

**MICHIGAN PUBLIC SERVICE COMMISSION**

**ANNUAL REPORT OF NATURAL GAS UTILITIES (MAJOR AND NONMAJOR)**

This form is authorized by 1919 PA 419, as amended, authorizes this form being MCL 460.51 et seq.; and 1969 PA 306, as amended, being MCL 24.201 et seq. Filing of this form is mandatory.  
Failure to complete and submit this form will place you in violation of the Acts.

Report submitted for period covering:			
January 1, 2009 through December 31, 2009			
Present legal name of respondent:			
Michigan Gas Utilities Corporation			
Present DBA name in Michigan if different from legal name:			
Address of principal place of business:			
899 South Telegraph Road, Monroe, MI 48161			
Utility representative to whom inquiries regarding this report may be directed:			
Name	Charles Cloninger	Title	President
Address	899 South Telegraph Road		
City	Monroe	State	MI Zip Code 48161
Telephone:	(734) 457-6115	E-Mail:	cacloninger@integrysgroup.com
If the utility name has been changed during the past year:			
Prior Name			
Date of Change			
Two copies of the published annual report to stockholders:			
<input type="checkbox"/> were forwarded to the Commission			
<input checked="" type="checkbox"/> will be forwarded to the Commission			
on or about April 30, 2010			
Annual reports to stockholders:			
<input checked="" type="checkbox"/> are published <input type="checkbox"/> are not published			

Should you have any questions regarding this report, please contact:

Brian Ballinger, Financial Analysis Section Supervisor  
(517) 241-6103 OR [blballi@michigan.gov](mailto:blballi@michigan.gov)

Michigan Public Service commission  
Regulated Energy Division  
6545 Mercantile Way  
PO Box 30221  
Lansing, MI 48909





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555 East Wells Street  
Suite 1400  
Milwaukee, WI 53202-3824  
USA

Tel: +1 414 271 3000  
Fax: +1 414 347 6200  
[www.deloitte.com](http://www.deloitte.com)

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Michigan Gas Utilities Corporation:

We have audited the balance sheet — regulatory basis of Michigan Gas Utilities Corporation (the “Company”) as of December 31, 2009, and the related statements of income — regulatory basis, retained earnings — regulatory basis, and cash flows — regulatory basis, for the year ended December 31, 2009, included on pages 110(M) through 123 of the accompanying Michigan Public Service Commission Form P-522. These regulatory-basis financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these regulatory-basis financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note A, these regulatory-basis financial statements were prepared in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, such regulatory-basis financial statements present fairly, in all material respects, the assets, liabilities, and proprietary capital of the Company as of December 31, 2009, and the results of its operations and its cash flows for the year ended December 31, 2009, in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the board of directors and management of the Company, and for filing with the Michigan Public Service Commission, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Deloitte & Touche LLP*

April 21, 2010





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

GENERAL INFORMATION

I. Purpose:

By authority conferred upon the Michigan Public Service Commission by 1919 PA 419, as amended, being MCL 460.51 et seq. And 1969 PA 306, as amended, being MCL 24.201 et seq., this form is a regulatory support requirement. It is designed to collect financial and operational information from public utilities, licensees and others subject to the jurisdiction of the Michigan Public Service Commission. This report is a nonconfidential public use form.

II. Who Must Submit:

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

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

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

III. What and Where to Submit:

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

Michigan Public Service Commission  
Licensing & Enforcement Division  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

Retain one copy of this report for your files.

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

Michigan Public Service Commission  
Licensing & Enforcement Division  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

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

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

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

Schedules

Reference Page

Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

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

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

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

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

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

Michigan Public Service Commission  
Licensing & Enforcement Division  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

IV. When to Submit

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

GENERAL INSTRUCTIONS

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

determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting year, and use for statement of income accounts the current year's amounts.

III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.

IV. For any page(s) that is not applicable to respondent, either

(a) Enter the words "NOT APPLICABLE" on the particular page(s), or

(b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column (c) on the List of Schedules, pages 2, 3 and 4.

V. Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. The copies, however, may be carbon copies or other similar means of reproduction provided the impressions are clear and readable.

VI. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" at the top of each page is applicable only to resubmissions (See VIII, below).

VII. Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ( ).

VIII. When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the identification and Attestation page, page 1. Mail dated resubmissions to:

Michigan Public Service Commission  
Licensing & Enforcement Division  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

IX. Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and page number supplemented.

X. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.

XI. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.

XII. Report all gas volumes on a pressure base of 14.65 psia and a temperature base 60°F.

XIII. Respondents may submit computer printed schedules (reduced to 8 1/2 x 11 inch size) instead of the preprinted schedules if they are in substantially the same format.

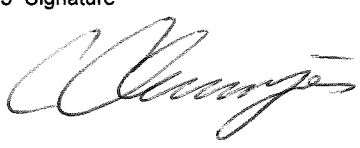
#### DEFINITIONS

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

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

## MPSC FORM P-522

## ANNUAL REPORT OF NATURAL GAS COMPANIES (Major and Nonmajor)

IDENTIFICATION		
01 Exact Legal Name of Respondent  Michigan Gas Utilities Corporation		02 Year of Report  Dec. 31, 2009
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Business Office at End of Year (Street, City, State, Zip)  899 S. Telegraph Road, Monroe, Michigan 48161		
05 Name of Contact Person  Charles A. Cloninger		06 Title of Contact Person  President
07 Address of Contact Person (Street, City, State, Zip)  899 S. Telegraph Road, Monroe, Michigan 48161		
08 Telephone of Contact Person, Including Area Code:  (734) 457-6115	09 This Report Is:  (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr)  April 30, 2010
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including April 1 and including December 31 of the year of the report.		
01 Name  Charles A. Cloninger	03 Signature  	04 Date Signed (Mo, Da, Yr)  4/1/10
02 Title  President		

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
LIST OF SCHEDULES (Natural Gas Utility)			
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."			
Title of Schedule	Reference Page No.	Remarks	
(a)	(b)	(c)	
GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
General Information	101		
Control Over Respondent & Other Associated Companies	M 102		
Corporations Controlled by Respondent	103	None	
Officers and Employees	M 104		
Directors	105		
Security Holders and Voting Powers	M 106-107		
Important Changes During the Year	108-109		
Comparative Balance Sheet	M 110-113		
Statement of Income for the Year	M 114-117	Page 116 - None	
Statement of Retained Earnings for the Year	M 118-119		
Statement of Cash Flows	120-121		
Notes to Financial Statements	122-123		
BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201		
Gas Plant in Service	M 204-212B		
Gas Plant Leased to Others	213	None	
Gas Plant Held for Future Use	214	None	
Production Properties Held for Future Use	215	None	
Construction Work in Progress - Gas	216		
Construction Overheads - Gas	217		
General Description of Construction Overhead Procedure	M 218		
Accumulated Provision for Depreciation of Gas Utility Plant	M 219		
Gas Stored	220		
Nonutility Property	221	None	
Accumulated Provision for Depreciation and Amortization of Nonutility Property	221	None	
Investments	222-223	None	
Investment in Subsidiary Companies	224-225	None	
Gas Prepayments Under Purchase Agreements	226-227		
Advances for Gas Prior to Initial Deliveries or Commission Certification	229	None	
Prepayments	230		
Extraordinary Property Losses	230	None	
Unrecovered Plant and Regulatory Study Costs	230	None	
Preliminary Survey and Investigation Charges	231	None	
Other Regulatory Assets	232		
Miscellaneous Deferred Debits	233		
Accumulated Deferred Income Taxes (Account 190)	234-235		

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

LIST OF SCHEDULES (Natural Gas Utility) (Continued)		
Title of Schedule	Reference Page No.	Remarks
(a)	(b)	(c)
<b>BALANCE SHEET SUPPORTING SCHEDULES</b>		
(Liabilities and Other Credits)		
Capital Stock	250-251	
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252	
Other Paid-In Capital	253	
Discount on Capital Stock	254	None
Capital Stock Expense	254	None
Securities Issued or Assumed and Securities Refunded or Retired During the Year	255	None
Long-Term Debt	256-257	
Unamortized Debt Expense, Premium and Discount on Long-Term Debt	258-259	None
Unamortized Loss and Gain on Reacquired Debt	260	None
Notes Payable	260A	None
Payables to Associated Companies	260B	
Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	M 261 A-B	
Calculation of Federal Income Tax	M 261 C-D	
Taxes Accrued, Prepaid and Charged During Year	262-263	
Investment Tax Credits Generated and Utilized	264-265	None
Accumulated Deferred Investment Tax Credits	M 266-267	
Miscellaneous Current and Accrued Liabilities	M 268	
Other Deferred Credits	269	
Accumulated Deferred Income Taxes - Accelerated Amortization Property	272-273	None
Accumulated Deferred Income Taxes - Other Property	274-275	
Accumulated Deferred Income Taxes - Other	M 276 A-B	
Other Regulatory Liabilities	278	
<b>INCOME ACCOUNT SUPPORTING SCHEDULES</b>		
Gas Operating Revenues	300-301	
Rates and Sales Section	M 305 A-C	
Off-System Sales - Natural Gas	M 310 A-B	
Revenue from Transportation of Gas of Others-Natural Gas	312-313	
Sales of Products Extracted from Natural Gas	315	None
Revenues from Natural Gas Processed by Others	315	None
Gas Operation and Maintenance Expenses	M 320-325	
Number of Gas Department Employees	325	
Exploration and Development Expenses	326	None
Abandoned Leases	326	None
Gas Purchases	M 327, 327A-B	
Exchange Gas Transactions	328-330	None
Gas Used in Utility Operations - Credit	331	
Transmission and Compression of Gas by Others	332-333	None
Other Gas Supply Expenses	334	
Miscellaneous General Expenses - Gas	M 335	
Depreciation, Depletion and Amortization of Gas Plant	336-338	
Income from Utility Plant Leased to Others	339	None
Particulars Concerning Certain Income Deduction and Interest Charges	340	

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
LIST OF SCHEDULES (Natural Gas Utility) (Continued)			
Title of Schedule  (a)	Reference Page No.  (b)	Remarks  (c)	
COMMON SECTION			
Regulatory Commission Expenses	350-351		
Research, Development and Demonstration Activities	352-353	None	
Distribution of Salaries and Wages	354-355		
Charges for Outside Professional and Other Consultative Services	357		
GAS PLANT STATISTICAL DATA			
Natural Gas Reserves and Land Acreage	500-501	None	
Changes in Estimated Hydrocarbon Reserves and Costs, and Net Realizable Value	504-505	None	
Compressor Stations	508-509		
Gas and Oil Wells	510		
Gas Storage Projects	M 512-513		
Distribution and Transmission Lines	M 514		
Liquefied Petroleum Gas Operations	516-517	None	
Distribution System Peak Deliveries	M 518		
Auxiliary Peaking Facilities	519		
System Map	522		
Footnote Data	551		
Stockholders' Report	---		
MPSC SCHEDULES			
Reconciliation of Deferred Income Tax Expense	117 A-B		
Operating Loss Carryforward	117 C	None	
Notes & Accounts Receivable Summary for Balance Sheet	228 A		
Accumulated Provision for Uncollectible Accounts - Credit	228 A		
Receivables From Associated Companies	228 B		
Materials and Supplies	228 C		
Notes Payable	260 A	None	
Payables to Associated Companies	260 B		
Customer Advances for Construction	268		
Accumulated Deferred Income Taxes - Temporary	277	None	
Gas Operation and Maintenance Expenses (Nonmajor)	320N-324N	None	
Lease Rentals Charges	333A-333D	None	
Depreciation, Depletion and Amortization of			
Gas Plant (Nonmajor)	336 N	None	
Particulars Concerning Certain Other Income Accounts	341		
Gain or Loss on Disposition of Property	342 A-B	None	
Expenditures for Certain Civic, Political and Related Activities	343		
Common Utility Plant and Expenses	356	None	
Summary of Costs Billed to Associated Companies	358-359		
Summary of Costs Billed from Associated Companies	360-361		



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
<b>GENERAL INFORMATION</b>			
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>Diane Ford, Vice President - Corporate Controller Integrus Energy Group, Inc. 700 North Adams Street Green Bay, WI 54307</p>			
<p>2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.</p> <p>Delaware, September 16, 2005</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>N/A</p>			
<p>4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.</p> <p>Retail sale and transportation of natural gas and administrative services.</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) Yes...Enter the date when such independent accountant was initially engaged: _____</p> <p>(2) <input checked="" type="checkbox"/> No</p>			

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			

#### CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for

whom trust was maintained, and purpose of the trust. If other companies are controlled by the organization which holds control over the respondent, list the names of such companies and the kind of business each is engaged in.

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

Michigan Gas Utilities Corporation is a wholly owned subsidiary of Integrys Energy Group, Inc.

The 2009 Annual Report and Form 10-K of Integrys Energy Group, Inc. are included.

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
<b>OFFICERS</b>				
<p>1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy-making functions.</p> <p>2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and date the change incumbency was made.</p> <p>3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.</p>				
Line No.	Title (a)	Name of Officer (b)	Salary for Year* (c)	
1	Chief Executive Officer	Larry T. Borgard	\$	1,147,516
2	President	Charles C. Cloninger		478,183
3	Vice President	Charles F. Hauska		246,795
4	Vice President-Regulatory Affairs	James F. Schott		405,762
5	Secretary	Barth J. Wolf		935,406
6	Treasurer	Bradley A. Johnson		633,660
7	Assistant Secretary	Dane E. Allen		248,247
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10				
11	*Included in 'Salary for Year' is Base Wages and other compensation.			
12				
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15	*Note: Salary for the year includes elective deferred compensation, FASB ASC Topic 718 stock compensation, above market earnings compensation, bonuses, and company contributions under the Employee Stock Ownership Plan and Trust. Balances reported agree with amount in the Proxy and Form 10-K, if applicable.			
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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
<b>DIRECTORS</b>			
<p>1. Report below any information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.</p> <p>2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.</p>			
Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
1 Lawrence T. Borgard - President & Chief Operating Officer	130 East Randolph Drive Chicago, IL 60601	6	\$ -
2 Charles A. Cloninger - President	899 South Telegraph Road Monroe, MI 48161	6	-
3 Bradley A. Johnson - Treasurer	700 North Adams Street Green Bay, WI 54301	6	-
4 Thomas P. Meinz - Chairman	700 North Adams Street Green Bay, WI 54301	6	-
5 James F. Schott - Vice President Regulatory Affairs	700 North Adams Street Green Bay, WI 54301	5	-
6 Charles A. Schrock - President & Chief Executive Officer	130 East Randolph Drive Chicago, IL 60601	3	
<p><u>Footnote Data</u></p> <p>1</p> <p>2</p> <p>3</p>			

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
<b>SECURITY HOLDERS AND VOTING POWERS</b>			
<p>1. (A) Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting power.</p> <p><b>Integrus Energy Group, Inc.</b>  <b>130 East Randolph Drive</b>  <b>Chicago, IL 60601</b></p>			
<p>1. (B) Give also the name and indicate the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders. <b>N/A</b></p>			
<p>2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such securities. <b>N/A</b></p>			
<p>3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote. <b>N/A</b></p>			
<p>4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration date. <b>N/A</b></p>			
<p>1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:</p> <p><b>Stock books are not closed.</b></p>			
<p>2. State the total number of votes cast at the latest general proxy meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy:</p> <p>Total: <b>100</b></p> <p>By Proxy: <b>0</b></p> <p style="text-align: right;"><b>Meeting conducted by unanimous consent of shareholder dated May 11, 2009.</b></p>			
<p>3. Give the date and place of such meeting:</p> <p><b>Directors were elected May 11, 2009 via unanimous consent of the sole shareholder in lieu of an Annual Meeting.</b></p>			

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
<b>SECURITY HOLDERS AND VOTING POWERS (Continued)</b>					
Line	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes all voting securities		100		
5	TOTAL number of security holders		1		
6	TOTAL votes of security holders listed below		100		
	Integrus Energy Group, Inc.		100		
7	130 East Randolph Drive				
8	Chicago, IL 60601				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
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26					
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29					
30					
31					
32					
33					
34					
35					
<b># RESPONSE/NOTES TO INSTRUCTION #</b> 2 Not Applicable. 3 Not Applicable. 4 Not Applicable.					

