	0	0
10	708	0	0	0	0
11	Total Maint'nce	0	0	0	0
12	Total Steam	0	0	0	0
	Liquified Gas Production Operation				
13	710	0	0	0	0
14	711	0	0	0	0
15	712	0	0	0	0
16	717	0	0	0	0
17	728	0	0	0	0
18	732	0	0	0	0
19	735	0	229,350	0	229,350
20	735	0	0	0	0
21	736	0	0	0	0
22	Total Operation	0	229,350	0	229,350
	Maint'nce				
23	740	0	0	0	0
24	741	0	0	0	0
25	742	0	0	0	0
26	Total Maint'nce	0	0	0	0
27	Total Liq Gas	0	229,350	0	229,350
	Natural Gas Production Operation				
28	754	0	0	0	0
29	756	197,306	0	0	197,306
30	Total Nat Gas	197,306	0	0	197,306
	Other Gas Supply				
31	800 COG	0	0	0	0
32	804 COG	131,959,022	0	0	131,959,022
33	804 Bal-COG	682,126	0	0	682,126
35	808 COG	-2,897,953	0	0	-2,897,953
37	812 COG	-497,706	0	0	-497,706
33	804 Oth	390,891	0	0	390,891
34	805	0	0	0	0
36	810	0	0	0	0
38	813	104,484	0	0	104,484
39	Total Other	129,740,864	0	0	129,740,864
40	Total Production	129,938,169	229,350	0	130,167,519

Michigan Gas Utilities Corporation
Gas Utility Operation and Maintenance Expense
For the Year Ended, Dec. 31, 2010
Date Performed: 5/28/09 12: 8

Transmission Expenses

Transmission Function		Total
Ln	Operation	-----
1	Acct 850	0
2	856	22,653
3	857	240,698

4	Total Operation	263,351
	Maint'nce	
5	863	61,333
6	865	84,335
7	867	23,838

8	Total Maint'nce	169,506

9	Total Transmission	432,857
		=====

H52

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Utility Operation and Maintenance Expense
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Distribution Expenses

Distribution Function	Total
Ln Operation	-----
1 Acct 870	952,358
2 871	373,563
3 872	0
4 873	0
5 874	889,903
6 875	0
7 877	13,476
8 878	1,029,187
9 879	640,141
10 880	1,787,941
11 881	18,843

12 Total Operation	5,705,411
Maint'nce	
13 885	41,454
14 886	0
15 887	743,159
16 888	0
17 889	39,544
18 891	80,399
19 892	232,313
20 893	320,737
21 894	309,273

22 Total Maint'nce	1,766,880

23 Total Distribution	7,472,291
	=====

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Utility Operation and Maintenance Expense
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Storage Expenses

Storage Function		Total
Ln	Operation	-----
1	Acct 814	112,339
2	816	11,698
3	817	10,531
4	818	8,086
5	819	384,764
6	820	15,732
7	821	8,395
8	824	96,618

9	Total Operation	648,164
	Maint'nce	
10	830	5,616
11	831	0
12	832	20,452
13	833	28,889
14	834	32,278
15	835	2,361
16	836	6,257
17	837	10,544
18	842	23,691

19	Total Maint'nce	130,088

20	Total Storage	778,252
		=====

H53

May not cross-check due to rounding

Statement H
 Page 9 of 15

Michigan Gas Utilities Corporation
 Gas Utility Operation and Maintenance Expense
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Customer Accounts, Service, Sales and A&G

Customer Accounts	Total
Ln	-----
--	
1 Acct 901	262,209
2 902	1,898,916
3 903	6,088,557
4 904	2,102,715
5 90400M	0
6 905	325,331

7 Total Accounts	10,677,728
	=====
Customer Services	
8 907	19,371
9 908	259,486
10 908W	0
11 909	240,377
12 910	4,448

13 Total Services	523,682
	=====
Sales	
14 911	0
15 912	15
16 913	0
17 916	0

18 Total Sales	15
	=====
A & G	
19 920	3,923,636
20 921	1,348,071
21 922	0
22 923	853,687
23 924	53,841
24 925	296,171
25 926	5,543,398
26 928	427,420
27 929	0
28 930	1,020,812
29 931	298,411
30 935	-101

31 Total A & G	13,765,347
	=====

H7

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Utility Salaries and Wages
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

PRODUCTION PLANT

Ln	Operation	Energy	Demand	Direct	Total
1	Acct 700	0	0	0	0
2	701	0	0	0	0
3	702	0	0	0	0
4	703	0	0	0	0
5	704	0	0	0	0
6	Total Operation	0	0	0	0
	Maint'nce				
7	705	0	0	0	0
8	706	0	0	0	0
9	707	0	0	0	0
10	708	0	0	0	0
11	Total Maint'nce	0	0	0	0
12	Total Steam	0	0	0	0
	Liquified Gas Production				
	Operation				
13	710	0	0	0	0
14	711	0	0	0	0
15	712	0	0	0	0
16	717	0	0	0	0
17	728	0	0	0	0
18	732	0	0	0	0
19	735	0	0	0	0
20	00 735	0	0	0	0
21	736	0	0	0	0
22	Total Operation	0	0	0	0
	Maint'nce				
23	740	0	0	0	0
24	741	0	0	0	0
25	742	0	0	0	0
26	Total Maint'nce	0	0	0	0
	Natural Gas Production				
	Operation				
28	754	0	0	0	0
29	756	0	67,658	0	67,658
30	Total Nat Gas	0	67,658	0	67,658
	Other Gas Supply				
27	804	0	0	0	0
28	804 Oth	238,007	0	0	238,007
29	813	0	0	0	0
30	Total Other	238,007	0	0	238,007
31	Total Production	238,007	67,658	0	305,665

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Utility Salaries and Wages
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Distribution Expenses

Operation	Total
Ln	-----
1 Acct 870	1,594,398
2 871	200,115
3 872	0
4 873	0
5 874	718,279
6 875	0
7 877	3,252
8 878	940,597
9 879	563,507
10 880	638,334
11 881	0

12 Total Operation	4,658,482
Maint'nce	
13 885	39,645
14 886	0
15 887	485,668
16 888	0
17 889	35,925
18 891	65,127
19 892	180,677
20 893	270,286
21 894	182,150

