

Michigan Consolidated Gas Company
Case No. U-13898, U-13899
Commission Order Fact Sheet

1. Revenue Deficiency - \$60,756,000, or an additional \$25,445,000 above the interim rate relief of \$35,311,000 granted on September 21, 2004.
2. The revenue deficiency is composed of the following items:

Retiree Health Care	\$21 million	34%
Active Employee Health Care	\$ 3 million	5%
Inflation	\$15 million	25%
Uncollectibles	\$13 million	21%
Safety & Training	\$ 7 million	12%
Other (net)	\$ 2 million	3%
Revenue Deficiency	\$61 million	100%
3. Rate of Return on Common Equity – 11%.
4. Debt to Equity Ratio – 50% Debt, 50% Equity
5. Overall Rate of Return – 7.19%
6. Depreciation rates proposed by Staff are adopted, thereby decreasing depreciation expense by \$14.5 million per year.
7. An Uncollectibles Expense True-up Mechanism is implemented, allowing for the recovery of 90% of increased uncollectibles expense, or the refunding to customers 90% of decreased uncollectibles expense.
8. Increased safety-related and training expenses of \$7 million are approved, subject to refund if the amount is not expended on safety and training.