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
<b>IMPORTANT CHANGES DURING THE YEAR</b>			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none", "not applicable" or "NA" where applicable.</p>			
<p>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</p> <p>2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.</p> <p>3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.</p> <p>4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents and other conditions. State name of Commission authorizing lease and give reference to such authorization.</p> <p>5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.</p> <p>6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required.</p> <p>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</p> <p>8. State the estimated annual effect and nature of any important wage scale changes during the year.</p> <p>9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.</p> <p>10. Describe briefly and materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</p> <p>11. Estimated increase or decrease in annual revenues due to important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.</p> <p>12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be attached to this page.</p>			

Name of Respondent Michigan Gas Utilities Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
<b>IMPORTANT CHANGES DURING THE YEAR</b>			
<ol style="list-style-type: none"> <li>1. None.</li> <li>2. None.</li> <li>3. None.</li> <li>4. Michigan Gas Utilities Corporation ("MGUC") had no material leases as of December 31, 2009.</li> <li>5. MGUC had no new major source of gas made available to it during 2009.</li> <li>6. None.</li> <li>7. The By-Laws of the corporation were changed on March 16, 2009 to increase the number of board members from 5 to 6.</li> <li>8. MGUC's general wage increase and market wage data adjustments for non-union exempt and non-exempt employees was 3.72%, effective February 21, 2009.</li> <li>9. MGUC is involved in various legal proceedings which arise in the normal course of operations. The individual claims are not material to Integrys Energy Group, as a whole, and reserves have been provided on the balance sheet as appropriate.</li> <li>10. None.</li> <li>11. None.</li> <li>12. Not applicable.</li> </ol>			



Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114, 118)	200-201	\$283,266,914	\$290,066,236
3	Construction Work in Progress (107)	200-201	254,196	802,668
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		283,521,110	290,868,904
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115, 119)	200-201	147,005,578	153,965,437
6	Net Utility Plant (Enter Total of line 4 less 5)	-	136,515,532	136,903,467
7	Nuclear Fuel (120.1-120.4, 120.6)	-	0	0
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	-	0	0
9	Net Nuclear Fuel (Enter Total of line 7 less 8)	-	0	0
10	Net Utility Plant (Enter Total of lines 6 and 9)	-	\$136,515,532	\$136,903,467
11	Utility Plant Adjustment (116)	122-123	0	0
12	Gas Stored Underground-Noncurrent (117-117.1)	220	3,601,761	3,601,761
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	221	\$0	\$0
15	(Less) Accum. Prov. for Depr. and Amort. (122)	221	0	0
16	Investments in Associated Companies (123)	222-223	0	0
17	Investment in Subsidiary Companies (123.1)	224-225	0	0
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
19	Noncurrent Portion of Allowances	-	0	0
20	Other Investments (124)	222-223,229	0	0
21	Special Funds (125-128)	-	0	0
22	TOTAL Other Property and Investments (Total of lines 14-21)	-	\$0	\$0
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)	-	\$683,174	\$586,383
25	Special Deposits (132-134)	-	48,995	19,524
26	Working Funds (135)	-	4,850	4,850
27	Temporary Cash Investments (136)	222-223	0	0
28	Notes Receivable (141)	228A	0	0
29	Customer Accounts Receivable (142)	228A	25,772,020	15,426,296
30	Other Accounts Receivable (143, 148, 149)	228A	217,368	2,665,915
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	228A	2,245,556	3,177,876
32	Notes Receivable from Associated Companies (145)	228B	0	0
33	Accounts Receivable from Assoc. Companies (146 & 147)	228B	1,849	543,761
34	Fuel Stock (151)	228C	0	0
35	Fuel Stock Expense Undistributed (152)	228C	0	0
36	Residuals (Elec) and Extracted Products (Gas) (153)	228C	0	0
37	Plant Material and Operating Supplies (154)	228C	471,742	282,236
38	Merchandise (155)	228C	0	0
39	Other Material and Supplies (156)	228C	0	0
40	Nuclear Materials Held for Sale (157)	228C	0	0

Name of Respondent		This Report Is:		Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2010	December 31, 2009
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
41	Allowances (158.1 and 158.2)	---	0	0	
42	(Less) Noncurrent Portion of Allowances	---	0	0	
43	Stores Expense Undistributed (163)	228C	11,196	7,926	
44	Gas Stored Underground-Current (164)	220	49,747,889	32,994,915	
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	220	0	0	
46	Prepayments (165)	226, 230	443,401	2,153,680	
47	Advances for Gas (166-167)	229	0	0	
48	Interest and Dividends Receivable (171)	---	0	0	
49	Rents Receivable (172)	---	0	0	
50	Accrued Utility Revenues (173)	---	27,900,939	20,296,394	
51	Miscellaneous Current and Accrued Assets (174)	---	7,434,876	1,952,381	
52	Derivative Instrument Assets (175)		0	127,767	
53	(Less) LT Portion of Derivative Inst. Assets (175)		0	0	
54	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 53)		\$110,492,743	\$73,884,152	
55	DEFERRED DEBITS				
56	Unamortized Debt Expense (181)	---	\$0	\$0	
57	Extraordinary Property Losses (182.1)	230	0	0	
58	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0	
59	Other Regulatory Assets (182.3)	232	39,523,284	36,278,966	
60	Prelim. Survey and Invest. Charges (Electric) (183)	---	0	0	
61	Prelim. Survey and Invest. Charges (Gas) (183.1,183.2)	231	0	0	
62	Clearing Accounts (184)	---	12	0	
63	Temporary Facilities (185)	---	0	0	
64	Miscellaneous Deferred Debits (186)	233	154,410,361	66,386,932	
65	Def. Losses from Disposition of Utility Plant (187)	---	0	0	
66	Research, Devel, and Demonstration Expend. (188)	352-353	0	0	
67	Unamortized Loss on Reacquired Debt (189)	---	0	0	
68	Accumulated Deferred Income Taxes (190)	234-235	10,901,861	43,045,705	
69	Unrecovered Purchased Gas Costs (191)	---	0	0	
70	TOTAL Deferred Debits (Enter Total of lines 54 thru 69)		\$204,835,518	\$145,711,603	
71	TOTAL Assets and other Debits (Enter Total of lines 10, 11, 12, 22, 54 and 70)		\$455,445,554	\$360,100,983	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	\$100	\$100
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	239,010,098	211,010,098
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	3,075,404	(43,608,196)
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reacquired Capital Stock (217)	250-251	0	0
14	TOTAL Proprietary Capital (Enter Total of lines 2 thru 13)		\$242,085,602	\$167,402,002
15	LONG-TERM DEBT			
16	Bonds (221)	256-257	\$0	\$0
17	(Less) Reacquired Bonds (222)	256-257	0	0
18	Advances from Associated Companies (223)	256-257	84,000,000	84,000,000
19	Other Long-Term Debt (224)	256-257	0	0
20	Unamortized Premium on Long-Term Debt (225)	258-259	0	0
21	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	258-259	0	0
22	TOTAL Long-Term Debt (Enter Total of lines 16 thru 21)		\$84,000,000	\$84,000,000
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)	---	\$0	\$0
25	Accumulated Provision for Property Insurance (228.1)	---	0	0
26	Accumulated Provision for Injuries and Damages (228.2)	---	0	0
27	Accumulated Provision for Pensions and Benefits (228.3)	---	8,937,570	8,226,664
28	Accumulated Miscellaneous Operating Provisions (228.4)	---	0	0
29	Accumulated Provision for Rate Refunds (229)	---	0	0
30	Asset Retirement Obligations (230)	---	126,670	1,435,459
31	TOTAL Other Noncurrent Liabilities (Enter Total of lines 24 thru 30)		\$9,064,240	\$9,662,123
32	CURRENT AND ACCRUED LIABILITIES			
33	Notes Payable (231)	260A	\$0	\$0
34	Accounts Payable (232)	---	24,753,791	24,259,552
35	Notes Payable to Associated Companies (233)	260B	27,050,000	8,755,000
36	Accounts Payable to Associated Companies (234)	260B	3,322,508	3,598,635
37	Customer Deposits (235)	---	650,209	528,785
38	Taxes Accrued (236)	262-263	4,178,705	2,011,837
39	Interest Accrued (237)	---	24,379	30,931
40	Dividends Declared (238)	---	0	0
41	Matured Long-Term Debt (239)	---	0	0

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
42	Matured Interest (240)	---	0	0	
43	Tax Collections Payable (241)	---	513,971	0	
44	Misc. Current and Accrued Liabilities (242)	268	1,877,709	1,929,024	
45	Obligations Under Capital Leases-Current (243)	---	0	0	
46	Federal Income Taxes Accrued for Prior Years (244)	---	0	0	
47	Michigan Single Business Taxes Accrued for Prior Years (244.1)	---	0	0	
48	Fed. Inc. Taxes Accrued for Prior Years-Adj. (245)	---	0	0	
49	Michigan Single Business Taxes Accrued for Prior Years-Adj. (245.1)	---	0	0	
50	TOTAL Current and Accrued Liabilities (Enter Total of lines 33 thru 49)		62,371,272	41,113,764	
51	DEFERRED CREDITS				
52	Customer Advances for Construction (252)	268	\$0	\$0	
53	Accumulated Deferred Investment Tax Credits (255)	266-267	0	254,294	
54	Deferred Gains from Disposition of Utility Plant (256)	---	0	0	
55	Other Deferred Credits (253)	269	28,734,331	24,180,412	
56	Other Regulatory Liabilities (254) excluding 254185	278	170,560	246,810	
57	Unamortized Gain on Reacquired Debt (257)	260	0	0	
58	Accumulated Deferred Income Taxes (281-283)	272-277	29,019,549	33,241,579	
59	TOTAL Deferred Credits (Enter Total of lines 52 thru 58)		\$57,924,440	\$57,923,095	
60	TOTAL Liabilities and Other Credits (Enter Total of lines 14, 22, 31, 50 and 59)		\$455,445,554	\$360,100,984	

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Name of Respondent	This Report is:	Date of Report:	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**STATEMENT OF INCOME FOR THE YEAR**

1. Report amounts for accounts 412 and 413, *Revenues and Expenses from Utility Plant Leased to Others*, in another utility column (l, k, m, o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, *Other Utility Operating Income*, in the same manner as accounts 412 and 413 above.

3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			12 Months Ended Current Year (c)	12 Months Ended Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	191,706,345	242,961,022
3	Operating Expenses			
4	Operation Expenses (401)	320-325	160,995,601	216,040,640
5	Maintenance Expenses (402)	320-325	2,171,549	1,952,371
6	Depreciation Expense (403)	336-338	7,342,799	7,181,295
7	Amort. & Depl. of Utility Plant (404-405)	336-338	120,455	127,693
8	Amort. of Utility Plant Acq. Adj. (406)	336-338	0	0
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs		0	0
10	Amort. of Conversion Expenses (407)		0	0
11	Regulatory Debits (407.3)		0	0
12	(Less) Regulatory Credits (407.4)		0	0
13	Taxes Other Than Income Taxes (408.1)	262-263	3,671,263	3,709,162
14	Income Taxes - Federal (409.1)	262-263	2,072,254	996,420
15	- Other (409.1)	262-263	574,022	270,137
16	Provision for Deferred Inc. Taxes (410.1)	234,272-276B	6,813,346	8,678,799
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-276B	4,747,071	6,651,723
18	Investment Tax Credit Adj. - Net (411.4)	234,272-276B	254,294	0
19	(Less) Gains from Disp. of Utility Plant (411.6)	266	0	0
20	Losses from Disp. of Utility Plant (411.7)		0	0
21	(Less) Gains from Disposition of Allowances (411.8)		0	0
22	Losses from Disposition of Allowances (411.9)		0	0
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		179,268,512	232,304,794
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		12,437,833	10,656,228

Name of Respondent	This Report is:	Date of Report:	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**STATEMENT OF INCOME FOR THE YEAR (Continued)**

resulting from settlement of any rate proceedings affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the

basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	12 Months Ended Current Year (g)	12 Months Ended Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
		191,706,345	242,961,022			2
						3
		160,995,631	216,047,420	(30)	(6,780)	4
		2,171,558	1,952,371	(9)		5
		7,342,799	7,181,295			6
		120,455	127,693			7
		0	0			8
		0	0			9
		0	0			10
		0	0			11
		0	0			12
		3,670,491	3,709,162	772		13
		2,072,495	994,190	(241)	2,230	14
		574,066	269,728	(44)	409	15
		6,813,346	8,678,799			16
		4,747,071	6,651,723			17
		254,294	0			18
		0	0			19
		0	0			20
		0	0			21
		0	0			22
0	0	179,268,064	232,308,935	448	(4,141)	23
0	0	12,438,281	10,652,087	(448)	4,141	24

Name of Respondent		This Report is:	Date of Report:	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line No.	Account (a)	(Ref.) Page No. (b)	12 Months Ended Current Year (c)	12 Months Ended Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)	-	12,437,833	10,656,228
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)		(91,118)	304,312
30	(Less) Costs & Exp of Merchandising, Job & Contract Work (416)		0	0
31	Revenues From Nonutility Operations (417)		(6,403)	22,125
32	(Less) Expenses of Nonutility Operations (417.1)		(30,217)	(56,803)
33	Nonoperating Rental Income (418)		0	0
34	Equity in Earnings of Subsidiary Companies (418.1)	119	0	0
35	Interest and Dividend Income (419)		24,129	34,739
36	Allowance for Other Funds Used During Construction (419.1)		0	0
37	Miscellaneous Nonoperating Income (421)		140	11,170
38	Gain on Disposition of Property (421.1)		2,603	0
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		(100,866)	315,543
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)		0	0
42	Miscellaneous Amortization (425)	340	88,188,000	0
43	Miscellaneous Income Deductions (426.1 426.5)	340	27,835	23,554
44	TOTAL Other Income Deductions (Enter Total of lines 41 thru 43)		88,215,835	23,554
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263	110	1,857
47	Income Taxes-Federal (409.2)	262-263	(3,694,586)	(3,568,592)
48	Income Taxes-Other (409.2)	262-263	(676,961)	(653,823)
49	Provision for Deferred Inc. Taxes (410.2)	234,272-277	4,338,695	4,338,886
50	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234,272-277	34,338,847	958
51	Investment Tax Credit Adj. - Net (411.5)		0	0
52	(Less) Investment Tax Credits (420)		0	0
53	TOTAL Taxes on Other Inc. and Ded. (Total of 46 thru 52)		(34,371,589)	117,370
54	Net Other Income and Deductions (Enter Total of lines 39, 44, 53)		(53,945,112)	174,619
55	Interest Charges			
56	Interest on Long-Term Debt (427)		0	0
57	Amort. of Debt Disc. and Expense (428)	258-259	0	0
58	Amortization of Loss on Reacquired Debt (428.1)		0	0
59	(Less) Amort. of Premium on Debt-Credit (429)	258-259	0	0
60	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		0	0
61	Interest on Debt to Assoc. Companies (430)	340	5,199,233	5,744,961
62	Other Interest Expense (431)	340	(22,912)	(576,895)
63	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		0	0
64	Net Interest Charges (Enter Total of 56 thru 63)		5,176,321	5,168,066
65	Income Before Extraordinary Items (Enter Total of lines 25, 54, and 64)		(46,683,600)	5,662,781
66	Extraordinary Items			
67	Extraordinary Income (434)		0	0
68	(Less) Extraordinary Deductions (435)		0	0
69	Net Extraordinary Items (Enter Total of line 67 less line 68)		0	0
70	Income Taxes-Federal and Other (409.3)	262-263	0	0
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)		0	0
72	Net Income (Enter Total of lines 65 and 71)		(46,683,600)	5,662,781



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Name of Respondent	This Report is:	Date of Report:	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

RECONCILIATION OF DEFERRED INCOME TAX EXPENSE			
1. Report on this page the charges to accounts 410, 411 and 420 reported in the contra accounts 190, 281, 282, 283 and 284. 2. The charges in the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on these pages.		In the event the deferred income tax expenses reported on pages 114-117 do not directly reconcile with the amounts found on these pages, then provide the additional information requested in instruction #3, on a separate page.	
Line No.		Electric Utility	Gas Utility
1	Debits to Account 410 from:		
2	Account 190		2,445,493
3	Account 281		0
4	Account 282		2,506,169
5	Account 283		1,861,684
6	Account 284		0
7	Reconciling Adjustments		0
8	TOTAL Account 410.1 (on pages 114-115 line 16)		6,813,346
9	TOTAL Account 410.2 (on page 117 line 49)		
10	Credits to Account 411 from:		
11	Account 190		(2,918,347)
12	Account 281		0
13	Account 282		(9,258)
14	Account 283		(1,565,173)
15	Account 284		0
16	Reconciling Adjustments		0
17	Total Account 411.1 (on pages 114-15 line 17)		(4,492,778)
18	Total Account 411.2 (on page 117 line 50)		
19	Net ITC Adjustment:		
20	ITC Utilized for the Year DR		263,819
21	ITC Amortized for the Year CR		(9,525)
22	ITC Adjustments:		
23	Adjust last year's estimate to actual per filed return		0
24	Other (specify)		0
25	Net Reconciling Adjustments Account 411.4*		254,294
26	Net Reconciling Adjustments Account 411.5		
27	Net Reconciling Adjustments Account 420		

Name of Respondent	This Report is:	Date of Report:	Year of Report
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**RECONCILIATION OF DEFERRED INCOME TAX EXPENSE (Continued)**

3. (a) Provide a detail reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on this page.  
 (b) Identify all contra accounts (other than accounts 190 and 281-284).  
 (c) Identify the company's regulatory authority to utilize a contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).