22 Total Maint'nce	1,259,479

23 Total Distribution	5,917,961
	=====

H9

May not cross-check due to rounding

Michigan Gas Utilities Corporation
Gas Utility Salaries and Wages
For the Year Ended, Dec. 31, 2010
Date Performed: 5/28/09 12: 8

Transmission Expenses

Transmission Function		Total
Ln	Operation	-----
1	Acct 850	0
2	856	16,972
3	857	185,127

4	Total Operation	202,099
	Maint'nce	
5	863	12,035
6	865	35,713
7	867	11,448

8	Total Maint'nce	59,196

9	Total Transmission	261,295
		=====

H92

May not cross-check due to rounding

Statement H
 Page 13 of 15

Michigan Gas Utilities Corporation
 Gas Utility Salaries and Wages
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Storage Expenses

Storage Function		Total
Ln	Operation	-----
1	Acct 814	214,585
2	816	301
3	817	0
4	818	122
5	820	0
6	821	0
7	824	195

8	Total Operation	215,203
	Maint'nce	
9	830	407
10	831	0
11	832	390
12	833	0
13	834	122
14	835	0
15	836	0
16	837	177

17	Total Maint'nce	1,096

18	Total Storage	216,299
		=====

H93

May not cross-check due to rounding

Statement H
 Page 14 of 15

Michigan Gas Utilities Corporation
 Gas Utility Salaries and Wages
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Customer Accounts, Service, Sales and A&G

Customer Accounts	Total
Ln	-----
1 Acct 901	330,707
2 902	1,401,789
3 903	659,679
4 904	0
5 90400M	0
6 905	220,769

7 Total Accounts	2,612,944
	=====
Customer Services	
8 907	21,259
9 908	261,564
10 908W	0
11 909	19,111
12 910	0

13 Total Services	301,933
	=====
Sales	
14 911	0
15 912	0
16 913	0
17 916	0

18 Total Sales	0
	=====
A & G	
19 920	3,639,232
20 921	1,001,768
21 923	0
22 924	0
23 925	0
24 926	-5,834
25 928	0
26 929	0
27 930	0
28 931	0
29 935	47,220

30 Total A & G	4,682,386
	=====

H10

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Operation and Maintenance Expenses
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Gas Purchased Power SUMMARY				
Ln	ENERGY(1) ----- Corp. Commodity Purchases	PEAK DAY DEM(2) ----- Corp. D-1	OTHER(3) ----- Corp. OTHER COG	TOTAL ----- CORPORATE COG
1 Jan	22,918,066	0	0	22,918,066
2 Feb	19,571,532	0	0	19,571,532
3 Mar	18,721,663	0	0	18,721,663
4 Apr	9,615,967	0	0	9,615,967
5 May	4,474,201	0	0	4,474,201
6 Jun	3,080,258	0	0	3,080,258
7 Jul	3,168,222	0	0	3,168,222
8 Aug	3,073,127	0	0	3,073,127
9 Sep	2,952,368	0	0	2,952,368
10 Oct	7,411,639	0	0	7,411,639
11 Nov	14,094,434	0	0	14,094,434
12 Dec	20,164,012	0	0	20,164,012
13 Tot	129,245,489 =====	0 =====	0 =====	129,245,489 =====

Includes the following accounts:
 (1) 800000, 804220/221, 804230/231, 804240/241, 804320/321,
 804410, 804420/421, 804440/441, 804450, 804460, 804520/521
 804610 808100, 808200, 812000

H11

May not cross-check due to rounding

Statement I
 Page 1 of 1

Michigan Gas Utilities Corporation
 Depreciation Expense
 Straight Line
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Product Demand	Trans- mission	Distri- bution	Storage	General	Total
1 Jan	18	77,218	463,266	33,652	62,165	636,318
2 Feb	18	77,218	463,164	33,652	62,258	636,310
3 Mar	18	77,218	463,061	33,652	62,430	636,379
4 Apr	18	77,218	463,050	33,652	62,650	636,589
5 May	18	77,218	463,239	33,652	62,768	636,895
6 Jun	18	77,218	463,315	33,652	63,011	637,214
7 Jul	18	77,218	462,226	33,652	63,419	636,533
8 Aug	18	77,218	462,407	33,652	63,607	636,902
9 Sep	18	77,218	462,405	33,652	63,652	636,945
10 Oct	18	77,218	462,345	33,652	63,741	636,974
11 Nov	18	77,218	462,352	33,652	63,810	637,051
12 Dec	18	77,451	468,809	33,965	63,911	644,153
13 Total	211	926,852	5,559,640	404,137	757,422	7,648,263
14 Gen(1)	34,548	29,533	668,892	24,448	-757,422	
15 Total	34,759	956,385	6,228,532	428,585		
16 Total Corp.	7,648,262					

(1)Functionalized based on Salaries and Wages. See Allocation Method L.

Reference to Retail and Wholesale refers to subaccounting of records to recognize accounting procedure differences between Retail and Wholesale commissions. The Basic Cost Record represents the portion which can be uniformly accounted for in all jurisdictions.

May not cross-check due to rounding

Statement II
 Page 1 of 2

Michigan Gas Utilities Corporation
 Corporate Total - Gas AC406 Amortizations
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Production Energy	Demand	Trans- mission	Distri- bution	Storage	Customer	General	Total
1 Jan	0	0	0	0	0	0	0	0
2 Feb	0	0	0	0	0	0	0	0
3 Mar	0	0	0	0	0	0	0	0
4 Apr	0	0	0	0	0	0	0	0
5 May	0	0	0	0	0	0	0	0
6 Jun	0	0	0	0	0	0	0	0
7 Jul	0	0	0	0	0	0	0	0
8 Aug	0	0	0	0	0	0	0	0
9 Sep	0	0	0	0	0	0	0	0
10 Oct	0	0	0	0	0	0	0	0
11 Nov	0	0	0	0	0	0	0	0
12 Dec	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
	Energy	Demand	Trans	Distrib	Customer			
2 G&C (*)	0	0	0	0	0	0		
3 Total	0	0	0	0	0			
4 Total Corp		0						

(*) Functionalized based on Salaries and Wages. See Allocation Method L.