Other Utility	Total Utility	Other Income	Total Company	Line No.
				1
	2,445,493	939	2,446,432	2
	0	0	0	3
	2,506,169	4,337,755	6,843,924	4
	1,861,684	0	1,861,684	5
	0	0	0	6
	0	0	0	7
	6,813,346			8
		4,338,694		9
				10
	(2,918,347)	(34,328,209)	(37,246,556)	11
	0	0	0	12
	(9,258)	(10,638)	(19,896)	13
	(1,565,173)	0	(1,565,173)	14
	0	0	0	15
	0	0	0	16
	(4,492,778)			17
		(34,338,847)		18
				19
	263,819		263,819	20
	(9,525)		(9,525)	21
				22
				23
				24
	254,294			25
				26
				27

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

### STATEMENT OF RETAINED EARNINGS FOR THE YEAR

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first account 439 (Adjustments to Retained Earnings), reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit, items in that order.
5. Show dividends for each class and series of capital stock.
6. Show separately the State and Federal income tax effect of items shown in account 439 (Adjustments to Retained Earnings)
7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		3,075,404
2	Changes ( <i>Identify by prescribed retained earnings accounts</i> )		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	TOTAL Credits to Retained Earnings (439)		
9	Debit:		
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (439)		
14	Balance Transferred from Income (Account 433)		(46,683,600)
15	Appropriations of Retained Earnings (Account 436)		
16			
17			
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		
22	Dividends Declared-Preferred Stock (Account 437)		
23			
24			
25			
26			
27			
28	TOTAL Dividends Declared-Preferred Stock (Account 437)		

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
<b>STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)</b>				
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
29	Dividends Declared-Common Stock ( Account 438)			
30				
31				
32				
33				
34				
35	TOTAL Dividends Declared-Common Stock (Account 438)			
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings			
37	Balance - End of the Year (Enter Total of lines 1 thru 36)		(43,608,196)	
<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>  State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.				
38				
39				
40				
41				
42				
43	TOTAL Appropriated Retained Earnings (Account 215)			
<b>APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)</b>  State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.				
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)			
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)			
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)		(43,608,196)	
<b>UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)</b>				
47	Balance-Beginning of Year (Debit or Credit)			
48	Equity in Earnings for Year (Credit) (Account 418.1)			
49	(Less) Dividends Received (Debit)			
50	Other Changes (Explain)			
51	Balance-End of Year (Enter Total of lines 47 thru 50)			

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

### STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be included on pages 122-123. Information about noncash investing and financing activities should be provided on pages 122-123. Provide also on pages 122-123 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on pages 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See instructions for Explanation of Codes) (a)	Current Year to Date (b)
1	Net Cash Flow from Operating Activities: (enter outflows from company as negative #s)	
2	Net Income (Line 72 on page 117)	(46,683,600)
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	7,342,799
5	Amortization of Utility Plant	120,455
6	Amortization of Manufactured Gas Plant Clean-up Expenditures	0
7	Intangible Plant	0
8	Deferred Income Taxes (Net)	(27,921,814)
9	Investment Tax Credit Adjustment (Net)	254,294
10	Net (Increase) Decrease in Receivables	8,287,584
11	Net (Increase) Decrease in Inventory	16,945,751
12	Net (Increase) Decrease in Allowances Inventory	0
13	Net (Increase) Decrease in Payables and Accrued Expenses	(2,903,069)
14	Net (Increase) Decrease in Other Regulatory Assets	(1,595,282)
15	Net (Increase) Decrease in Other Regulatory Liabilities	(534,000)
16	(Less) Allowance for Other Funds Used During Construction	
17	(Less) Undistributed Earnings from Subsidiary Companies	
18	Other: (provide details in footnote)	99,915,679
19		
20		
21		
22	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 21)	53,228,797
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant	0
27	Gross Additions to Nuclear Fuel	0
28	Gross Additions to Common Utility Plant	(7,074,347)
29	Gross Additions to Nonutility Plant	0
30	(Less) Allowance to Other Funds Used During Construction	0
31	Other: Def Notes Receivable - Loan	14,288
32		
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	(7,060,059)
35		
36	Acquisition of Other Noncurrent Assets (d)	0
37	Proceeds from Disposal of Noncurrent Assets (d)	0
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	0
40	Contributions and Advances from Assoc. and Subsidiary Companies	0
41	Disposition of Investments in ( and Advances to)	
42	Associated and Subsidiary Companies	0
43		
44	Purchase of Investment Securities (a)	0
45	Proceeds from Sales of Investment Securities (a)	0

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**STATEMENT OF CASH FLOWS (Continued)**

<b>4. Investing Activities</b> (a) Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of asset acquired with liabilities assumed on pages 122-123. (b) Do not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on pages 122-123.		<b>5. Codes used:</b> (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc. Pages 122-123 clarifications and explanations.
6. Enter on		
Line No.	Description (See instructions for Explanation of Codes) (a)	Current Year to Date (b)
46	Loans Made or Purchased	-
47	Collections on Loans	-
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in Allowances Held for Speculation	
52	Net Increase (Decrease) in Payables and Accrued Expenses	
53	Other: (provide details in footnote)	
54	Other: Acquisition	
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 34 thru 54)	(7,060,059)
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from Issuance of:	
61	Long Term Debt	
62	Preferred Stock	
63	Common Stock	
64	Other:	
65	Return on Capital to Parent	(28,000,000)
66	Redemption of Inter-Company Notes Payable	(18,295,000)
67	Net Decrease in Short-Term Debt	
68	Other: (provide details in footnote)	
69	Changes in Loans on Executive Life Insurance	
70		
71	Cash Provided by Outside Sources (Total of lines 61 thru 69)	(46,295,000)
72		
73	Payments for Retirement of:	
74	Long Term Debt	
75	Preferred Stock	
76	Common Stock	
77	Other:	
78	Equity Adjustments to Parent	
79	Net Decrease in Short-Term Debt	
80		
81	Dividends on Preferred Stock	
82	Dividends on Common Stock	
83	Net Cash Provided by (Used in) Financing Activities	
84	(Total of lines 70 thru 81)	(46,295,000)
85		
86	Net Increase (Decrease) in Cash and Cash Equivalents	
87	(Total of lines 22, 57 and 83)	(126,262)
88		
89	Cash and Cash Equivalents at Beginning of Year	737,019
90		
91	Cash and Cash Equivalents at End of Year	610,757

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
Footnote Data			
<b>Schedule Page: 110 Line No.: 30 Column (d)</b>			
Other Accounts Receivable			
Other Accounts Receivable		125,606	
Non Service Accounts Receivable		279,979	
Other AR-Misc Liab Reclass		2,260,330	
TOTAL			2,665,915
<b>Schedule Page: 111 Line No.: 59 Column (d)</b>			
Other Regulatory Assets			
1993 Reg Asset Retiree Health		93,135	
Reg Asset - FAS158		7,430,920	
Reg Asset - Purch Acctg EFF Benefits		25,408,663	
ARO Deprec/Accr Non-Rate Base		154,553	
Deferred Taxes		13,799	
Reg Asset - Uncollectible Expense Tracker - MI		3,177,896	
TOTAL			36,278,966
<b>Schedule Page: 111 Line No.: 64 Column (d)</b>			
Miscellaneous Deferred Debits			
Labor & Trans Accruals to Subs		74	
Goodwill		34,517,361	
Tradenname		5,218,000	
Def Deb-Area Expans Program		639,019	
Labor Load/Transp Capital Accrl		42,264	
Def Debit-Work Orders		9,996	
Def Debit-Notes Receivable Lon		383	
Reg Asset-Cleanup Gas-Expendit		25,959,835	
TOTAL			66,386,932
<b>Schedule Page: 113 Line No.: 55 Column (d)</b>			
Other Deferred Credits			
Outstanding Checks Cancelled		8,242	
Gas Site Clean-up		23,986,000	
Def Comp Res Loan Program		142,823	
Advances from Associated Company - WPSC		43,347	
TOTAL			24,180,412
<b>Schedule Page: 113 Line No.: 56 Column (d)</b>			
Other Regulatory Liabilities			
Derivatives		92,369	
FASB 158		154,441	
TOTAL			246,810
<b>Schedule Page: 120 Line No.: 18 Column (b)</b>			
Other Operating			
Accrued Revenues		7,604,545	
Prepayments and Misc Current Assets		3,772,216	
Deferred Debits			
-Goodwill Impairment Adj		88,188,000	
-Misc Deferred Debits		(41,994)	
-MGP Amortization		269,992	
Pension and Post Retirement Liability		158,788	
Pension and Post Retirement Funding		(88,697)	
Investments		(35,398)	
Other Long Term Liabilities		88,227	
TOTAL			99,915,679



Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			

### NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.

2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at the end of year, including a brief explanation, of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.

3. For Account 116, *Utility Plant Adjustments*, explain the origin of such amount, debits and credits during the year,

and plan of disposition contemplated, giving references to Commission orders of other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.

4. Where Accounts 189, *Unamortized Loss on Reacquired Debt*, and 257, *Unamortized Gain on Reacquired Debt*, are not used, give an explanation, providing the rate treatment given these items. See general Instruction 17 of the Uniform System of Accounts.

5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.

6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be attached hereto.

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Michigan Gas Utilities Corp			
NOTES TO FINANCIAL STATEMENTS (Continued) – Page 123			

**MICHIGAN GAS UTILITIES CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2009**

**NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) MPSC Form P-522 Presentation Compared to Generally Accepted Accounting Principles**--The accompanying financial statements have been prepared in accordance with the accounting requirements of the MPSC as set forth in the Uniform System of Accounts and accounting releases, which differs from generally accepted accounting principles ("GAAP"). As required by the MPSC, Michigan Gas Utilities Corporation ("MGUC") classified certain items in its 2009 Form P-522 in a manner different than the presentation in accordance with GAAP:

- Removal costs that do not have an associated legal obligation are recognized as a component of accumulated depreciation, whereas these costs are recognized for GAAP as a regulatory liability.
- Accumulated deferred income taxes are reported as deferred debits and deferred credits and are not netted into short-term or long-term classifications as required by GAAP.
- Goodwill Impairment charges are a component of operating income for GAAP but are classified in other income and deductions in Form P-522.

**(b) Nature of Operations**--MGUC, a wholly owned subsidiary of Integrys Energy Group, Inc., is a regulated gas utility that supplies and distributes natural gas to southern Michigan customers in and around Grand Haven, Otsego, Benton Harbor, Coldwater, and Monroe.

The term "utility" refers to the regulated activities of MGUC, while the term "nonutility" refers to the activities of MGUC that are not regulated.

**(c) Use of Estimates**--The preparation of financial statements in conformity with the accounting requirements of the MPSC requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

**(d) Cash and Cash Equivalents**--Short-term investments with an original maturity of three months or less are considered to be cash equivalents. Cash paid for income taxes was \$1.9 million and \$11 million at December 31, 2009, and 2008, respectively. Cash paid for interest totaled \$5.2 million and \$5.7 million at December 31, 2009, and 2008, respectively.

**(e) Revenue and Customer Receivables**--Revenues are recognized on the accrual basis and include estimated amounts for natural gas services rendered but not billed. At December 31, 2009, there were no customers or industries that accounted for more than 10% of MGUC's revenues.

The MPSC has approved one-for-one recovery of prudently incurred natural gas costs for MGUC, subject to regulatory review. Fuel costs incurred in excess of (or less than) currently billable fuel costs are recognized as an increase (or decrease) in operating revenue.

MGUC is required to provide service and grant credit to customers within its service territory. MGUC continually reviews customers' credit-worthiness and obtains or refunds deposits accordingly. The company is precluded from discontinuing service to residential customers during winter moratorium months.

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr)	Year of Report
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NOTES TO FINANCIAL STATEMENTS (Continued) – Page 123			

MGUC calculates a reserve for potential uncollectible customer receivables based on a calculation that includes the aging of accounts receivables balances.

Certain customers are on an “even-pay” plan, where they pay the same amount each month, based on estimated yearly usage; as a result, collections from customers, for which services have not yet been provided, are included in accounts payable.

MGUC presents revenue net of pass-through taxes on the Statements of Income.

- (f) **Gas Cost Recovery (“GCR”)**--Natural gas costs are recovered from customers pursuant to a Gas Cost Recovery Clause, as authorized by the provisions of the 1982 Public Act 304, in MGUC’s Rules, Regulations and Rate Schedules, Rule B10, which is implemented by filing an application with the MPSC in December of each year requesting approval of maximum rates to be charged to customers during the subsequent GCR period (April 1 through March 31) for natural gas costs expected to be incurred during that period. Until an order is received approving or rejecting the rates, the rates requested may be billed. An annual reconciliation is made of natural gas costs incurred during the preceding GCR period with natural gas cost recovery revenues collected during that period with provisions for rolling over-collections and under-collections into the next GCR period, together with interest on any such amounts. The over-collections and under-collections are recorded in Account 174 on the Comparative Balance Sheet. The Company recorded an under-collection of \$1.2 million at December 31, 2009.
- (g) **Inventories**--Inventories consist primarily of natural gas in storage. Natural gas purchased specifically for injection into MGUC’s storage fields is valued at the delivery price of such purchases. Otherwise, natural gas injected into storage is valued at the average cost of natural gas purchased during the month of injection. Withdrawals of natural gas from storage fields are priced at the average cost of natural gas in storage.

Arrangements for storage of natural gas also exist with third parties. Such arrangements provide for spot and term purchases by MGUC of up to 7.970 Million Cubic Feet (Mcf) of natural gas each summer for storage with other utilities and on pipelines, as well as MGUC owned storage facilities for delivery during the following heating season. Under the arrangements, the cost of such natural gas, together with related storage and transportation service charges, is charged to natural gas in underground storage as the natural gas is purchased. As natural gas is withdrawn, it is priced at the average cost of natural gas in storage computed separately for each third party. Base gas stored underground is gas that is used to maintain the integrity of the storage field by maintaining pressure for working gas, and will only vary if the conditions of the storage field change. Base gas stored that was recorded by MGUC was \$3.6 million at December 31, 2009, and 2008.

- (h) **Risk Management Activities**--As part of its regular operations, MGUC may enter into contracts, including options, futures, forwards, and other contractual commitments, to manage changes in commodity prices.

All derivative instruments are recognized on the balance sheet as assets or liabilities at their fair value unless they qualify for the normal purchases and sales exception. MGUC continually assesses its contracts designated as normal and will discontinue the treatment of these contracts as normal if the required criteria are no longer met. MGUC’s derivatives qualify for regulatory deferral. They are marked to fair value, and the resulting risk management assets are offset with regulatory liabilities or decreases to regulatory assets, and risk management liabilities are offset with regulatory assets or decreases to regulatory liabilities. The Company had no significant risk management assets or liabilities at December 31, 2009, and 2008.

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr)	Year of Report
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NOTES TO FINANCIAL STATEMENTS (Continued) – Page 123			

- (i) **Property, Plant, and Equipment**--Utility plant is stated at original cost including an allowance for funds used during construction ("AFUDC"). The costs of renewals and betterments of units of property (as distinguished from minor items of property) are capitalized as additions to the utility plant accounts. Except for land, no gain or loss is recognized in connection with ordinary retirements of utility property units. Maintenance, repair, replacement, and renewal costs associated with items not qualifying as units of property are considered operating expenses. The utility charges the cost of units of property retired, sold, or otherwise disposed of, less salvage, to accumulated depreciation. The cost of removal associated with the retirement is also charged to accumulated depreciation.

MGUC records straight-line depreciation expense over the estimated useful life of utility property and includes amounts for estimated removal and salvage. The annual utility composite depreciation rate was 2.66% for 2009 and 2.67% for 2008.

- (j) **Allowance for Funds Used During Construction**--MGUC capitalizes the cost of funds used during construction using a calculation that includes both external debt and internal equity components as required by regulatory accounting. MGUC did not record AFUDC during 2009 and 2008 because there were no significant construction projects during those years.
- (k) **Asset Impairment**--MGUC reviews the recoverability of long-lived tangible and intangible assets when circumstances indicate that the carrying amount may not be recoverable. The carrying amount of assets held and used is not recoverable if it exceeds the undiscounted sum of cash flows expected to result from the use and eventual disposition of the asset. If the carrying value is not recoverable, the impairment loss is measured as the excess of the asset's carrying value over its fair value.

Goodwill and other indefinite-lived intangible assets are subject to an impairment test. MGUC performs its annual impairment test for its trade name in the fourth quarter of each year, and the annual goodwill impairment test is performed during the second quarter of each year. Interim impairment tests are performed when impairment indicators are present. The carrying amount of goodwill is considered not recoverable if the carrying amount of the reporting unit as a whole exceeds the reporting unit's fair value. An impairment charge is recorded for any excess of the carrying value of the goodwill over the implied fair value. A goodwill impairment charge of \$88.2 million was recorded during 2009, and no impairment charge was recorded during 2008. The charge is recorded in Account 425.