May not cross-check due to rounding

Statement II
 Page 2 of 2

Michigan Gas Utilities Corporation
 Corporate Total - Gas AC407 Amortizations
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Production Energy	Demand	Trans- mission	Distri- bution	Customer	General	Common	Total
1 Jan	0	0	0	0	0	0	0	0
2 Feb	0	0	0	0	0	0	0	0
3 Mar	0	0	0	0	0	0	0	0
4 Apr	0	0	0	0	0	0	0	0
5 May	0	0	0	0	0	0	0	0
6 Jun	0	0	0	0	0	0	0	0
7 Jul	0	0	0	0	0	0	0	0
8 Aug	0	0	0	0	0	0	0	0
9 Sep	0	0	0	0	0	0	0	0
10 Oct	0	0	0	0	0	0	0	0
11 Nov	0	0	0	0	0	0	0	0
12 Dec	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
	Energy	Demand	Trans	Distrib	Customer			
2 G&C (*)	0	0	0	0	0			
3 Total	0	0	0	0	0			
6 Total Corp		0						

(*) Functionalized based on Salaries and Wages. See Allocation Method L.

May not cross-check due to rounding

Michigan Gas Utilities Corporation
Income Taxes
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

LN		CORPORATE
--		-----
1	Federal Income Tax	2,189,585
2	State Income Tax	382,761

3	Operating Income Taxes	2,572,346
		=====
	Income Taxes on Other Income:	
4	Federal	0
5	State	0

6	Other Income Taxes	0
		=====
7	Total Income Tax Expense	2,572,346
		=====

May not cross-check due to rounding

The Federal Income Tax rate is: 0.35
The State Income Tax rate is: 0.06038505
The Composite Income Tax rate is: 0.3893
The Income Tax Factor is: 0.6375

Michigan Gas Utilities Corporation
Allocation Method Reference Sheet for Taxes
Year Ending Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

(#)	ALLOCATION METHOD	(#)	STATEMENT SOURCE	AMOUNT
(1)	Rate Base	(1)	M, Page 2	1.000000
(2)	Energy-BCR	(2)	M-2, Page 1	1.000000
(3)	Energy-RET	(3)	M-2, Page 1	1.000000
(4)	Energy-WHL	(4)	Not Applicable	0.000000
(5)	Demand-BCR	(5)	M-3, Page 1	1.000000
(6)	Demand-RET	(6)	M-3, Page 1	1.000000
(7)	Demand-WHL	(7)	Not Applicable	0.000000
(8)	Transmission-BCR	(8)	Not Applicable	0.000000
(9)	Transmission-RET	(9)	Not Applicable	0.000000
(10)	Transmission-WHL	(10)	Not Applicable	0.000000
(11)	Dist Plant-BCR	(11)	M-1, Page 1	1.000000
(12)	Dist Plant-RET	(12)	M-1, Page 1	1.000000
(13)	Dist Plant-WHL	(13)	Not Applicable	0.000000
(14)	Dist S/L Acc Dep-BCR	(14)	M-1, Page 2	1.000000
(15)	Dist S/L Acc Dep-RET	(15)	M-1, Page 2	1.000000
(16)	Dist S/L Acc Dep-WHL	(16)	Not Applicable	0.000000
(17)	Dist T/S Acc Dep-BCR	(17)	Not Applicable	0.000000
(18)	Dist T/S Acc Dep-RET	(18)	Not Applicable	0.000000
(19)	Dist T/S Acc Dep-WHL	(19)	Not Applicable	0.000000
(20)	Dist S/L Dep Exp-BCR	(20)	M-1, Page 3	1.000000
(21)	Dist S/L Dep Exp-RET	(21)	M-1, Page 3	1.000000
(22)	Dist S/L Dep Exp-WHL	(22)	Not Applicable	0.000000
(23)	Dist T/S Dep Exp-BCR	(23)	M-1, Page 4	1.000000
(24)	Dist T/S Dep Exp-RET	(24)	M-1, Page 4	1.000000
(25)	Dist T/S Dep Exp-WHL	(25)	Not Applicable	0.000000
(26)	Dist-O&M-BCR	(26)	M-1, Page 5	1.000000
(27)	Dist-O&M-RET	(27)	M-1, Page 5	1.000000
(28)	Dist-O&M-WHL	(28)	Not Applicable	0.000000
(29)	Customer-BCR	(29)	Alloc Method G	1.000000
(30)	Customer-RET	(30)	Alloc Method G	1.000000
(31)	Customer-WHL	(31)	Not Applicable	0.000000
(32)	General & Common-BCR	(32)	Alloc Method L	1.000000
(33)	General & Common-RET	(33)	Alloc Method L	1.000000
(34)	General & Common-WHL	(34)	Not Applicable	0.000000
(35)	Direct-Wisconsin	(35)	Not Applicable	0.000000
(36)	Direct-Michigan	(36)	Direct	1.000000
(37)	Direct-Wholesale	(37)	Not Applicable	0.000000
(38)	Revenue	(38)	Alloc Method S	1.000000
(39)	Michigan Tax Liab	(39)	Direct J-1, Page 2	1.090614
(40)	T/S Deprec Expense	(40)	I, Page 2	1.000000

Michigan Gas Utilities Corporation
 Operating
 Federal Income Tax Computation
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

LN	CORPORATE
--	-----
1 Book Income Before	
2 Incm Txs & Int Exp	12,431,750
3 Interest Expense (1)	5,751,170
4 Income Reconcil.	-603,367
5 Mich. apportionment	0

6 Taxable Income	6,077,213
7 Tax Rate	0.350
8 Taxes Calculated	2,127,024
9 Surtax Exemption	0
10 Amort Tx Ref/Pymnt	0
11 I.T.C. Earned	0

12 Tax Liability	2,127,024
13 Net Tax Adj.	62,561

14 Adj Tax Liability	2,189,585

15 Account 409.1 (Rnd)	2,189,585
16 I.T.C. Net (2)	0

17 Taxes Allowable	2,189,585
	=====

(1) Includes interest related to Long-Term Debt,
 Short-Term Debt, and Other Interest Bearing Accounts.