- (l) **Regulatory Assets and Liabilities**--Regulatory assets represent probable future revenue associated with certain incurred costs that will be recovered from customers through the ratemaking process. Regulatory liabilities represent amounts that are refundable in future customer rates. Based on a current evaluation of the various factors and conditions that are expected to impact future cost recovery, the company believes that future recovery of its regulatory assets is probable. If, at any reporting date, a previously recorded regulatory asset is no longer probable of recovery, the regulatory asset is reduced to the amount considered probable of recovery with the reduction charged to current expense. For additional information, see Note 3, "*Regulatory Assets and Liabilities*."
- (m) **Asset Retirement Obligations**--MGUC recognizes legal obligations at fair value associated with the retirement of tangible long-lived assets that resulted from the acquisition, construction or development, and/or normal operation of the assets. A liability is recorded for these obligations as long as the fair value can be reasonably estimated, even if the timing or method of settling the obligation is unknown. The asset retirement obligations are accreted using a credit-adjusted risk-free interest rate commensurate with the expected settlement dates of the asset retirement obligations. The associated retirement costs are capitalized as part of the related long-lived assets and are depreciated over the useful lives of the assets.

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- (n) **Income Taxes**--Deferred income taxes have been recorded to recognize the expected future tax consequences of events included in the financial statements using currently enacted tax rates for the differences between the tax basis of assets and liabilities and the basis reported in the financial statements. MGUC records valuation allowances for deferred tax assets when it is uncertain if the benefit will be realized in the future. The company defers certain adjustments made to income taxes that will impact future rates and records regulatory assets or liabilities related to these adjustments.

Investment tax credits, used to reduce federal and state income taxes payable, are deferred for financial reporting purposes, and are amortized over the useful lives of the property to which they relate.

Integrus Energy Group files a consolidated United States income tax return that includes domestic subsidiaries of which its ownership is 80% or more. Integrus Energy Group and its consolidated subsidiaries are parties to a tax allocation arrangement under which each entity determines its income tax provision on a stand-alone basis. In several states, combined or consolidated filing is required for certain members of the Integrus Energy Group doing business in that state. The tax allocation arrangement equitably allocates the state taxes associated with these combined or consolidated filings.

Integrus Energy Group and its subsidiaries have routinely been subject to examination by the Internal Revenue Service ("IRS") and other state and local taxing jurisdictions. At any given time, there might be several of these audits open covering multiple tax years. Management has not been informed by any taxing jurisdictions of any material adjustment to any filed or proposed tax position as a result of on-going examinations that would impact MGUC.

- (o) **Guarantees**--MGUC follows the guidance of the Guarantees Topic of the FASB ASC, which requires that the guarantor recognize, at the inception of the guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. See Note 10, "Guarantees," for additional information on guarantees.
- (p) **Subsequent Events**--Subsequent events at MGUC were evaluated for potential recognition or disclosure through April 21, 2010, which is the date the financial statements were available to be issued.

## NOTE 2--REGULATORY ASSETS AND LIABILITIES

The following regulatory assets and liabilities were reflected on the Balance Sheets as of December 31:

(Millions)	2009	2008
<b>Regulatory Assets</b>		
Pension and Other Postretirement Benefit Related Items	\$7.4	\$12.3
Pension and Other Postretirement Purchase Accounting Asset	25.4	27.0
Environmental Remediation Costs (Net of Insurance Recoveries)	26.0	26.4
Uncollectible Expense Tracker	3.2	0.0
Other	0.2	0.2
<b>Total Regulatory Assets</b>	<b>\$62.2</b>	<b>\$65.9</b>
<b>Regulatory Liabilities</b>		
Other Regulatory Liabilities	\$ 0.2	\$ 0.2
<b>Total Regulatory Liabilities</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>

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"Pension and other postretirement benefit related items" includes unrecognized actuarial gains/losses, prior service costs/credits, and transition obligations. Included in "Pension and other postretirement purchase accounting asset" are the unrecognized losses related to the pension and other postretirement benefit liabilities at the MGUC purchase date of April 1, 2006. MGUC expects to recover its regulatory assets and return its regulatory liabilities through rates charged to customers based on specific ratemaking decisions or precedent for each item over periods specified by the regulators or over the normal operating period of the assets and liabilities to which they relate. Based on prior and current rate treatment for carrying costs of regulatory assets, MGUC believes it is probable that it will continue to recover from customers the regulatory assets described above.

See Note 9, "*Commitments and Contingencies*," and Note 11, "*Employee Benefit Plans*," for more information on the significant regulatory assets and liabilities listed in the above table.

### NOTE 3--GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill for MGUC was \$34.5 million at December 31, 2009 related to the acquisition of the natural gas distribution operations in Michigan in April 2006. In conjunction with the acquisition of the natural gas distribution operations, a \$5.2 million indefinite-lived intangible asset was recorded related to the MGUC trade name. Goodwill and other intangible assets are recorded on the balance sheets in Account 186.

MGUC had the following changes to the carrying amount of goodwill for the years ended December 31, 2008 and 2009, noting that there were no impairment losses prior to those recorded in 2009:

<b>(Millions)</b>	<b>Total</b>
Goodwill recorded at December 31, 2007	\$122.7
Impairment loss	0.0
Goodwill recorded at December 31, 2008	122.7
Impairment loss	(88.2)
<b>Goodwill recorded at December 31, 2009</b>	<b>\$34.5</b>

The fair value of the MGUC was calculated as part of an interim goodwill impairment test which resulted in the impairment loss indicated in the table above. The fair value of MGU was determined to be \$336.0 million and included significant inputs such as forecasted cash flows, discount rate and growth rates. The classification within the fair value hierarchy was Level 3 due to significant unobservable inputs used in the valuation.

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#### NOTE 4--SHORT-TERM DEBT

All short-term borrowings are from Integrys Energy Group and bear interest at Integrys Energy Group's weighted average borrowing rate on short-term loans. Short-term borrowings from Integrys Energy Group were as follows (in millions):

	<u>2009</u>	2008
Maximum amount of short-term borrowings outstanding during the year ended December 31	<b>\$27.05</b>	\$38.80
Average amount of short-term borrowing outstanding during the year ended December 31	<b>\$4.95</b>	\$15.90
Weighted average interest rate on short-term borrowings for the year ended December 31	<b>2.10%</b>	4.80%
Weighted average interest rate on short-term borrowings at December 31	<b>0.53%</b>	6.02%
Short-term borrowings from Integrys Energy Group at December 31	<b>\$8.76</b>	\$27.10

#### NOTE 5--LONG-TERM DEBT

Pursuant to a credit line agreement entered into on April 1, 2006 with Integrys Energy Group, MGUC acquired long-term debt as presented in the table below:

<b>At December 31 (Millions)</b>				<b>2009</b>	2008
Integrys Energy Group Notes					
<u>Term</u>	<u>Interest Rate</u>	<u>Year Due</u>	<u>Description</u>		
7 Year	5.72%	2013	Senior Note	<b>28.0</b>	28.0
10 Year	5.76%	2016	Senior Note	<b>28.0</b>	28.0
15 Year	5.98%	2021	Senior Note	<b>28.0</b>	28.0
Total Long-Term Debt				<b>\$84.0</b>	\$84.0

Interest is paid semi-annually for the three notes issued. There are no covenants associated with these obligations.

A schedule of all principal debt payment amounts is as follows:

<b>Year ending December 31 (Millions)</b>	
2009	\$ -
2010	-
2011	-
2012	-
2013	28.0
Later Years	56.0
Total Payments	<b>\$84.0</b>

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## NOTE 6--ASSET RETIREMENT OBLIGATIONS

MGUC has asset retirement obligations primarily related to asbestos abatement at office buildings and service centers and asbestos containing coatings on certain gas mains. MGUC established regulatory assets and liabilities to record the differences between ongoing expense recognition under the Asset Retirement and Environmental Obligations accounting rules, and the rate-making practices for retirement costs authorized by the MPSC. At December 31, 2009, asset retirement obligations had a balance of \$1.4 million. Accretion expense was \$0.1 million for the year ended December 31, 2009.

## NOTE 7--INCOME TAXES

Certain temporary book to tax differences, for which the offsetting amount is recorded as a regulatory asset or liability, are presented in the table below as net amounts, consistent with regulatory treatment. The principal components of deferred tax assets and liabilities recognized on the balance sheets as of December 31 were as follows:

<i>(Millions)</i>	2009	2008
<b>Deferred Tax Assets:</b>		
Employee Benefits	\$ 2.5	\$ 3.0
Plant Related	34.3	3.6
Other	6.2	4.3
Total Deferred Tax Assets	43.0	10.9
<b>Deferred Tax Liabilities:</b>		
Regulatory Deferrals	\$(20.6)	\$(23.5)
Plant Related	(9.3)	(5.6)
Other	(3.3)	0.1
Total Deferred Tax Liabilities	\$(33.2)	\$(29.0)

The following table presents a reconciliation of federal income taxes to the provision for income taxes reported in the Statements of Income for the years ended December 31.

<i>(Millions, except for percentages)</i>	2009		2008	
	Rate	Amount	Rate	Amount
Statutory Federal Income Tax	35.0%	\$(26.6)	35.0%	\$ 3.2
State Income Taxes, Net	3.8%	(2.9)	3.8%	.3
Other Differences, Net	(0.1%)	0.1	(1.1%)	(0.1)
<b>Effective Income Tax</b>	<b>38.7%</b>	<b>\$(29.4)</b>	<b>37.7%</b>	<b>\$ 3.4</b>
Current Provision – Federal		\$(1.6)		\$(2.6)
Current Provision – State		(0.1)		(0.4)
Total Current Provision		(1.7)		(3.0)
Deferred Provision		(27.7)		6.4
<b>Total Income Tax Expense</b>		<b>\$(29.4)</b>		<b>\$ 3.4</b>



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Effective January 1, 2008, the Michigan Single Business Tax was replaced by a new Michigan Business Tax ("MBT"). There are two components of the MBT the business income tax and the modified gross receipts tax. These taxes are accounted for as income taxes instead of a tax other than income tax, which is how the Michigan Single Business Tax was accounted for.

As the related temporary differences reverse, MGUC is prospectively refunding taxes to customers for which deferred taxes were recorded in prior years at rates different than current rates. The regulatory asset for these refunds and other regulatory tax effects totaled approximately \$13.8 thousand as of December 31, 2009.

MGUC recognized no significant income or expense related to interest and penalties in 2009 and during 2008. MGUC had no accrued interest and penalties related to uncertain tax positions as of December 31, 2009 and December 31, 2008.

As of December 31, 2009, there are no unrecognized tax benefits that could affect MGUC's effective tax rate if recognized in subsequent periods.

MGUC files income tax returns in the United States federal jurisdiction and in various state and local jurisdictions on a stand-alone basis or as part of Integrys Energy Group filings. MGUC is no longer subject to federal, state, and local income tax examinations by tax authorities for years prior to 2006. MGUC does not anticipate a decrease in unrecognized tax benefits under the reasonably possible standard in the next 12 months.

## **NOTE 8--COMMITMENTS AND CONTINGENCIES**

### **Commodity and Purchase Order Commitments**

MGUC routinely enters into long-term purchase and sale commitments that have various quantity requirements and durations. MGUC has obligations related to natural gas contracts totaling \$172.0 million annually, substantially all of which end by 2019.

### **Environmental**

#### *Manufactured Gas Plant Remediation*

MGUC operated facilities in the past for the purpose of manufacturing gas and storing manufactured gas. In connection with manufacturing and storing this gas, waste materials were produced that may have resulted in soil and groundwater contamination at these sites. Under certain laws and regulations relating to the protection of the environment, MGUC is required to undertake remedial action with respect to some of these materials. MGUC is responsible for the environmental impacts at 11 former manufactured gas plant sites. Contaminated soil has been removed from eight of the sites. Future investigations are needed at many of the sites to evaluate on-site, off-site, and sediment impacts.

MGUC has estimated future investigation and remediation costs of approximately \$24.0 million as of December 31, 2009; these costs are included as Other Deferred Credits in Account 253. The MPSC has historically authorized recovery of these costs.

As these 11 sites are integrated into the corporate gas plant site management program, cost estimates may change. MGUC will also evaluate the feasibility of transferring the sites into the EPA Superfund Alternatives Program.

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## NOTE 9--GUARANTEES

Corporate guarantees in the amount of \$100 million have been authorized by Integrys Energy Group's Board of Directors to support MGUC. Integrys Energy Group on behalf of MGUC had \$74.8 million of outstanding guarantees related to natural gas supply at December 31, 2009.

## NOTE 10--EMPLOYEE BENEFIT PLANS

The Company participates in one noncontributory, qualified retirement plan of Integrys Energy Group. On December 31, 2008, the qualified pension plan, the Wisconsin Public Service Corporation ("WPS") Retirement Plan, was merged into the Integrys Energy Group Retirement Plan. The plan merger had no effect on the level of plan benefits provided to participants or the management of plan assets. Prior to the plan merger, WPS, a subsidiary of Integrys Energy Group, served as the plan sponsor for the WPS Retirement Plan. Integrys Business Support, LLC ("IBS") serves as the plan sponsor for the Integrys Energy Group Retirement Plan. The Company accounts for its participation in the pension plan sponsored by IBS as a multiple employer plan. Under affiliate agreements, the Company is responsible for its share of plan obligations and is entitled to its share of plan assets; accordingly, the Company accounts for its share of the Integrys Energy Group Retirement Plan as its own plan. In addition, the Company participates in other postretirement benefit plans sponsored by WPS. Prior to 2009, the Company accounted for its participation in the other postretirement plans as multiemployer plans. Accordingly, the Company was allocated its share of periodic pension cost. The Company did not report any plan assets or liabilities on its balance sheet, but recognized within long-term payable to affiliates, a long-term liability for the allocated expense less the amounts paid. Beginning in 2009, the Company began accounting for its participation in the other postretirement plans as multiple employer plans. Under affiliate agreements, the Company is responsible for its share of plan obligations and is entitled to its share of plan assets; accordingly, the Company accounts for its share of the other postretirement plans as its own plans. The benefits for a portion of these plans are funded through irrevocable trusts, as allowed for income tax purposes.

The Company also maintains an unfunded, legacy non-qualified Supplemental Employee Retirement Plan ("SERP"). The liabilities for this plan are also recorded on the Company's balance sheets.

The Company also participates in an unfunded nonqualified retirement plan sponsored by WPS. The Company accounts for its participation in the plan as a multiemployer plan. Accordingly, the Company does not reflect any plan assets or liabilities on its balance sheets. In addition, the Parent offers medical, dental, and life insurance benefits to the Company's active employees and their dependents. The Company expenses the allocated costs of benefits as incurred.

The Company recognizes the funded status of defined benefit postretirement plans on the balance sheet, and recognizes changes in the plans' funded status in the year in which the changes occur. The Company records changes in the funded status to regulatory asset or liability accounts, pursuant to the Regulated Operations Topic of the FASB Accounting Standards Codification ("ASC").

A measurement date of December 31 is used for all pension and other postretirement benefit plans.

The costs of pension and other postretirement benefits are expensed over the periods during which employees render service. In computing the expected return on plan assets, a market-related value of plan assets is used. Changes in fair value are recognized over the subsequent five years for plans sponsored by WPS, while differences between actual investment returns and the expected return on plan assets are recognized over a five-year period for the plan sponsored by IBS. The transition obligation for postretirement benefits is being recognized over a 20-year period beginning in 1993. Integrys Energy Group uses a December 31 measurement date for all of its plans.

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Actuarial calculations are performed (based upon specific employees and their related years of service) in order to determine the Company's benefit cost.

In accordance with purchase accounting rules, the Company established an opening balance sheet liability as of the April 1, 2006 sale close date, equal to the difference between plan liabilities and assets transferred from Aquila, Inc. using the same discount rate assumption (5.65%) chosen by Integrys Energy Group at the December 31, 2005 disclosure date which was also used for calculating net periodic benefit cost in 2006. The Company also established a regulatory asset equal to the difference between the opening balance sheet liabilities for all benefit plans of the Company and what was on the balance sheet of Aquila, Inc. on the date of the sale. The Regulatory Assets related to the acquisition were \$25.4 million and \$27.0 million at December 31, 2009, and 2008, respectively; these are recorded in Account 182.3 on the Comparative Balance Sheet.

Effective January 15, 2010, the defined benefit pension plans were closed to new Local 12295 union hires.

The following tables provide a reconciliation of the changes in the pension plans' benefit obligations and fair value of assets during 2009 and 2008.

<b>(Millions)</b>	<b><u>Pension Benefits</u></b>		<b><u>Other Benefits</u></b>
	<b>2009</b>	<b>2008</b>	<b>2009</b>
<b>Reconciliation of benefit obligation</b>			
Obligation at January 1	\$33.9	\$ 0.8	\$ -
Transfers (out) in	(0.1)	32.0 <sup>(1)</sup>	17.5 <sup>(2)</sup>
Service cost	0.6	0.7	0.2
Interest cost	2.1	2.1	1.0
Actuarial gain, net	(0.8)	-	(0.6)
Benefit payments	(2.0)	(1.7)	(1.2)
Federal subsidy on benefits paid	-	-	0.1
Obligation at December 31	\$33.7	\$33.9	\$17.0
<b>Reconciliation of fair value of plan assets</b>			
Fair value of plan assets at January 1	\$24.6	\$ -	\$ -
Transfers (out) in	(0.1)	34.7 <sup>(1)</sup>	13.4 <sup>(2)</sup>
Actual return on plan assets	5.2	(8.5)	2.4
Employer contributions	0.1	0.1	-
Benefit payments	(2.0)	(1.7)	(1.2)
Fair value of plan assets at December 31	\$27.8	\$24.6	\$14.6

<sup>(1)</sup> The transfer of pension plan obligations and assets to the Company occurred in connection with the change in plan sponsor from WPS to IBS. The amounts transferred in the table above relate to the participation, prior to 2008, of the Company's employees in the WPS Retirement Plan.

<sup>(2)</sup> The transfer of other benefit plan obligations and assets to the Company occurred in connection with affiliate agreements whereby each participating affiliate in WPS sponsored other postretirement plans is responsible for its share of plan obligations and is entitled to its share of plan assets. The amounts transferred in the table above relate to the participation, prior to 2009, of the Company's employees in the WPS sponsored other postretirement plans.

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Amounts recognized on the Company's balance sheets at December 31 related to the funded status of the benefit plans consisted of:

<i>(Millions)</i>	<b>Pension Benefits</b>		<b>Other Benefits</b>
	<b>2009</b>	<b>2008</b>	<b>2009</b>
Current liabilities	\$0.1	\$0.1	\$ -
Noncurrent liabilities	5.8	9.2	2.4
Total liabilities	\$5.9	\$9.3	\$2.4

The accumulated benefit obligation for all defined benefit pension plans was \$29.4 million and \$30.9 million at December 31, 2009, and 2008, respectively. Information for pension plans with an accumulated benefit obligation in excess of plan assets is presented in the following table.

<i>(Millions)</i>	<b>December 31</b>	
	<b>2009</b>	<b>2008</b>
Projected benefit obligation	\$33.7	\$33.9
Accumulated benefit obligation	29.4	30.9
Fair value of plan assets	27.8	24.9

The following table shows the amounts that have not yet been recognized in the Company's net periodic benefit cost as of December 31.

<i>(Millions)</i>	<b>Pension Benefits</b>		<b>Other Benefits</b>
	<b>2009</b>	<b>2008</b>	<b>2009</b>
<b>Net regulatory assets</b>			
Net actuarial loss	\$4.8	\$8.1	\$2.4

The estimated net actuarial losses for defined benefit pension plans that will be amortized as a component of net periodic benefit cost during 2010 are \$0.2 million. The estimated net actuarial losses for other postretirement benefit plans that will be amortized as a component of net periodic benefit cost during 2010 are not significant.

The following table presents the components of the consolidated net periodic benefit costs for the plans:

<i>(Millions)</i>	<b>Pension Benefits</b>		<b>Other Benefits</b>
	<b>2009</b>	<b>2008</b>	<b>2009</b>
<b>Net periodic benefit cost</b>			
Service cost	\$0.6	\$0.7	\$0.2
Interest cost	2.1	2.1	1.0
Expected return on plan assets	(2.5)	(2.9)	(1.3)
Net periodic benefit cost	\$0.2	\$(0.1)	\$(0.1)

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### Assumptions – Pension and Other Postretirement Benefit Plans

The weighted-average assumptions used at December 31 to determine benefit obligations for the plans were as follows:

	<b>Pension Benefits</b>		<b>Other Benefits</b>
	<b>2009</b>	<b>2008</b>	<b>2009</b>
Discount rate	6.15%	6.45%	6.05%
Rate of compensation increase	4.17%	4.27%	N/A
Assumed medical cost trend rate (under age 65)	N/A	N/A	8.0%
Ultimate trend rate	N/A	N/A	5.0%
Ultimate trend rate reached in	N/A	N/A	2013
Assumed medical cost trend rate (over age 65)	N/A	N/A	8.5%
Ultimate trend rate	N/A	N/A	5.5%
Ultimate trend rate reached in	N/A	N/A	2013
Assumed dental cost trend rate	N/A	N/A	5.0%

The weighted-average assumptions used to determine net periodic benefit cost for the plans were as follows for the years ended December 31:

	<b>Pension Benefits</b>		<b>Other Benefits</b>
	<b>2009</b>	<b>2008</b>	<b>2009</b>
Discount rate	6.45%	6.40%	6.50%
Expected return on assets	8.50%	8.50%	8.50%
Rate of compensation increase	4.27%	4.27%	N/A
Assumed medical cost trend rate (under age 65)	N/A	N/A	9.0%
Ultimate trend rate	N/A	N/A	5.0%
Ultimate trend rate reached in	N/A	N/A	2013
Assumed medical cost trend rate (over age 65)	N/A	N/A	9.5%
Ultimate trend rate	N/A	N/A	5.5%
Ultimate trend rate reached in	N/A	N/A	2013
Assumed dental cost trend rate	N/A	N/A	5.0%

The expected return on asset assumption is established based on consideration of historical and projected asset class returns, as well as the target allocations of the benefit trust portfolios.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. For the year ended December 31, 2009, a one-percentage-point change in assumed health care cost trend rates would have had the following effects:

<b>(Millions)</b>	<b>One-Percentage-Point</b>	
	<b>Increase</b>	<b>Decrease</b>
Effect on total of service and interest cost components of net periodic postretirement health care benefit cost	\$0.1	\$(0.1)
Effect on the health care component of the accumulated postretirement benefit obligation	1.4	(1.2)

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### **Pension and Other Postretirement Benefit Plan Assets**

Integrys Energy Group's investment policy includes various guidelines and procedures designed to ensure assets are invested in an appropriate manner to meet expected future benefits to be earned by participants. The investment guidelines consider a broad range of economic conditions. Central to the policy are target allocation ranges by major asset categories. The policy is established and administered in a manner that is compliant at all times with applicable regulations.

The objectives of the target allocations are to maintain investment portfolios that diversify risk through prudent asset allocation parameters and to achieve asset returns that meet or exceed the plans' actuarial assumptions and that are competitive with like instruments employing similar investment strategies. The portfolio diversification provides protection against significant concentrations of risk in the plan assets. The target asset allocations for pension plans and other postretirement plans that have significant assets are 70% equity securities and 30% fixed income securities. Equity securities primarily include investments in large-cap and small-cap companies. Fixed income securities primarily include corporate bonds of companies from diversified industries, United States government securities, and mortgage-backed securities.

The Integrys Energy Group Board of Directors has established the Employee Benefits Administrator Committee (composed of members of Integrys Energy Group management) to manage the operations and administration of all benefit plans and trusts. The committee periodically reviews the asset allocation, and the portfolio is rebalanced when necessary.

SFAS No. 157, "Fair Value Measurements," (now incorporated as part of the Fair Value Measurements and Disclosures Topic of the FASB ASC) established a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are observable, either directly or indirectly, but are not quoted prices included within Level 1. Level 2 includes those financial instruments that are valued using external inputs within models or other valuation methodologies.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value. Level 3 instruments include those that may be more structured or otherwise tailored to customers' needs.

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The investments recorded at fair value in the pension and other postretirement benefit plan assets at December 31, 2009, by asset category were as follows.

(Millions)	Pension Plan Assets				Other Benefit Plan Assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Asset Category</b>								
Cash and cash equivalents	\$0.1	\$ 1.0	\$ -	\$ 1.1	\$ -	\$ 0.7	\$ -	\$ 0.7
Equity securities:								
United States equity	7.8	4.8	-	12.6	4.1	2.8	-	6.9
International equity	0.9	4.3	-	5.2	-	2.0	-	2.0
Fixed income securities:								
United States government	-	3.2	-	3.2	-	1.8	-	1.8
Foreign government	-	0.4	-	0.4	-	0.1	-	0.1
Corporate debt	-	3.6	0.1	3.7	-	1.7	-	1.7
Asset-backed securities	-	1.1	-	1.1	-	0.5	-	0.5
Real estate securities	-	-	0.7	0.7	-	-	-	-
Other	-	-	-	-	-	0.9	-	0.9
<b>Total</b>	<b>\$8.8</b>	<b>\$18.4</b>	<b>\$0.8</b>	<b>\$28.0</b>	<b>\$4.1</b>	<b>\$10.5</b>	<b>\$ -</b>	<b>\$14.6</b>

\* Pension trust assets are used to pay other postretirement benefits as allowed under Internal Revenue Code Section 401(h).

The following table sets forth a reconciliation of changes in the fair value of pension plan assets categorized as Level 3 measurements:

(Millions)	Corporate Debt	Real Estate Securities	Total
Beginning balance at December 31, 2008	\$0.1	\$1.1	\$1.2
Actual return on plan assets:			
Relating to assets still held at the reporting date	-	(0.4)	(0.4)
Ending balance at December 31, 2009	\$0.1	\$0.7	\$0.8

### Cash Flows Related to Pension and Other Postretirement Benefit Plans

The Company's funding policy is to contribute at least the minimum amounts that are required to be funded under the Employee Retirement Income Security Act, but not more than the maximum amounts that are currently deductible for income tax purposes. The Company expects to contribute \$0.1 million to pension plans and \$0.4 million to other postretirement plans in 2010.

The following table shows the payments, reflecting expected future service, that the Company expects to make for pension and other postretirement benefits. In addition, the table shows the expected federal subsidies, provided under the Medicare Prescription Drug, Improvement and Modernization Act of 2003, that will partially offset other postretirement benefits.

(Millions)	Pension Benefits	Other Benefits	Federal Subsidies
2010	\$ 3.1	\$1.3	\$0.1
2011	3.2	1.4	0.1
2012	3.4	1.5	0.1
2013	3.5	1.6	0.1
2014	3.7	1.7	0.1
2015-2019	20.9	8.3	0.5

### Multiemployer Plans

Pension and other postretirement benefit amounts relating to multiemployer plans sponsored by related-party affiliates allocated to the Company and paid to the plan sponsor by the Company were not significant in 2009 and 2008.

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### Defined Contribution Benefit Plans

Integrys Energy Group maintains a 401(k) Savings Plan for substantially all full-time employees. A percentage of employee contributions are matched through an ESOP or cash contribution up to certain limits. Employees who are no longer eligible to participate in the defined benefit pension plan participate in a defined contribution pension plan, in which certain amounts are contributed to an employee's account based on the employee's wages, age, and years of service. The Company also offers a discretionary profit-sharing contribution to eligible employees based on a percentage of base pay. The Company's share of the total costs incurred under these plans was \$0.7 million and \$0.7 million in 2009 and 2008, respectively.

### NOTE 11--COMMON STOCK

Common Stock of MGUC consists of Common Stock without par value, \$1 stated value, authorized 1,000 shares, issued and outstanding – 100 shares. The Common Stock balance was \$100 at December 31, 2009. All shares of the Company's common stock are owned by Integrys Energy Group.

### NOTE 12--FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash, accounts receivable, accounts payable, and short-term debt: The carrying amount approximates fair value due to the short maturity of these investments and obligations.

The following table shows MGUC's financial instruments that are recorded at the carrying amount on the balance sheets:

(Millions)	2009		2008	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Short Term Debt	8.8	8.8	27.1	27.1
Long Term Debt	84.0	88.6	84.0	78.5

### NOTE 13--RELATED PARTY TRANSACTIONS

MGUC routinely engages in intercompany transactions with its parent and affiliate companies.

The following table shows intercompany balances as of December 31, 2009 and 2008:

(Millions)	2009	2008
Accounts Receivable from Associated Companies	0.5	0.0
Miscellaneous Deferred Debits	0.0	0.0
Advances from Associated Companies	84.0	84.0
Notes Payable from Associated Companies	8.8	27.1
Accounts Payable from Associated Companies	3.6	3.3
Other Deferred Credits	0.0	4.1



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MGUC also provides and receives administrative and support services, to and from its parent, Integrys Energy Group, and other subsidiaries of Integrys Energy Group. All such transactions are settled through cross-charges and inter-company billings, as reflected in the balances in the above table. Interest expense for the twelve months ended December 31, 2009 and 2008, includes \$5.2 million and \$5.7 million, respectively, on debts from associate companies.

IBS serves as plan sponsor and administrator for the qualified retirement plan and WPS serves as plan sponsor and administrator for the other postretirement benefits. Pursuant to the foregoing, and consistent with an affiliated interest agreement filed with the MPSC on April 12, 2006, as part of a revised compliance plan in Case No. U-12134, the associated liabilities for MGUC's pension liability of \$6.0 million, and postretirement health liability of \$14.2 million were transferred from MGUC's balance sheet to WPS's balance sheet. With the plan sponsor change from WPS to IBS on December 31, 2008, \$8.3 million of pension liabilities were transferred from WPS's balance sheet back to MGUC. On December 31, 2009, in connection with affiliate agreements whereby each participating affiliate in WPS sponsored other postretirement plans is responsible for its share of plan obligations and is entitled to its share of plan assets, \$2.4 million of other postretirement liabilities were transferred from WPS's balance sheet back to MGUC.

See Note 5, "*Short-Term Debt*," Note 6, "*Long-Term Debt*," and Note 11, "*Employee Benefit Plans*," for additional disclosures on related party transactions.

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item <i>(a)</i>	Total <i>(b)</i>	Electric <i>(c)</i>	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified) Includes ARO	290,066,236		
4	Property Under Capital Leases	0		
5	Plant Purchased or Sold	0		
6	Completed Construction not Classified			
7	Experimental Plant Unclassified	0		
8	TOTAL (Enter Total of lines 3 thru 7)	290,066,236		
9	Leased to Others	0		
10	Held for Future Use	0		
11	Construction Work in Progress	802,668		
12	Acquisition Adjustments	0		
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	290,868,904		
14	Accum. Prov. for Depr., Amort., & Depl.	153,965,437		
15	Net Utility Plant (Enter Total of line 13 less 14)	136,903,467		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation (108000,108200,254185)	152,515,898		
19	Amort. and Depl. of Producing Natural Gas Land and Land Rights	0		
20	Amort. of Underground Storage Land and Land Rights	0		
21	Amort. of Other Utility Plant (111000)	1,449,539		
22	TOTAL In Service (Enter Total of lines 18 thru 21)	153,965,437		
23	Leased to Others			
24	Depreciation	0		
25	Amortization and Depletion	0		
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	0		
27	Held for Future Use			
28	Depreciation	0		
29	Amortization	0		
30	TOTAL Held for Future Use (Enter Total of lines 28 and 29)	0		
31	Abandonment of Leases (Natural Gas)	0		
32	Amort. of Plant Acquisition Adj.			
33	TOTAL Accumulated provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31, and 32)	153,965,437		

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas	Other (Specify)	Other (Specify)	Other (Specify)	Common	Line No.
(d)	(e)	(f)	(g)	(h)	
					1
					2
290,066,236					3
					4
					5
					6
					7
290,066,236					8
					9
					10
802,668					11
					12
290,868,904					13
153,965,437					14
136,903,467					15
					16
					17
152,515,898					18
					19
					20
1,449,539					21
153,965,437					22
					23
					24
					25
0					26
					27
					28
					29
0					30
					31
					32
153,965,437					33

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Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)**

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Acct 101, Gas Plant in Service (Classified), this schedule includes Account 102, Gas Plant Purchased or Sold; Acct 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified - Gas.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries

for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior year's tentative account distributions of these amounts.

Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1		1. Intangible Plant		
2	301	Organization		
3	302	Franchises and Consents	22,656	-
4	303	Miscellaneous Intangible Plant	359,309	-
5		TOTAL Intangible Plant	381,965	-
6		2. Production Plant		
7		Manufactured Gas Production Plant		
8	304.1	Land	-	
9	304.2	Land Rights	-	
10	305	Structures and Improvements	-	
11	306	Boiler Plant Equipment	-	
12	307	Other Power Equipment	-	
13	308	Coke Ovens	-	
14	309	Producer Gas Equipment	-	
15	310	Water Gas Generating Equipment	-	
16	311	Liquefied Petroleum Gas Equipment	-	
17	312	Oil Gas Generating Equipment	-	
18	313	Generating Equipment-Other Processes	-	
19	314	Coal, Coke and Ash Handling Equipment	-	
20	315	Catalytic Cracking Equipment	-	
21	316	Other Reforming Equipment	-	
22	317	Purification Equipment	-	
23	318	Residual Refining Equipment	-	
24	319	Gas Mixing Equipment	-	
25	320	Other Equipment	-	
26		TOTAL Manufactured Gas Production Plant	-	-

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**GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)**

Careful observation of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classification.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					1
			-	301	2
-	-	-	22,656	302	3
(43,767)	-	-	315,542	303	4
(43,767)	-	-	338,198		5
					6
					7
			-	304.1	8
			-	304.2	9
			-	305	10
			-	306	11
			-	307	12
			-	308	13
			-	309	14
			-	310	15
			-	311	16
			-	312	17
			-	313	18
			-	314	19
			-	315	20
			-	316	21
			-	317	22
			-	318	23
			-	319	24
			-	320	25
-	-	-	-		26

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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)(Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
27		Natural Gas Production & Gathering Plant		
28	325.1	Producing Lands	-	
29	325.2	Producing Leaseholds	-	
30	325.3	Gas Rights	-	
31	325.4	Rights-of-Way	16,869	
32	325.5	Other Land	18,223	
33	325.6	Other Land Rights	-	
34	326	Gas Well Structures	-	
35	327	Field Compressor Station Structures	-	
36	328	Field Measuring and Regulating Station Structures	-	
37	329	Other Structures	87,403	
38	330	Producing Gas Wells-Well Construction	-	
39	331	Producing Gas Wells-Well Equipment	5,150	
40	332	Field Lines	41,943	
41	333	Field Compressor Station Equipment	115,824	
42	334	Field Measuring and Regulating Station Equipment	2,051	
43	335	Drilling and Cleaning Equipment	-	
44	336	Purification Equipment	22,055	
45	337	Other Equipment	9,961	
46	338	Unsuccessful Exploration & Development Costs	-	
47		TOTAL Production and Gathering Plant	319,479	-
48		Products Extraction Plant		
49	340.1	Land	-	
50	340.2	Land Rights	-	
51	341	Structures and Improvements	-	
52	342	Extraction and Refining Equipment	-	
53	343	Pipe Lines	-	
54	344	Extracted Products Storage Equipment	-	
55	345	Compressor Equipment	-	
56	346	Gas Measuring and Regulating Equipment	-	
57	347	Other Equipment	-	
58		TOTAL Products Extraction Plant	-	-
59		TOTAL Natural Gas Production Plant	319,479	-
60		SNG Production Plant (Submit Supplemental Statement)		
61		TOTAL Production Plant	319,479	-
62		3. Natural Gas Storage and Processing Plant		
63		Underground Storage Plant		
64	350.1	Land	13,312	

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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)(Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					27
			-	325.1	28
			-	325.2	29
			-	325.3	30
			16,869	325.4	31
			18,223	325.5	32
			-	325.6	33
			-	326	34
			-	327	35
			-	328	36
			87,403	329	37
			-	330	38
			5,150	331	39
			41,943	332	40
			115,824	333	41
			2,051	334	42
			-	335	43
			22,055	336	44
			9,961	337	45
			-	338	46
-	-	-	319,479		47
					48
			-	340.1	49
			-	340.2	50
			-	341	51
			-	342	52
			-	343	53
			-	344	54
			-	345	55
			-	346	56
			-	347	57
-	-	-	-		58
-	-	-	319,479		59
			-		60
-	-	-	319,479		61
					62
					63
			13,312	350.1	64

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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)(Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
65	350.2	Rights-of-Way	2,455	
66	351	Structures and Improvements	281,823	
67	352	Wells	-	
68	352.1	Storage Leaseholds and Rights	-	
69	352.2	Reservoirs	95,267	
70	352.3	Non-recoverable Natural Gas	1,033,000	
71	352.4	Gas URG-Storage Wells	2,474,791	94,835
72	352.5	Gas URG-Storage Leasehold & Rght	1,666,932	
73	353	Lines	897,299	
74	354	Compressor Station Equipment	3,018,921	2,111
75	355	Measuring and Regulating Equipment	676,304	
76	356	Purification Equipment	1,074,934	32,333
77	357	Other Equipment	18,594	7,107
78	358	Gas in Underground Storage-Noncurrent	-	
79		TOTAL Underground Storage-Noncurrent	11,253,632	136,386
80		Other Storage Plant		
81	360.1	Land	-	
82	360.2	Land Rights	-	
83	361	Structures and Improvements	-	
84	362	Gas Holders	-	
85	363	Purification Equipment	-	
86	363.1	Liquefaction Equipment	-	
87	363.2	Vaporizing Equipment	-	
88	363.3	Compressor Equipment	-	
89	363.4	Measuring and Regulating Equipment	-	
90	363.5	Other Equipment	-	
91		TOTAL Other Storage Plant	-	-
92		Base Load Liquefied NG Terminating and Processing Plant		
93	364.1	Land	-	
94	364.1a	Land Rights	-	
95	364.2	Structures and Improvements	-	
96	364.3	LNG Processing Terminal Equipment	-	
97	364.4	LNG Transportation Equipment	-	
98	364.5	Measuring and Regulating Equipment	-	
99	364.6	Compressor Station Equipment	-	
100	364.7	Communication Equipment	-	
101	364.8	Other Equipment	-	
102		TOTAL Base Load LNG Terminating and Processing Plant	-	-
103				
104		TOTAL Natural Gas Storage and Processing Plant	11,253,632	136,386



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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)(Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
			2,455	350.2	65
			281,823	351	66
			-	352	67
			-	352.1	68
			95,267	352.2	69
			1,033,000	352.3	70
			2,569,626	352.4	71
			1,666,932	352.5	72
			897,299	353	73
			3,021,032	354	74
			676,304	355	75
			1,107,267	356	76
			25,701	357	77
			-	358	78
-	-	-	11,390,018		79
					80
			-	360.1	81
			-	360.2	82
			-	361	83
			-	362	84
			-	363	85
			-	363.1	86
			-	363.2	87
			-	363.3	88
			-	363.4	89
			-	363.5	90
-	-	-	-		91
					92
			-	364.1	93
			-	364.1a	94
			-	364.2	95
			-	364.3	96
			-	364.4	97
			-	364.5	98
			-	364.6	99
			-	364.7	100
			-	364.8	101
-	-	-	-		102
					103
-	-	-	11,390,018		104

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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)(Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
105		4. Transmission Plant		
106	365.1	Land	31,394	
107	365.2	Land Rights	726,824	
108	365.3	Rights-of-Way	-	
109	366	Structures and Improvements	49,354	
110	367	Mains	31,802,316	106,027
111	368	Compressor Station Equipment	-	
112	369	Measuring and Regulating Station Equipment	6,228,999	
113	370	Communication Equipment	-	
114	371	Other Equipment	-	
115		TOTAL Transmission Plant	38,838,887	106,027
116		5. Distribution Plant		
117	374.1	Land	81,375	
118	374.2	Land Rights	179,159	
119	375	Structures and Improvements	334,831	
120	376	Mains	104,190,268	1,755,124
121	377	Compressor Station Equipment	-	
122	378	Measuring and Regulating Station Equip.-General	4,215,314	185,446
123	379	Measuring and Regulating Station Equip.-City Gate	230,440	(126,906)
124	380	Services	56,855,866	2,459,665
125	381	Meters	30,415,309	1,030,429
126	382	Meter Installations	-	
127	383	House Regulators	13,663,884	143,919
128	384	House Regulator Installations	-	
129	385	Industrial Measuring and Regulating Station Equip.	547,658	8,622
130	386	Other Property on Customer's Premises	-	
131	387	Other Equipment	-	
132		TOTAL Distribution Plant	210,714,104	5,456,299
133		6. General Plant		
134	389.1	Land	1,251,451	
135	389.2	Land Rights	-	
136	390	Structures and Improvements	10,202,760	63,060
137	391	Office Furniture and Equipment	534,813	1,220
138	391.1	Computers and Computer Related Equipment	1,128,637	7,219
139	392	Transportation Equipment	3,180,010	366,098
140	393	Stores Equipment	72,693	
141	394	Tools, Shop and Garage Equipment	1,715,529	30,162
142	395	Laboratory Equipment	300,577	62,867

Name of Respondent Michigan Gas Utilities	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009		
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)(Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					105
			31,394	365.1	106
			726,824	365.2	107
			-	365.3	108
			49,354	366	109
			31,908,343	367	110
			-	368	111
			6,228,999	369	112
			-	370	113
			-	371	114
-	-	-	38,944,914		115
					116
			81,375	374.1	117
			179,159	374.2	118
(2,685)			332,146	375	119
(115,275)			105,830,117	376	120
			-	377	121
(104,511)			4,296,249	378	122
			103,534	379	123
(95,187)			59,220,344	380	124
(134,741)			31,310,997	381	125
			-	382	126
(21,414)			13,786,389	383	127
			-	384	128
			556,280	385	129
			-	386	130
			-	387	131
(473,813)	-	-	215,696,590		132
					133
			1,251,451	389.1	134
			-	389.2	135
			10,265,820	390	136
			536,033	391	137
(7,357)			1,128,499	391.1	138
(161,742)			3,384,366	392	139
			72,693	393	140
			1,745,691	394	141
			363,444	395	142

Name of Respondent Michigan Gas Utilities		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)(Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
143	396	Power Operated Equipment	1,212,428	30,954
144	397	Communication Equipment	2,033,869	70,340
145	398	Miscellaneous Equipment	16,420	
146		SUBTOTAL (Lines 134 thru 145)	21,649,187	631,920
147	399	Other Tangible Property	109,660	1,277,488
148		TOTAL General Plant	21,758,847	1,909,408
149		TOTAL (Accounts 101 and 106)	283,266,914	7,608,120
150	101.1	Property Under Capital Leases		
151	102	Gas Plant Purchased (See Instruction 8)		
152	(Less)	Gas Plant Sold (See Instruction 8)		
153	102			
154	103	Experimental Gas Plant Unclassified		
155		TOTAL GAS PLANT IN SERVICE	283,266,914	7,608,120

Name of Respondent Michigan Gas Utilities		This Report Is: (1) X An Original (2) A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)(Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
(122,119)			1,121,263	396	143
			2,104,209	397	144
			16,420	398	145
(291,218)	-	-	21,989,889		146
			1,387,148	399	147
(291,218)	-	-	23,377,037		148
(808,798)	-	-	290,066,236		149
			-	101.1	150
			-	102	151
			-	(Less)	152
				102	153
			-	103	154
(808,798)	-	-	290,066,236		155

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)			
1. Report below descriptions and balances at end of year of projects in process of construction (107).		Development, and Demonstration (see Account 107 of the Uniform System of Accounts).	
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research,		3. Minor projects (less than \$500,000) may be grouped.	
Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	Projects with Balances Less Than \$500,000	802,668	N/A
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43	TOTAL	802,668	0

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
CONSTRUCTION OVERHEADS - GAS				
<p>1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page</p> <p>218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p>				
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive of Overhead Charges) (c)	
1	Local Engineering	149,946	6,713,854	
2				
3				
4				
5				
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44				
45				
46	TOTAL	149,946	6,713,854	

Name of Respondent	This Report is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

#### GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the U.S. of A.

3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

#### Administrative and General Transferred Credit

1. (a) Overheads capitalized consist of administrative, engineering, and clerical salaries and related expenses charged to Accounts 920 and 921, Administrative and General Expenses, property taxes, and an applicable portion of the injuries and damages insurance, which are incurred in connection with construction matters.
- (b) The amount charged to construction work in progress is based on a study made to determine the portion of such expenses properly charged to construction.
- (c) Overheads are charged directly to individual work orders. A monthly overhead distribution is made to each individual work order on the basis of current charges to the total of all individual work order current charges.
- (d) Generally, there is no difference made in percentages for different types of construction.
- (e) Overheads are indirectly assigned.

#### Employees' Pensions and Benefits Capitalized

- (f) Employees' Pensions and Benefits Capitalized is based on direct charges to construction payroll. Such amounts are distributed monthly to construction work orders on the basis of total direct construction payroll charges during the month. The total charges incurred for pensions and benefits are distributed over total company payroll.

#### Construction Overhead - Personnel

- (g) Total charges to this account represent payroll, personnel expenses, and transportation expenses incurred by personnel, other than regular construction crews in connection with construction activities, which for practical reasons are not chargeable direct to a specific construction work order. The total charges for each month are distributed to construction work orders on the basis of total direct company payroll charges and contract labor charges during the month.



Name of Respondent		This Report Is:		Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2010	December 31, 2009
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)					
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 204-211, column (d), excluding retirements of non-depreciable property. 3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service.			If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.		
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c + d + e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
1	Balance Beginning of Year	145,632,727	145,632,727		
2	Depreciation Prov. for Year, Charged to	0			
3	(403) Depreciation Expense	7,342,799	7,342,799		
4	(403.1) Deprec. and Deplet. Expense	0	0		
5	(413) Exp. of Gas Plt. Leas. to Others	0	0		
6	Transportation Expenses-Clearing	406,845	406,845		
7	Other Clearing Accounts	0	0		
8	Other Accounts (Specify):	0	0		
9	ARO Depreciation Expense 182375	34,362	34,362		
10	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 9)	7,784,006	7,784,006	0	0
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	765,031	765,031		
13	Cost of Removal	409,607	409,607		
14	Salvage (Credit)	273,803	273,803		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	900,835	900,835	0	0
16	Other Debit or Credit Items (Describe):	0			
17					
18		0			
19	Balance End of Year (Enter Total of lines 1, 10, 15, & 17)	152,515,898	152,515,898	0	0
Section B. Balances at End of Year According to Functional Classifications					
20	Production - Manufactured Gas	0			
21	Production and Gathering - Natural Gas	252,899	252,899		
22	Products Extraction - Natural Gas	0			
23	Underground Gas Storage	5,145,118	5,145,118		
24	Other Storage Plant	0			
25	Base Load LNG Terminating & Proc. Plt.	0			
26	Transmission	26,116,928	26,116,928		
27	Distribution	113,757,088	113,757,088		
28	General	7,243,865	7,243,865		
29	TOTAL (Enter total of lines 20 thru 28)	152,515,898	152,515,898	0	0

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009			
Michigan Gas Utilities Corp						
GAS STORED (ACCOUNT 117, 164.1, 164.2 AND 164.3)						
<p>1. If during the year adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for the adjustment, the Mcf and dollar amount of adjustment, and account charged or credited.</p> <p>2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.</p> <p>3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year.</p> <p>4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year.</p> <p>5. Report pressure base of gas volumes as 14.65 psia at 60°F.</p>						
Line No.	Description	Noncurrent (Account 117)	Current (Account 164.1)	LNG (Account 164.2)	LNG (Account 164.3)	Total
	(a)	(b)	(c)	(d)	(e)	(f)
1	Balance at Beginning of Year	3,601,761	\$49,747,889			\$53,349,650
2	Gas Delivered to Storage (contra Account)		33,446,560			33,446,560
3	Gas Withdrawn from Storage (contra Account)		(50,199,534)			(50,199,534)
4	Other Debits or Credits (Net)					-
5	Balance at End of Year	3,601,761	\$32,994,915			\$36,596,676
6	Mcf	2,202,000	5,780,774			7,982,774
7	Amount Per Mcf	\$1.64	\$5.71			\$4.58
8						

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Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
GAS PREPAYMENTS UNDER PURCHASE AGREEMENTS					
1. Report below the information called for concerning gas prepayments as defined in the text of Account 165, <i>Prepayments</i> . (Report advances on page 229.)				purpose, state in a footnote gas volume and dollar amount, period when such prepayment was incurred, and accounting disposition of prepayment amount. Give a concise explanation of circumstances causing forfeiture or other disposition of the prepayment.	
2. If any prepayment at beginning of year (or incurred during year) was cancelled, forfeited, or applied to another					
Line No.	Name of Vendor (Designate associated companies with an asterisk)  (a)	Seller FERC Rate Schedule No. (b)	BALANCE BEGINNING OF YEAR		
			Mcf (14.73 psia at 60°F) (c)	Amount (d)	
1	ANR Pipeline			4,000	
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3					
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41					
42	TOTAL		0	4,000	

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<b>NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET</b>				
Show separately by footnote the total amount of notes and accounts receivable from directors, officers, and		employees included in Notes Receivable (Account 141) and Other Accounts Receivable (Account 143).		
Line No.	Accounts (a)	Balance Beginning of Year (b)	Balance End of Year (c)	
1	Notes Receivable (Account 141)	0	0	
2	Customer Accounts Receivable (Account 142)	25,772,020	15,426,296	
3	Other Accounts Receivable (Account 143) * (Disclose any capital stock subscriptions received)	217,638	2,665,915	
4	TOTAL	25,989,658	18,092,211	
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144) **	2,245,556	3,177,876	
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	23,744,102	14,914,335	
7				
8				
9	* Accounts Receivable From Employees			
10	** Michigan's Portion of Account 144			
11				
12				
13				
14				

<b>ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)</b>						
1. Report below the information called for concerning this accumulated provision.						
2. Explain any important adjustments of subaccounts.						
3. Entries with respect to officers and employees shall not include items for utility services.						
Line No.	Item (a)	Utility Customers (b)	Merchandise Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	2,245,556				2,245,556
2	Prov. for uncollectibles for current	3,513,757				3,513,757
3	Account written off (less)	3,214,718				3,214,718
4	Coll. of accounts written off	633,281				633,281
5	Adjustments (explain): To reserve based on modified black motor formula					0
6	Balance end of year	3,177,876	0	0	0	3,177,876
7						
8						
9						
10						
11						

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Michigan Gas Utilities Corp			

### RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)

- Report particulars of notes and accounts receivable from associated companies\* at end of year.
- Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts.
- For notes receivable, list each note separately and state purpose for which received. Show also in column (a) date of note, date of maturity and interest rate.
- If any note was received in satisfaction of an open account, state the period covered by such open account.
- Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year.
- Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.