(2) ITC reduces income tax expense, which is required
 for us to apply weighted cost of permanent capital
 as shown on Ex A-4, Sch D-1.

Adj. Tax Liability

19 Accrual Basis	2189585
20 Adjustment	0
21 Actual Basis	2189586
22 Jurisdictional Base	2178389
23 Allocation %	0.994886

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Operating
 State Income Tax Computation
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

LN	CORPORATE
--	-----
1 Book Income Before	
2 Incm Txs & Int Exp	12,431,750
3 Interest Expense (1)	5,751,170
4 Income Reconcil.	-834,277
5 Mich. apportionment	0

6 Taxable Income	5,846,303
7 Tax Rate	0.060
8 Taxes Calculated	353,029
9 Surtax Exemption	0
10 Amort Tx Ref/Pymnt	0
11 I.T.C. Earned	0

12 Tax Liability	353,029
13 Net Tax Adj.	29,732

14 Adj Tax Liability	382,761

15 Account 409.1 (Rnd)	382,761
16 I.T.C. Net (2)	0

17 Taxes Allowable	382,761
	=====

(1) Includes interest related to Long-Term Debt,
 Short-Term Debt, and Other Interest Bearing Accounts.

(2) ITC reduces income tax expense, which is required
 for us to apply weighted cost of permanent capital
 as shown on Ex A-4, Sch D-1.

Adj. Tax Liability

19 Accrual Basis	382761
20 Adjustment	0
21 Actual Basis	382761
22 Jurisdictional Base	394069
23 Allocation %	1.029542

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Federal Income Tax Deductions - Interest Synchronization
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	MGU
--	-----
1 Rate Base	189,879,189
2 x Wght Cost of Debt	0.027265

3 Total Interest	5,177,096
4 AFUDC Debt	0

5 Synchronized Intrst	5,177,096
	=====

- 1 See WPC1-1.(Mp.1)
- 2 See Exhibit A-4, Sch D-1.
 Includes weighted cost of Long-Term Debt and Short-Term Debt.
 Excludes weighted cost of Other Interest Bearing accounts.
- 4 J-2 p1

May not cross-check due to rounding

Statement J-2
 Page 1 of 1

Michigan Gas Utilities Corporation
 Reconciliation of Reported Net Income with Taxable Income
 for Federal Income Taxes
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Additional income and unallowable deductions:	Corporate
-----		-----

1	(SM) Demand-BCR (5)	221,972
2	(SM) General & Common-BCR (32)	1,904,156

	Total Additions	2,126,128

	Additional deductions and non-taxable income:	
		Corporate

1	(SM) Transmission-BCR (8)	-171,518
2	(SM) Dist Plant-BCR (11)	-1,808,677
3	(SM) Customer-BCR (29)	-88,364
4	(SM) NERCO/Soo Energy-WHL (43)	-307,907
5	(SM) Michigan Tax Liab (39)	-353,029

	Total Deductions	-2,729,495

	Net Income Adds/Deducts	-603,367
		=====

May not cross-check due to rounding

Statement J-2
 Page 2 of 1

Michigan Gas Utilities Corporation
 Reconciliation of Reported Net Income with Taxable Income
 for State Income Taxes
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Additional income and unallowable deductions:	Corporate
-----		-----

1	(SM) Demand-BCR (5)	221,241
2	(SM) General & Common-BCR (32)	1,825,693
	Total Additions	2,046,934

	Additional deductions and non-taxable income:	Corporate
	-----	-----
1	(SM) Transmission-BCR (8)	-188,494
2	(SM) Dist Plant-BCR (11)	-2,263,089
3	(SM) Customer-BCR (29)	-88,364
4	(SM) NERCO/Soo Energy-WHL (43)	-341,264
	Total Deductions	-2,881,211

	Net Income Adds/Deducts	-834,277
		=====

May not cross-check due to rounding

Michigan Gas Utilities Corporation
Adjustments to Tax Liability to Arrive at Tax Provision
for Federal Income Taxes
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

Ln	Tax effect of deferred expense net:		Corporate

1	(NOT) Demand-BCR	(5)	-77,691
2	(NOT) Transmission-BCR	(8)	60,032
3	(NOT) Dist Plant-BCR	(11)	633,037
4	(NOT) Customer-BCR	(29)	30,927
5	(NOT) General & Common-BCR	(32)	-691,511
6	(NOT) NERCO/Soo Energy-WHL	(43)	107,767

	Net-of-Tax Total		62,561
			=====

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Adjustments to Tax Liability to Arrive at Tax Provision
 for State Income Taxes
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Tax effect of deferred expense net:		Corporate

1	(NOT) Demand-BCR	(5)	-8,632
2	(NOT) Transmission-BCR	(8)	7,359
3	(NOT) Dist Plant-BCR	(11)	88,351
4	(NOT) Customer-BCR	(29)	3,457
5	(NOT) General & Common-BCR	(32)	-74,126
6	(NOT) NERCO/Soo Energy-WHL	(43)	13,323

	Net-of-Tax Total		29,732
			=====

May not cross-check due to rounding

Statement J-4
Page 1 of 3

Michigan Gas Utilities Corporation
Investment Tax Credit - Earned
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

Ln		Production Energy	Production Demand	Trans- mission	Distri- bution	Storage	Customer	Total
1	Total	0	0	0	0	0	0	0

Investment Tax Credit - Restored
Account 411040

Ln		Production Energy	Production Demand	Trans- mission	Distri- bution	Storage	Customer	Total
2	Total	0	0	0	0	0	0	0

May not cross-check due to rounding

Program Name = J4A

Statement J-4
 Page 2 of 3

Michigan Gas Utilities Corporation
 Investment Tax Credit - Earned
 Account 411040
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Production		Trans- mission	Distri- bution	Storage	General	Total
	Energy	Demand					
1 Jan	0	0	0	0	0	0	0
2 Feb	0	0	0	0	0	0	0
3 Mar	0	0	0	0	0	0	0
4 Apr	0	0	0	0	0	0	0
5 May	0	0	0	0	0	0	0
6 Jun	0	0	0	0	0	0	0
7 Jul	0	0	0	0	0	0	0
8 Aug	0	0	0	0	0	0	0
9 Sep	0	0	0	0	0	0	0
10 Oct	0	0	0	0	0	0	0
11 Nov	0	0	0	0	0	0	0
12 Dec	0	0	0	0	0	0	0
13 Total	0	0	0	0	0	0	0
						Customer	
14 Gen(2)	0	0	0	0	0	0	0
15 Total	0	0	0	0	0	0	0
16 Total Corp	0						

- (1) Average balances calculated by dividing the beginning and ending monthly balances by 24.
- (2) Functionalized based on Salaries & Wages: See Allocation Method L.