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

"Control" (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	<b>Account 146:</b>					
2	<u>Integrus Energy Group, Inc.</u>					
3	Accounts Receivable	0	534,307	0	534,307	
4	<u>Upper Peninsula Power Company</u>					
5	Accounts Receivable	601	9,831	9,455	977	
6	<u>Integrus Energy Services, Inc.</u>					
7	Accounts Receivable	0	175	0	175	
8	<u>Wisconsin Public Service Corporation</u>					
9	Accounts Receivable	128	72,722	70,532	2,318	
10	<u>Minnesota Energy Resources Corporation</u>					
11	Accounts Receivable	215	91,044	91,068	191	
12	<u>The Peoples Gas Light &amp; Coke Company</u>					
13	Accounts Receivable	166	9,107	9,125	148	
14	<u>North Shore Gas Company</u>					
15	Accounts Receivable	0	1,399	1,159	240	
16	<u>Integrus Business Support, LLC</u>					
17	Accounts Receivable	739	84,529	79,863	5,405	
18						
19	<b>Account 147:</b>					
20	<u>Wisconsin Public Service Corporation</u>	0	0	0	0	
21						
22						
23						
24						
25	<b>TOTAL</b>	1,849	803,114	261,202	543,761	

NOTE:

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### MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material. Nonmajor companies may report total on line 4.

2. Give an explanation of important inventory adjustments during the year (on a supplemental page) showing general classes of material and supplies and the various accounts (operating expense, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year Conv. Amts 4/1/06 (b)	Balance End of Year (c)	Department or Departments Which Use Material (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	309,010	267,800	Gas Operations
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)	162,731	14,436	Gas Operations
10	Assigned to - Other			
11	TOTAL Account 154 <i>(Enter Total of lines 5 thru 10)</i>	471,741	282,236	Gas Operations
12	Merchandise (Account 155)			
13	Other Materials and Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157)			
	<i>(Not applicable to Gas Utilities)</i>			
15	Stores Expense Undistributed (Account 163)	11,196	7,926	
16	Electric			
17	Gas			
18	Other			
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	482,937	290,162	



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**PREPAYMENTS (Account 165)**

1. Report below the particulars (details) on each prepayment.

2. Report all payments for undelivered gas on line 5 and complete pages 226 to 227 showing particulars (details) for gas prepayments.

Line No.	Nature of Prepayment (a)	Balance at End of Year (In Dollars) (b)
1	Prepaid Insurance	241,331
2	Prepaid Rents	
3	Prepaid Taxes (pages 262-263)	1,912,349
4	Prepaid Interest on Commercial Paper	
5	Gas Prepayments (pages 226-227)	
6	Miscellaneous Prepayments: Licenses	
7	<b>TOTAL</b>	<b>2,153,680</b>

**EXTRAORDINARY PROPERTY LOSSES (Account 182.1)**

Line No.	Description of Extraordinary Loss [Include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9	<b>TOTAL</b>	0	0		0	0

**UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)**

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr).] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
10	NONE					
11						
12						
13						
14						
15						
16						
17						
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20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	<b>TOTAL</b>	0	0		0	0

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

OTHER REGULATORY ASSETS (Account 182.3)					
1. Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts.)			3. Minor items (amounts less than \$50,000) may be grouped by classes.		
2. For regulatory assets being amortized, show period of amortization in column (a).			4. Give the number and name of the account(s) where each amount is recorded.		
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	Regulatory Asset - Retiree Health (FAS 106)	222,585	926.1	129,450	93,135
2	Clean-Up Gas Insurance Recovery	684,724	182.3	684,724	0
3	Regulatory Asset - Purch Acctg Eff Benefits	31,278,833	926.1	5,870,171	25,408,662
4	ARO Depreciation/Accretion - Non-Rate Base	157,091	108.2	2,538	154,553
5	Environmental Clean-Up Costs	2,891,568	182.3	2,891,568	0
6	Regulatory Asset - FAS 158	20,091,790	228.3	12,660,870	7,430,920
7	Regulatory Asset - Deferred Taxes	24,988	254.4	11,189	13,799
8	Regulatory Asset - Uncollectible Expense Tracker-MI	3,177,897	904.0	0	3,177,897
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34					
35	TOTAL	58,529,476		22,250,510	36,278,966

NOTE: All amounts are recorded in Account 182.3.

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		(Mo, Da, Yr) April 30, 2010		December 31, 2009	
<b>MISCELLANEOUS DEFERRED DEBITS (Account 186)</b>							
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.				3. Minor items (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.			
2. For any deferred debit being amortized, show period of amortization in column (a).							
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
1	Accruals to Subsidiaries	0	927	186028	853	74	
2	Goodwill	122,705,361	0	425010	88,188,000	34,517,361	
3	Tradenname	5,218,000	0	186060	0	5,218,000	
4	Deferred Debit-Area Expans Program	75,093	614,568	Various	50,642	639,019	
5	Deferred Debit-Work Orders	17,149	28,804	107000	35,957	9,996	
6	Deferred Debit-Notes Receivable Lon	14,670	383	417000	14,670	383	
7	Labor Load/Transp Capital Accl	27,495	458,940	Various	444,172	42,263	
8	Regulatory Asset - Clean-Up Gas Expenditures	26,352,593	168,903	735010	561,660	25,959,836	
9							
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36							
37							
38	Misc. Work in Progress						
39	<b>TOTAL</b>	154,410,361	1,272,525		89,295,954	66,386,932	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**ACCUMULATED DEFERRED INCOME TAXES (Account 190)**

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

Line No.	Account Subdivisions  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2				
3				
4				
5				
6				
7	Other			
8	TOTAL Electric (Enter Total of lines 2 thru 7)			
9	Gas			
10	Accumulated Deferred Income Taxes			
11	Plant	(673,812)	26,100	287,651
12	Other Than Plant	(7,316,271)	2,419,394	2,630,696
13	Other Than Plant (FAS 109)	(667)	0	0
14				
15	Other			
16	TOTAL Gas (Enter Total of lines 10 thru 15)	(7,990,750)	2,445,494	2,918,347
17	Other (Specify) Non-Utility	(2,911,111)	939	34,328,209
18	TOTAL (Account 190 (Enter Total of lines 8, 16 & 17)	(10,901,861)	2,446,433	37,246,556
19	Classification of Total:			
20	Federal Income Tax	(8,464,788)	2,212,016	33,731,065
21	State Income Tax	(2,437,074)	234,416	3,515,491
22	Local Income Tax			

**NOTES**

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

(A) Transfers were made between Accounts 190, 254, 282 and 283.

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2010		December 31, 2009	
ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)							
3. If more space is needed, use separate pages as required. and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other. 4. In the space provided below, identify by amount							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
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							9
						0	10
0	0				0	(935,363)	11
0	0	(A)			(254,974)	(7,782,547)	12
0	0				74	(593)	13
							14
							15
0	0	0	0	0	(254,900)	(8,718,503)	16
0					2,911,179	(34,327,202)	17
0	0	0	0	0	2,656,279	(43,045,705)	18
							19
0	0	0	0	0	2,910,525	(37,073,312)	20
0	0	0		0	(254,246)	(5,972,395)	21
							22
NOTES (Continued)							

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**CAPITAL STOCK (Accounts 201 and 204)**

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outline in column (a) is available from the SEC 10-K Report Form filing, a specific reference

to report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.  
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Account 201 - Common Stock			
2				
3	Total Common Stock			
4				
5	Account 204 - Preferred Stock			
6				
7	Total Preferred Stock			
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Name of Respondent	This Report Is:	Date of Report	Year of Report			
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009			
<b>CAPITAL STOCK (Accounts 201 and 204) (Continued)</b>						
3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued. 4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.		5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. 6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledge and purposes of pledge.				
OUTSTANDING PER BALANCE SHEET		HELD BY RESPONDENT				
<i>(Total amount outstanding without reduction for amounts held by respondents.)</i>		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	Line No.
	(100)					1
						2
						3
						4
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
<b>CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK</b> <b>(Accounts 202 &amp; 205, 203 &amp; 206, 207, 212)</b>			
<p>1. Show for each of the above accounts the amounts applying to each class and series of capital stock.</p> <p>2. For Account 202, <i>Common Stock Subscribed</i>, and Account 205, <i>Preferred Stock Subscribed</i>, show the subscription price and the balance due on each class at the end of year.</p> <p>3. Describe in a footnote the agreement and transactions under which a conversion liability existed</p> <p>under Account 203, <i>Common Stock Liability for Conversion</i>, or Account 206, <i>Preferred Stock Liability for Conversion</i>, at the end of the year.</p> <p>4. For Premium on Account 207, <i>Capital Stock</i>, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p>			
Line No.	Name of Account & Description of Item (a)	Number of Shares (b)	Amount (c)
1	Account 207 - Premium on Capital Stock	76,765,359	211,010,098
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40	TOTAL	76,765,359	211,010,098



Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)			
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) <i>Donations Received from Stockholders</i> (Account 208)—State amount and give brief explanation of the origin and purpose of each donation.</p> <p>(b) <i>Reduction in Par or Stated Value of Capital Stock</i> (Account 209)—State amount and give brief explanation of the</p>		<p>capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) <i>Gain on Resale or Cancellation of Reacquired Capital Stock</i> (Account 210)—Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) <i>Miscellaneous Paid-In Capital</i> (Account 211)—Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>	
Line No.	Item (a)	Amount (b)	
1	<u>Account 211 - Division Equity</u>		
2			
3	Balance Beginning of Year		
4			
5	Net Income	(46,683,600)	
6			
7			
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40	TOTAL	\$ (46,683,600)	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
<b>LONG-TERM DEBT (Accounts 221, 222, 223 and 224)</b>			
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, <i>Bonds</i>, 222, <i>Reacquired Bonds</i>, 223, <i>Advances from Associated Companies</i>, and 224, <i>Other Long-Term Debt</i>.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>			
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give Commission Authorization numbers and dates)  (a)	Principal Amount of Debt Issued  (b)	Total Expense, Premium or Discount  (c)
1	Account 223 - Advances from Affiliates		
2	Long-Term N/P Assoc Co-Integrays Energy Group, Inc.	84,000,000	
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24			
25	TOTAL	84,000,000	0

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)**

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than amortization debited to Account 428, *Amortization of Debt-Discout and Expense*, or credited to Account 429, *Amortization of Premium on Debt-Credit*.
12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c ) principal repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, *Interest on Long-Term Debt*, and Account 430, *Interest on Debt to Associated Companies*.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
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				0	0	25

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009	
<b>PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)</b>						
1. Report particulars of notes and accounts payable to associated companies at end of year. 2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to total for the combined accounts. 3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate. 4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year. 5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.						
<b>*See definition on page 226B</b>						
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	<b>Account 233:</b>					
2	Integrus Energy Group, Inc.					
3	Short term loan to MGUC					
4	Loan 1/1-1/31/2009 Rate 2.20%	27,050,000		13,835,000	40,885,000	
5	Repay 1/31/2009		26,425,000		(26,425,000)	69,925
6	Loan 2/1-2/28/2009 Rate 2.27%			19,795,000	19,795,000	
7	Repay 2/28/2009		17,155,000		(17,155,000)	7,881
8	Loan 3/1-3/31/2009 Rate 1.83%			10,150,000	10,150,000	
9	Repay 3/31/2009		19,450,000		(19,450,000)	9,384
10	Loan 4/1-4/30/2009 Rate 1.13%			13,300,000	13,300,000	
11	Repay 4/30/2009		12,900,000		(12,900,000)	2,428
12	Loan 5/1-5/31/2009 Rate 0.69%			4,700,000	4,700,000	
13	Repay 5/31/2009		10,560,000		(10,560,000)	2,073
14	Loan 6/1-6/30/2009 Rate 0.87%			3,950,000	3,950,000	
15	Repay 6/30/2009		3,665,000		(3,665,000)	532
16	Loan 7/1-7/31/2009 Rate 0.62%			4,675,000	4,675,000	
17	Repay 7/31/2009		3,700,000		(3,700,000)	660
18	Loan 8/1-8/31/2009 Rate 0.50%			7,580,000	7,580,000	
19	Repay 8/31/2009		4,985,000		(4,985,000)	1,178
20	Loan 9/1-9/30/2009 Rate 0.44%			7,570,000	7,570,000	
21	Repay 9/30/2009		7,695,000		(7,695,000)	1,708
22	Loan 10/1-10/31/2009 Rate 0.43%			8,910,000	8,910,000	
23	Repay 10/31/2009		5,635,000		(5,635,000)	2,538
24	Loan 11/1-11/30/2009 Rate 0.49%			9,195,000	9,195,000	
25	Repay 11/30/2009		7,810,000		(7,810,000)	2,799
26	Loan 12/1-12/31/2009 Rate 0.53%			10,630,000	10,630,000	
27	Repay 12/31/2009		12,605,000		(12,605,000)	2,642
28	<b>Total of Account 233</b>	27,050,000	132,585,000	114,290,000	8,755,000	103,748
29						
30						

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2010		Year of Report December 31, 2009	
<b>PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)</b>							
1. Report particulars of notes and accounts payable to associated companies at end of year. 2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to total for the combined accounts. 3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate. 4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year. 5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.							
<b>*See definition on page 226B</b>							
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)	
			Debits (c)	Credits (d)			
1	<b>Account 234:</b>						
2	<u>Wisconsin Public Service Corporation</u>						
3	Accounts Payable	50,090	937,254	957,256	70,092		
4	Inventory Payable	0	238,369	256,700	18,331		
5	Annual Incentive Plan Payable	2,448	2,448	0	0		
6	Total	52,538	1,178,071	1,213,956	88,423		
7	<u>Integrus Energy Group, Inc.</u>						
8	Accounts Payable	1,445,493	10,482,294	10,317,954	1,281,153		
9	Total	1,445,493	10,482,294	10,317,954	1,281,153		
10	<u>Upper Peninsula Power Company</u>						
11	Accounts Payable	39,296	52,088	13,171	379		
12	Annual Incentive Plan Payable	24,837	24,837	0	0		
13	Total	64,133	76,925	13,171	379		
14	<u>Minnesota Energy Resources Corporation</u>						
15	Accounts Payable	2,842	299,313	375,001	78,530		
16	Total	2,842	299,313	375,001	78,530		
17	<u>The Peoples Gas Light &amp; Coke Company</u>						
18	Accounts Payable	167	10,118	9,951	0		
19	Total	167	10,118	9,951	0		
20	<u>North Shore Gas Company</u>						
21	Accounts Payable	0	480	480	0		
22	Total	0	480	480	0		
23	<u>Integrus Business Support, LLC</u>						
24	Accounts Payable	1,749,868	23,558,363	23,958,645	2,150,150		
25	Annual Incentive Plan Payable	7,468	12,071	4,603	0		
26	Total	1,757,336	23,570,434	23,963,248	2,150,150		
27							
28	<b>Total of Account 234</b>	3,322,509	35,617,155	35,893,281	3,598,635		
29							
30							
31	<b>Total of Accounts 233 and 234</b>	30,372,509	168,202,155	150,183,281	12,353,635	103,748	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
<b>RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES</b>				
1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.		2. If the utility is a member of a group which files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.		
Line No.	Particulars (Details) (a)	Amount (b)		
1	Net Income for the Year (Page 117)	(\$46,683,600)		
2	Reconciling items for the Year:			
3				
4	Federal and State Taxes	(29,404,854)		
5	Investment Tax Credit	0		
6				
7	Deductions Recorded on Books Not Deducted for Return:			
8	Schedule M-1 Adjustments			
9	Benefits Accrued	(542,065)		
10	Deferred Compensation	(28,500)		
11	Incentives Accrued	129,071		
12	Bad Debts	(2,245,576)		
13	Meals & Entertainment	34,145		
14	Depreciation	(17,058,776)		
15	State Tax	(236,732)		
16	Environment Cleanup	(141,243)		
17	Regulatory Assets (NC)	1,594,678		
18	Vacation Payable	(305,088)		
19	Regulatory Liabilities (CUR)	(1,001,843)		
20	Deferred Income & Deductions	316,052		
21	Lobbying	8,803		
22	Taxes Other	0		
23	Penalties	768		
24	Interest	5,467		
25	Regulatory Liabilities (CUR)	5,702,684		
26	Section 481(a) Adjustment	(1,959,022)		
27	Goodwill Impairment	88,188,000		
28	Price Risk Hedging (Current Asset)	1,747		
29	ESOP Dividends	(5,056)		
30				
31				
32				
33				
34	Note: Reversal of 2006 MPSC adjustment.			
35				
36				
38				
39				
40	Federal Tax Net Income	(\$3,630,940)		
41	Show Computation of Tax:			
42	Federal Tax @ 35 %	(1,270,829)		
43				
44	Prior Year Adjustments	(351,503)		
45				
46		(1,622,332)		
48	Federal Tax Provision:			
49	Page 114, Line 14, Account 409.1	2,072,254		
50	Page 117, Line 47, Account 409.2	(3,694,586)		
51		(1,622,332)	(\$1,622,332)	

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Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.