May not cross-check due to rounding

Program Name = J4B

Statement J-4
 Page 3 of 3

Michigan Gas Utilities Corporation
 Investment Tax Credit - Restored
 Account 411040
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Production		Trans- mission	Distri- bution	Storage	General	Total
	Energy	Demand					
1 Jan	0	0	0	0	0	0	0
2 Feb	0	0	0	0	0	0	0
3 Mar	0	0	0	0	0	0	0
4 Apr	0	0	0	0	0	0	0
5 May	0	0	0	0	0	0	0
6 Jun	0	0	0	0	0	0	0
7 Jul	0	0	0	0	0	0	0
8 Aug	0	0	0	0	0	0	0
9 Sep	0	0	0	0	0	0	0
10 Oct	0	0	0	0	0	0	0
11 Nov	0	0	0	0	0	0	0
12 Dec	0	0	0	0	0	0	0
13 Total	0	0	0	0	0	0	0
						Customer	
14 Gen(2)	0	0	0	0	0	0	0
15 Total	0	0	0	0	0	0	0
16 Total Corp	0						

- (1) Average balances calculated by dividing the beginning and ending monthly balances by 24.
- (2) Functionalized based on Salaries & Wages: See Allocation Method L.

May not cross-check due to rounding

Program Name = J4B

Statement J-5
 Page 1 of 2

Michigan Gas Utilities Corporation
 Tax Amortizations (419/426/431)
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Production		Trans- mission	Misc Inc./Deducts - After Tax			Customer	Ratebase	Total
	Energy	Demand		Distri- bution	Storage	General			
1 Jan	0	0	0	0	0	0	0	0	
2 Feb	0	0	0	0	0	0	0	0	
3 Mar	0	0	0	0	0	0	0	0	
4 Apr	0	0	0	0	0	0	0	0	
5 May	0	0	0	0	0	0	0	0	
6 Jun	0	0	0	0	0	0	0	0	
7 Jul	0	0	0	0	0	0	0	0	
8 Aug	0	0	0	0	0	0	0	0	
9 Sep	0	0	0	0	0	0	0	0	
10 Oct	0	0	0	0	0	0	0	0	
11 Nov	0	0	0	0	0	0	0	0	
12 Dec	0	0	0	0	0	0	0	0	
13 Total	0	0	0	0	0	0	0	0	
	Energy	Demand	Trans	Dist	Strg	Customer	Ratebase		
14 Gen(*)	0	0	0	0	0	0			
15 Total	0	0	0	0	0	0	0		
16 Resp	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000		
18 Total Corp		0							

(*) Functionalized based on Salaries and Wages. See Allocation Method L.

Reference to Retail and Wholesale refers to subaccounting of records to recognize accounting procedure differences between Retail and Wholesale commissions. The Basic Cost Record represents the portion which can be uniformly accounted for in all jurisdictions.

May not cross-check due to rounding

Program Name = J5A

Michigan Gas Utilities Corporation
 Tax Amortizations (409)
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Misc Inc/Deducts - After Tax

Ln	Production		Trans-	Distri-	Storage	General	Customer	Ratebase	Total
	Energy	Demand	mission	bution					
1 Jan	0	0	0	0	0	0	0	0	0
2 Feb	0	0	0	0	0	0	0	0	0
3 Mar	0	0	0	0	0	0	0	0	0
4 Apr	0	0	0	0	0	0	0	0	0
5 May	0	0	0	0	0	0	0	0	0
6 Jun	0	0	0	0	0	0	0	0	0
7 Jul	0	0	0	0	0	0	0	0	0
8 Aug	0	0	0	0	0	0	0	0	0
9 Sep	0	0	0	0	0	0	0	0	0
10 Oct	0	0	0	0	0	0	0	0	0
11 Nov	0	0	0	0	0	0	0	0	0
12 Dec	0	0	0	0	0	0	0	0	0
13 Total	0	0	0	0	0	0	0	0	0
	Energy	Demand	Trans	Dist	Strg		Customer	Ratebase	
14 Gen(*)	0	0	0	0	0		0		
15 Total	0	0	0	0	0		0	0	
=====									
18 Total Corp		0							
=====									

(*) Functionalized based on Salaries and Wages. See Allocation Method L.

Reference to Retail and Wholesale refers to subaccounting of records to recognize accounting procedure differences between Retail and Wholesale commissions. The Basic Cost Record represents the portion which can be uniformly accounted for in all jurisdictions.

May not cross-check due to rounding

Program Name = J5B

Statement J-8
Page 1 of 1

Michigan Gas Utilities Corporation
AFUDC Income
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

GAS AFUDC - Debt and Equity Portions

Ln	Energy	Demand	Trans- mission	Distri- bution	Storage	General	Total
---	-----	-----	-----	-----	-----	-----	-----
1 Debt	0	0	0	0	0	0	0
2 Equity	0	0	0	0	0	0	0
3 Total	0	0	0	0	0	0	0
	=====	=====	=====	=====	=====	=====	=====

May not cross-check due to rounding

Statement K
 Page 1 of 3

Michigan Gas Utilities Corporation
 Taxes Other Than Income Taxes
 Allocation Percentage Calculations
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	Total	Production		Trans-	Distri-	Storage	Customer	Direct
		Energy	Demand	mission	bution			
1 Sal & Wages	1,194,600	0	37,973	32,461	735,182	26,871	362,113	0
2 Plant	3,552,300	0	16,809	483,070	2,859,022	193,398	0	0
3 Total	4,746,900	0	54,782	515,531	3,594,205	220,269	362,113	0

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Gas Taxes Other Than Income Taxes by Function and by Cost Component
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

FUNCTIONALIZATION BASIS

LN		GAS UTILITY -----	Fn Alloc Method -----
	FEDERAL		
1	Retirement Benefits	769,546	L
2	Unemployment Comp.	12,828	L
3	Super Fund Tax	0	M
4	Highway Use Tax	0	L
	STATE-MICHIGAN		
5	Gross Receipts Tax	0	M
6	Unemployment Comp.	9,503	L
7	Remain. Assessment	0	
8	Use Tax	0	M
9	Unauthor. Ins. Tax	10,800	M
10	Wis Recycling Fee	0	M
11	Single Business Tax	0	M
12	Property Tax	3,541,500	M
	LOCAL-MICHIGAN		
13	Real Est & Property	0	M
	IBS		
14	IBS Payroll Tax	402,723	L
	OTHER		
15	Franchise Tax Fees	0	M

14	Total TOTIT	4,746,900	
		=====	

Functionalization Methods:

L = Allocation Method L - Salaries & Wage
 M = Allocation Method M = Average Gas Plant

May not cross-check due to rounding

Statement K
Page 3 of 3

Michigan Gas Utilities Corporation
Taxes Other Than Income Taxes
Allocation Percentage Calculations
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

Ln	Total	Production Energy	Demand	Trans- mission	Distri- bution	Storage	Customer	Direct
--	-----	-----	-----	-----	-----	-----	-----	-----
1 AML	1.000000	0.000000	0.031787	0.027173	0.615421	0.022494	0.303125	0.000000
	=====	=====	=====	=====	=====	=====	=====	=====
2 AMM	1.000000	0.000000	0.004732	0.135988	0.804837	0.054443	0.000000	0.000000
	=====	=====	=====	=====	=====	=====	=====	=====

These allocation percentages are used on page K2.

Michigan Gas Utilities Corporation
 Cost of Service
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

LN	Gas	SOURCE
1	188,644,604	
2	0	
3	0	
4	188,644,604	
5	0	WPC1-1f(i) (M-5p1)
6	188,644,604	
7	129,245,489	WPC1-1b.1 (H1)
8	34,572,203	WPC1-1b.1 (H1)
9	163,817,692	
10	7,648,261	WPC1-1c.1 (I1)
11	0	WPC1-1c.6
12	4,746,900	WPC1-1d (K1)
13	12,431,751	
14	0	WPC1-1f(ii) (M5p2)
15	12,431,751	
16	2,572,346	WPC1-1i.1 (J1)
17	9,859,405	
18	0	WPC1-1f(ii) (M5p2)
19	9,859,405	
20	189,879,189	Schedule B-1 (Mp2)

May not cross-check due to rounding

Statement M
 Page 2 of 3

Michigan Gas Utilities Corporation
 Rate Base
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

LN		Gas	SOURCE
--		-----	-----
1	Gross Plant	292,155,797	WPB6-1c (D1)
2	Accum Deprec	158,319,814	WPB6-4c (E1)

3	Net Plant	133,835,983	
4	C W I P	2,614,327	WPB6-3c (D-1p1)
5	Fut Use Plt	0	WPB6-2b (F5)

6	Plant Total	136,450,310	
		=====	
7	Workng Capital	33,146,848	WPB3-2 (F4)
8	*Cash & Bank	880,888	WPB3-3a (F7)
9	*Fuel Stock	0	WPB3-4b (F1)
10	*Material & Sup	577,268	WPB3-4b (F1)
11	*M&S - Def Tx	-623,345	WPB3-5c (F2)
12	*Gas Storage	23,168,031	WPB3-4b (F1)
13	*Prepayments	-342,629	WPB3-5c (F6)

14	Sub-Total	56,807,061	
		=====	
15	Inv in Subsid	0	WPB1-1c (F9)
16	Capt Conserv	0	WPB4-4 (F10)
17	Cap Cons-D Tax	0	WPB4-4 (F13)

18	Sub-Total	0	
		=====	
	Deduct:		
19	*Taxes	3,378,183	WPB3-6a (F8)
20	Cust Advances	0	WPB5-7a (F2)
21	Adv Def Tax	0	WPB5-7a (F2)

22	Sub-Total	3,378,183	
		=====	
23	RATE BASE	189,879,188	
		=====	

* = WORKING CAPITAL COMPONENT. Total cross checks to SCH. B-3.

May not cross-check due to rounding

Statement M
 Page 3 of 3

Michigan Gas Utilities Corporation
 Total Gas Revenue Requirements
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

Ln	ENERGY	DEM	TRANS	DIST	STRG	CUST	DIRECT/RB	TOTAL
1 Prod	129,938,169	229,350	0	0	0	0	0	130,167,519
2 Trans	0	0	432,857	0	0	0	0	432,857
3 Dist	0	0	0	7,472,291	0	0	0	7,472,291
4 Storage	0	0	0	0	778,252	0	0	778,252
5 Cus Acc	0	0	0	0	0	10,677,728	0	10,677,728
6 Cus Ser	0	0	0	0	0	523,682	0	523,682
7 Sales	0	0	0	0	0	15	0	15
8 A & Gen	0	437,559	374,046	8,471,484	309,638	4,172,621	0	13,765,348
9 Tot Op	129,938,169	666,909	806,903	15,943,775	1,087,890	15,374,046	0	163,817,692
10 Depr	0	34,759	956,385	6,228,532	428,585	0	0	7,648,261
11 Dep-406	0	0	0	0	0	0	0	0
12 TOTIT	0	54,782	515,531	3,594,204	220,269	362,113	0	4,746,900
13 Inc Tax	376,795	12,890	211,609	1,822,137	148,916	0	0	2,572,346
14 ITC Def	0	0	0	0	0	0	0	0
15 Tot Exp	130,314,964	769,340	2,490,428	27,588,648	1,885,660	15,736,159	0	178,785,199
16 Other Income & Adjs	0	0	0	0	0	0	0	0
17 Tx Amrt	0	0	0	0	0	0	0	0
18 Return	1,444,196	49,405	811,064	6,983,969	570,771	0	0	9,859,405
19 Ret Def	755,609	25,849	424,352	3,654,041	298,630	0	0	5,158,482
20 Additional Inc Tax	481,323	16,466	270,312	2,327,624	190,227	0	0	3,285,953
21 Rev Req	132,996,092	861,061	3,996,157	40,554,283	2,945,287	15,736,159	0	197,089,039
Rev Req as % 22 of Tot.	67.4802	0.4369	2.0276	20.5766	1.4944	7.9843	0.0000	100.0000

Note: Lines 13, 17, 18, and 19 are allocated based on Allocation Method N

May not cross-check due to rounding

Statement M-1
 Page 1 of 6

Michigan Gas Utilities Corporation
 Determination of Percentage of Distribution Plant
 Used to Serve MGU Customers
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Account	Total Gas	
---	-----	-----	-----
1	374	260,534	1.000000
2	375	334,831	1.000000
3	376	105,262,976	1.000000
4	377	0	1.000000
5	378	4,234,761	1.000000
6	379	48,809	1.000000
7	380	58,357,685	1.000000
8	381, 383, 385	45,170,791	1.000000
9	382	0	1.000000
10	386	0	1.000000
11	387	0	1.000000
12	303	359,309	1.000000
13	302	22,656	1.000000

14	Total	214,052,352	
		=====	

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Determination of Percentage of Accumulated Depreciation
 * Straight Line *
 Used to Serve MGU Customers
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Account	Total Gas	
1	374	17,838	1.000000
2	375	212,170	1.000000
3	376	58,616,062	1.000000
4	377	0	1.000000
5	378	2,882,538	1.000000
6	379	1,235	1.000000
7	380	34,422,891	1.000000
8	381, 383, 385	20,164,159	1.000000
9	382	0	1.000000
10	386	0	1.000000
11	387	0	1.000000
12	303	304,206	1.000000
13	302	10,572	1.000000
14	Total	116,631,671	

May not cross-check due to rounding

Statement M-1
 Page 3 of 6

Michigan Gas Utilities Corporation
 Determination of Percentage of Depreciation Expense
 * Straight Line *
 Used to Serve MGU Customers
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Account	Total Gas	
1	374	2,454	1.000000
2	375	9,007	1.000000
3	376	2,479,906	1.000000
4	377	0	1.000000
5	378	157,533	1.000000
6	379	718	1.000000
7	380	1,751,125	1.000000
8	381, 383, 385	1,112,422	1.000000
9	382	0	1.000000
10	386	0	1.000000
11	387	0	1.000000
12	303	45,569	1.000000
13	302	906	1.000000

14	Total	5,559,640	=====

May not cross-check due to rounding

Statement M-1
 Page 4 of 6

Michigan Gas Utilities Corporation
 Determination of Percentage of Depreciation Expense
 * Tax Savings *
 Used to Serve MGU Customers
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Account	Total Gas	
1	374	0	1.000000
2	375	0	1.000000
3	376	0	1.000000
4	377	0	1.000000
5	378	0	1.000000
6	379	0	1.000000
7	380	0	1.000000
8	381, 383, 385	0	1.000000
9	382	0	1.000000
10	386	0	1.000000
11	387	0	1.000000
12	303	0	1.000000
13	302	0	1.000000

14	Total	0	
		=====	

May not cross-check due to rounding

Statement M-1
 Page 5 of 6

Michigan Gas Utilities Corporation
 Allocation of Distribution Expenses to
 MGU Customers
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

LN	Distribution Expense -----	Gas O&M Expenses -----	Ratio Used for Alloc -----
--	Operation:		
1	(870)Superv.& Engr.	952,358	1.000000
2	(871)Load Dispatch	373,563	1.000000
3	(872)Comp Labr & Ex	0	1.000000
4	(873)Comp Fuel & Pw	0	1.000000
5	(874)Mains&Serv Exp	889,903	1.000000
6	(875)Ms&Reg Exp-Gen	0	1.000000
7	(877)Ms&Reg Exp-Gat	13,476	1.000000
8	(878)Mtr&Hous Regul	1,029,187	1.000000
9	(879)Cust Install	640,141	1.000000
10	(880)Other	1,787,941	1.000000
11	(881)Rents	18,843	1.000000

12	Total Operation	5,705,411	

	Maintenance:		
13	(885)Superv.& Engr.	41,454	1.000000
14	(886)Struct & Imprv	0	1.000000
15	(887)Mains	743,159	1.000000
16	(888)Comp Stat Equip	0	1.000000
17	(889)Ms&Reg Exp-Gen	39,544	1.000000
18	(891)Ms&Reg Exp-Gat	80,399	1.000000
19	(892)Services	232,313	1.000000
20	(893)Mtr&Hous Regul	320,737	1.000000
21	(894)Other Equipmt	309,273	1.000000

22	Total Maintenance	1,766,880	

23	Total Distribution	7,472,291	
		=====	
24	Jurisdictional Percentage		100.0000
			=====

May not cross-check due to rounding

Statement M-1
 Page 6 of 6

Michigan Gas Utilities Corporation
 Description of Allocation of Distribution Expenses to
 MGU Customers
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Ln	Distribution Expense -----	Allocation Source -----	Ratio Used for Alloc -----
	Operation:		
1	(870)Superv.& Engr.	ALL	1.000000
2	(871)Load Dispatch	ALL	1.000000
3	(872)Comp Labr & Ex	DEMAND (D1)	1.000000
4	(873)Comp Fuel & Pw	DEMAND (D1)	1.000000
5	(874)Mains&Serv Exp	376 & 380	1.000000
6	(875)Ms&Reg Exp-Gen	378	1.000000
7	(877)Ms&Reg Exp-Gat	379	1.000000
8	(878)Mtr&Hous Regul	381, 383, 385	1.000000
9	(879)Cust Install	381, 383, 385	1.000000
10	(880)Other	ALL	1.000000
11	(881)Rents	ALL	1.000000
	Maintenance:		
12	(885)Superv.& Engr.	ALL	1.000000
13	(886)Struct & Imprv	375	1.000000
14	(887)Mains	376	1.000000
15	(888)Comp Stat Equip	DEMAND (D1)	1.000000
16	(889)Ms&Reg Exp-Gen	378	1.000000
17	(891)Ms&Reg Exp-Gat	379	1.000000
18	(892)Services	380	1.000000
19	(893)Mtr&Hous Regul	381, 383, 385	1.000000
20	(894)Other Equipmt	ALL	1.000000

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Summary of MGU GCR Sales
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

GCR Sales
 (Net/Calendar Basis)

Ln	Total GCR Sales Mcf
1 Jan	3,557,800
2 Feb	2,951,618
3 Mar	2,754,125
4 Apr	1,595,213
5 May	653,572
6 Jun	389,240
7 Jul	396,401
8 Aug	374,834
9 Sep	354,599
10 Oct	1,127,782
11 Nov	1,917,132
12 Dec	2,913,491
13 Total	18,985,807

Ln	Percent of Total Sales
14 Jan	0.187393
15 Feb	0.155464
16 Mar	0.145062
17 Apr	0.084021
18 May	0.034424
19 Jun	0.020502
20 Jul	0.020879
21 Aug	0.019743
22 Sep	0.018677
23 Oct	0.059401
24 Nov	0.100977
25 Dec	0.153456
26 Total	1.000000

May not cross-check due to rounding

Statement M-3
 Page 1 of 1

Michigan Gas Utilities Corporation
 Summary of MGU Monthly Throughput
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

Monthly Throughput

Ln	Total GCR Sales Mcf	Total Transport Mcf	Total Throughput Mcf
1 Jan	3,557,800	1,436,491	4,994,291
2 Feb	2,951,618	1,299,177	4,250,795
3 Mar	2,754,125	1,221,554	3,975,679
4 Apr	1,595,213	902,589	2,497,802
5 May	653,572	741,851	1,395,423
6 Jun	389,240	677,224	1,066,464
7 Jul	396,401	665,479	1,061,880
8 Aug	374,834	667,438	1,042,272
9 Sep	354,599	654,226	1,008,825
10 Oct	1,127,782	988,497	2,116,279
11 Nov	1,917,132	1,085,493	3,002,625
12 Dec	2,913,491	1,328,040	4,241,531
13 Total	18,985,807	11,668,059	30,653,866

Ln	GCR Pct of Throughput	Transport Pct of Throughput	Throughput
14 Jan	0.712373	0.287627	1.000000
15 Feb	0.694368	0.305632	1.000000
16 Mar	0.692743	0.307257	1.000000
17 Apr	0.638647	0.361353	1.000000
18 May	0.468368	0.531632	1.000000
19 Jun	0.364982	0.635018	1.000000
20 Jul	0.373301	0.626699	1.000000
21 Aug	0.359632	0.640368	1.000000
22 Sep	0.351497	0.648503	1.000000
23 Oct	0.532908	0.467092	1.000000
24 Nov	0.638485	0.361515	1.000000
25 Dec	0.686896	0.313104	1.000000
26 Total	0.619361	0.380639	1.000000

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Other Revenues
 For the Year Ended, Dec. 31, 2010
 Date Performed: 5/28/09 12: 8

		Gas	

Ln	ACCOUNT 487		

1	Late Paymt Rev-MI	0	Direct Mi.

2	Total Acct 487	0	
	ACCOUNT 488		

3	Serv Cust Equip	0	AMG
4	Miscellaneous	0	AMG

5	Total Acct 488	0	
	ACCOUNT 493		

8	Miscellaneous	0	M-1, p 1

9	Total Acct 493	0	
	ACCOUNT 495		

10	Unbilled Revenue	0	Direct WI
11	Rev from Sales Tax		
	Collection	0	AMS
12	Misc Interest	0	AMG
13	IFM Sales	0	M-1, p 1
14	Miscellaneous	0	AMG
15	Cust Penalties	0	Direct MI
16	PGAC Mich	0	Direct MI
17	Mich Gas True-up	0	Direct MI
18	Gas Transport TU	0	Direct MI

19	Total Acct 495	0	

20	Total Other Rev	0	
		=====	

May not cross-check due to rounding

Michigan Gas Utilities Corporation
Other Adjustments
For the Year Ended, Dec. 31, 2010
Date Performed: 5/28/09 12: 8

	GAS	ALLOC METHOD
	---	-----
Ln	Other Income & Adjusts - Before Tax:	

1	0	M1p1

2	0	
	=====	
	Other Income & Adjustments - After Tax:	

3	0	J-5 P.2
4	0	J-5 p.1

5	0	
	=====	

May not cross-check due to rounding

Michigan Gas Utilities Corporation
(Accounts 114 & 115)
Aquisition Premium
For the Year Ended, Dec. 31, 2010
Date Performed: 6/ 5/09 8:21

LN		
--		
1	Dec	0
2	Jan	0
3	Feb	0
4	Mar	0
5	Apr	0
6	May	0
7	Jun	0
8	Jul	0
9	Aug	0
10	Sep	0
11	Oct	0
12	Nov	0
13	Dec	0

14	Ave (1)	0
		=====

(1) Average balances calculated by dividing the beginning and ending monthly balances by 24.

May not cross-check due to rounding

Michigan Gas Utilities Corporation
 Prepayments - Insurance
 (Accounts 165010, 165015)
 For the Year Ended, Dec. 31, 2010
 Date Performed: 6/ 5/09 8:21

	Gas Insur. Prepay (165010)	Gas Insur. Prepay (165015)	Total Gas Insur. Prepay
1 Dec	-261,477	0	-261,477
2 Jan	-270,481	0	-270,481
3 Feb	-212,037	0	-212,037
4 Mar	-243,506	0	-243,506
5 Apr	-274,306	0	-274,306
6 May	-303,215	0	-303,215
7 Jun	-332,815	0	-332,815
8 Jul	-363,570	0	-363,570
9 Aug	-394,325	0	-394,325
10 Sep	-425,100	0	-425,100
11 Oct	-455,876	0	-455,876
12 Nov	-475,406	0	-475,406
13 Dec	-506,054	0	-506,054
	-----	-----	-----
14 Ave(1)	-344,534	0	-344,534
	=====	=====	=====

(1) Average balances calculated by dividing the beginning and ending monthly balances by 24.

May not cross-check due to rounding