2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or

accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.

3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.

4. List the aggregate of each kind of tax in such manner

Line. No.	Kind of Tax (See Instruction 5)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (Account 236)	Prepaid Taxes (Incl. in Account 165)
	(a)	(b)	(c)
1	INCOME TAXES:		
2	Federal Income		
3	2009 and Prior Years	2,500,752	-
4			-
5	State Income		
6	2009 and Prior Years	-	221,812
7			
8	OTHER TAXES:		
9	Employer's Portion of FICA & HTAX	49,693	
10	Unemployment Compensation	3,756	
11	MI Single Business Tax	-	
12	Unauthorized Insurance Tax	6,183	
13	Property Taxes	1,614,548	
14	MI Severance Tax	3,773	
15	Franchise Taxes	-	
16	Billed Payroll Tax	0	
17	Federal Excise Tax	0	
18	State Unitary Fees	0	
19	TOTAL	\$4,178,705	\$221,812

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

Line No.	Electric Account 408.1, 409.1	Gas (Account 408.1, 409.1)	Other Utility Departments (Account 408.1, 409.1)	Other Income and Deductions (Account 408.2, 409.2)
	(i)	(j)	(k)	(l)
1				
2				
3		2,072,254		(3,694,586)
4				
5				
6		574,023		(676,961)
7				
8				
9		629,854		
10		32,648		
11		(178,312)		
12		10,600		
13		2,895,612		
14		-		
15		-		
16		282,059		
17		402		
18		(1,600)		
19	TOTAL	\$6,317,540		(\$4,371,547)



Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

that the total tax for each State and subdivision can readily be ascertained.

5. If any tax (exclude Federal and state income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll

deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Show in columns (i) and (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	
			-	-	1
			-	-	2
(1,622,332)	2,788,263	4,568	-	(1,905,275)	3
			-	-	4
			-	-	5
(102,939)	(907,308)	(178,358)	404,199	-	6
			-	-	7
			-	-	8
618,784	628,549	-	39,928	-	9
90,959	94,701	-	14	-	10
(238,688)	(238,688)	-	-	-	11
11,174	17,357	-	-	(7,075)	12
2,935,573	2,984,463	-	1,565,658	-	13
1,550	3,285	-	2,038	-	14
-	-	-	-	-	15
289,810	289,810	-	-	-	16
0	0	-	-	-	17
0	0	-	-	-	17
1,983,891	5,660,432	(\$173,790)	\$2,011,837	(\$1,912,350)	18

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

Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	Line No.
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
			\$0	18

Total Expense \$1,945,993

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2010		Year of Report December 31, 2009	
<b>ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)</b>							
Report below information applicable to Acct 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustment to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions	Balance at Beginning of Year (b)	Deferred for Year		Allocation to Current Year's Income		Adjustments (g)
	(a)		Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Gas Utility						
2		0		0	411.4	103,342	150,952
3							
4							
5							
6							
7							
8	TOTAL	0		0		103,342	0
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
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37							
38							
39							
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41							
42							
43							
44							
45							
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47							
48							

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
<b>ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)</b>				
Balance at End of Year  (h)	Average Period of Allocation to Income  (i)	Adjustment Explanation		Line No.
				1
254,294	42.1 Years	An adjustment was made in 2009 to recognize the ITC related to Michigan Business Taxes as of 2008 year end. Normal ITC activity subsequent to 2008 is recognized in the allocation amounts in Column (f).		2
				3
				4
				5
				6
				7
254,294				
			9	
			10	
			11	
			12	
			13	
			14	
			15	
			16	
			17	
			18	
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			46	
			47	
			48	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)**

1. Give description and amount of other current and accrued liabilities as of the end of year.  
2. Minor items may be grouped by classes, showing number of items in each class.

Line No.	Item (a)	Balance End of Year (b)
1	Current & Accrued Liability - 401K Serv Acc	4,189
2	ESOP-Company Contribution	16,611
3	Incur But Not Reported - Workers Comp	235
4	Current Pension Obligation	88,495
5	Current & Accrued Liability-Vacation Pay Accrued	876,447
6	Health Care/Life Accrual	117,025
7	Misc Liability - Legal & Audit	45,500
8	Goal Sharing	377,227
9	Accrued Liability - RIF	131,295
10	MGU Accrued Other	810
11	Accrued Energy Aid Assistance	1,844
12	Accrued Energy Aid Assistance-Company Match	1,109
13	Profit Sharing Accrual	213,328
14	Exchange Gas MichCon	54,909
15		
16		
17		
18		
19		
20		
21		
22	TOTAL	1,929,024

**CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)**

Line No.	List Advances by Department (a)	Balance End of Year (b)
23	Gas	0
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	0

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2010	December 31, 2009	
<b>OTHER DEFERRED CREDITS (Account 253)</b>						
1. Report below the particulars (details) called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (less than \$10,000) may be grouped by classes.						
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year of Report (f)
			Contra Account (c)	Amount (d)		
1	Deferred Credit-Outst Checks Cancelled	1,648	142	1,103	7,697	8,242
2	Deferred Credit-Gas Site Cleanup	24,520,000	182	534,000	0	23,986,000
3	Deferred Cr-Def Comp Res Loan Program	132,818	926	0	10,005	142,823
4	Advances from Assoc Co-WPSC	4,079,865	182	4,096,918	60,400	43,347
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
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40						
41						
42						
43						
44						
45						
46						
47						
48	TOTAL	28,734,331		4,632,021	78,102	24,180,412

Name of Respondent	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Gas Utilities Corp	April 30, 2010	December 31, 2009

**ACCUMULATED DEFERRED INCOME TAXES--OTHER PROPERTY (Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating

to property not subject to accelerated amortization.  
2. For Other (Specify), include deferrals relating to other

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas	5,203,538	2,506,169	9,258
4	Other (Define)			
5	TOTAL (Enter Total of lines 2 thru 4)	5,203,538	2,506,169	9,258
6	Other (Specify)			
7	Plant (FAS 109)	2,403		
8	Non-Utility	436,556		
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	5,642,497	2,506,169	9,258
10	Classification of TOTAL			
11	Federal Income Tax	4,965,577	2,359,672	0
12	State Income Tax	676,920	146,497	9,258
13	Local Income Tax			

**NOTES**

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (Account 282)(Continued)**

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

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
		190/282	0	190/282		7,700,449	3
							4
			0		0	7,700,449	5
							6
		254/190	0	254/190	11,989	14,392	7
4,337,755	10,638	190/283	2,910,499	190/283		1,853,174	8
4,337,755	10,638		2,910,499		11,989	9,568,015	9
							10
3,901,265	8,988		2,910,499		4,197	8,311,224	11
436,491	1,650		0		7,792	1,256,792	12
							13

NOTES (Continued)

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**ACCUMULATED DEFERRED INCOME TAXES--OTHER (Account 283)**

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

Line No.	Account  (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2	Plant			
3	Other Than Plant			
4	Other Than Plant (FAS 109)			
5				
6	Other			
7	TOTAL Electric (Total of lines 2 thru 6)	0	0	0
8	Gas			
9	Plant			
10	Other Than Plant	23,377,051	1,861,684	1,565,173
11	Other Than Plant (FAS 109)			
12				
13	Other			
14	TOTAL Gas (Total of lines 9 thru 13)	23,377,051	1,861,684	1,565,173
15	Other (Specify)			
16	TOTAL (Account 283) (Enter total of lines 7, 14 and 15)	23,377,051	1,861,684	1,565,173
17	Classification of TOTAL			
18	Federal Income Tax	21,023,564	1,679,487	1,396,647
19	State Income Tax	2,353,487	182,197	168,526
20	Local Income Tax			

**NOTES**



Name of Respondent	This Report is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)**

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

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

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
						0	2
						0	3
						0	4
							5
						0	6
0	0		0		0	0	7
							8
0	0				0	0	9
		190		190		23,673,562	10
		254/190		254/190		0	11
							12
							13
0	0	0	0	0	0	23,673,562	14
							15
0	0	0	0	0	0	23,673,562	16
							17
0	0					21,306,404	18
0	0		0		0	2,367,158	19
							23

NOTES (Continued)

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

### OTHER REGULATORY LIABILITIES

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

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1	Derivatives	254150	92,369	184,738	92,369
2	FASB 158	254190	176,487	160,368	154,441
3	Deferred Taxes	254400	44,948	44,948	0
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	TOTAL		313,804	390,054	246,810

NOTE: All amounts are recorded in Account 254.

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Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
<div style="display: flex; justify-content: space-between;"> <div>GAS OPERATING REVENUES (Account 400)</div> <div>Geographic Basis</div> </div>				
<div style="display: flex;"> <div style="flex: 1;"> <p>1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted</p> </div> <div style="flex: 1;"> <p>for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.</p> <p>4. Report quantities of natural gas sold in Mcf (14.73 psia at 60°F). If billings are on a therm basis, give the Btu contents of the gas sold and the sales converted to Mcf.</p> <p>5. If increases or decreases from previous year (columns (c), (e) and (g)), are not derived from previously</p> </div> </div>				
Line No.	Title of Account (a)	OPERATING REVENUES		
		Amount for Year (b)	Amount for Previous Year (c)	
1	GAS SERVICE REVENUES			
2	480 Residential Sales	135,258,675	167,183,667	
3	481 Commercial & Industrial Sales			
4	Small (or Comm.) (See Instr. 6)	45,428,537	61,816,219	
5	Large (or Ind.) (See Instr. 6)	4,341,510	5,809,469	
6	482 Other Sales to Public Authorities	0	0	
7	484 Interdepartmental Sales	0	0	
8	TOTAL Sales to Ultimate Consumers	185,028,722	234,809,355	
9	483 Sales for Resale	0	0	
10	TOTAL Nat. Gas Service Revenues	185,028,722	234,809,355	
11	Revenues from Manufactured Gas			
12	TOTAL Gas Service Revenues	185,028,722	234,809,355	
13	OTHER OPERATING REVENUES			
14	485 Intracompany Transfers	0	0	
15	487 Forfeited Discounts	998,995	927,354	
16	488 Misc. Service Revenues	247,916	205,857	
17	489 Rev. from Trans. of Gas of Others	10,841,076	7,601,933	
18	490 Sales of Prod. Ext. from Nat. Gas	0	0	
19	491 Rev. from Nat. Gas Proc. by Others	0	0	
20	492 Incidental Gasoline and Oil Sales	0	0	
21	493 Rent from Gas Property	2,250	3,350	
22	494 Interdepartmental Rents	0	0	
23	495 Other Gas Revenues	(5,412,614)	(586,827)	
24	TOTAL Other Operating Revenues	6,677,623	8,151,667	
25	TOTAL Gas Operating Revenues	191,706,345	242,961,022	
26	(Less) 496 Provision for Rate Refunds		0	
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	191,706,345		
28	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)	180,687,212		
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	4,341,510		
30	Sales for Resale			
31	Other Sales to Pub. Auth. (Local Dist. Only)			
32	Interdepartmental Sales			
33	TOTAL (Same as Line 10, Columns (b) and (d))	185,028,722		

Name of Respondent Michigan Gas Utilities Corp	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009	
GAS OPERATING REVENUES (Account 400) (Continued)			Geographic Basis	
reported figures, explain any inconsistencies in a footnote. 6. <i>Commercial and Industrial Sales</i> , Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 Mcf		per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.) 7. See pages 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.		
MCF OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTRS. PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
13,078,382	14,406,726	145,149	150,905	2
				3
4,406,691	5,258,510	11,594	13,166	4
822,154	867,275	245	291	5
				6
				7
18,307,227	20,532,511	156,988	164,362	8
				9
18,307,227	20,532,511	156,988	164,362	10
NOTES				11
				12
				13
				14
				15
				16
				17
				18
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

#### RATE AND SALES SECTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Michigan Only

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**6285-A. SALES DATA FOR THE YEAR**

Line No.	Class of Service (a)	Average Number of Customers per month (b)	Gas Sold Mcf (c)	Revenue (Show to nearest dollar) (d)	AVERAGES		
					Mcf * Per Customer (e)	Revenue per Customer (f)	Revenue per Mcf (f)
1	AB. Residential service	145,537	13,078,102	135,255,778	89.86	929.36	\$ 10.34
2	A. Residential service	3,676	260,123	2,777,299	70.76	755.52	\$ 10.68
3	B. Residential space heating service	141,861	12,817,979	132,478,479	90.36	933.86	\$ 10.34
4	CD. Commercial service	11,777	4,748,576	45,304,093	403.21	3,846.83	\$ 9.54
5	C. Commercial service, except space heating	0	0	0			
6	D. Commercial space heating	11,777	4,748,576	45,304,093	403.21	3,846.83	\$ 9.54
7	E. Industrial service	53	478,010	4,411,909	9,019.06	83,243.57	\$ 9.23
8	F. Public street & highway lighting	0	2,255	56,942	-	-	\$ -
9	G. Other Sales to public authorities						
10	H. Interdepartmental sales						
11	I. Other sales						
12	A-I Total sales to ultimate customers	157,367	18,306,943	185,028,722	116.33	1,175.78	\$ 10.11
13	J. Sales to other gas utilities for resale						
14	A-J. TOTAL SALES OF GAS	157,367	18,306,943	185,028,722	116.33	1,175.78	\$ 10.11
15	K. Other gas revenues			6,677,623			
16	A-K TOTAL GAS OPERATING REVENUE	157,367	18,306,943	\$ 191,706,345	116.33	1,218.21	N/A **

\* Report Mcf on a pressure base of 14.65 psia dry and a temperature base of 60 degrees Fahrenheit. Give two decimals.

\*\* Not calculated because Transportation Revenue included in other gas revenues will distort the results.

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Michigan Gas Utilities Corp			

### SALES DATA BY RATE SCHEDULES FOR THE YEAR

1. Report below the distribution of customers, sales and revenue for the year by individual rate schedules. (See definitions on first page of this section.)
2. Column (a) - List all rate schedules by identification number or symbol. Where the same rate schedule designation applies to different rates in different zones, cities or districts, list separately data for each such area in which the schedule is available.
3. Column (b) - Give the type of service to which the rate schedule is applicable, i.e. cooking, space heating, commercial heating, commercial cooking, etc.
4. Column (c) - Using the classifications shown in Schedule 625-A, column (a), indicate the class or classes of customers served under each rate schedule, e.g., (A) for Residential Service, (B) Heating Service, etc.
5. Column (d) - Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 624-A.
6. Columns (e) and (f) - For each rate schedule listed, enter the total number of Mcf sold to, and revenues received from customers billed under that rate schedule. The totals of these columns should equal the totals shown on line 12, Schedule 625-A. If the utility sells gas to ultimate customers under special contracts, the totals for such sales should be entered on a line on this page in order to make the totals of columns (e) and (f) check with those entered on line 12, Schedule 625-A.
7. When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it is effective.

Line No.	Rate Schedule Designation (a)	Type of Service to which Schedule is applicable (b)	Class of Service (c)	Avg. No. of Customers per month (d)	Mcf Sold (e)	Revenue (Show to nearest dollar) (f)
1	Residential	General & Heating	A & B	145,537	13,078,102	135,255,778
2	General	Heating & Cooling	C & D	11,777	4,748,576	45,304,093
3	Optional	Industrial	E	53	478,010	4,411,909
4	Other	Street Lighting	F	0	2,255	56,942
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	Total Company			157,367	18,306,943	185,028,722



Name of Respondent	This Report Is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			

**625-B. CUSTOMER CHOICE SALES DATA BY RATE SCHEDULES**

1. Report below the distribution of customers, sales and revenues for the year by individual rate schedules. (See definition on first page of this section).
2. Column (a) - List all rate schedules by identification number or symbol. Where the same rate schedule designation applies to different rates in different zones, cities or districts, list separately data for each such area in which the schedule is available.
3. Column (b).- Give the type of service to which the rate schedule is applicable, i.e. cooking, space heating, commercial heating, commercial cooking, etc.
4. Column (c)- Using the classification shown in Schedule 625-A, column (a), indicate the class or classes of customers served under each rate schedule, e.g. (A) for Residential Service, (B) Heating Service, etc.
5. Column (d) - Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 625-A.
6. Columns (e) and (f) - For each rate schedule listed, enter the total number of Mcf sold to, and revenues received from customers billed under that rate schedule. The totals of these columns should equal the totals shown on line 12, Schedule 625-A. If the utility sells gas to ultimate customers under special contracts, the totals for such sales should be entered on a line on this page in order to make the totals of columns (e) and (f) check with those entered on line 12, Schedule 625-A.
7. When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it was effective.

Line No.	Rate Schedule Designation (a)	Type of Service to which Schedule is applicable (b)	Class of Service (c)	Average Number of Customers per Month (d)	Mcf sold (e)	Revenue (Show to nearest dollar) (f)
1	Residential	General & Heating	A & B	4,957	443,107	1,531,266
2	General	Heating & Cooling	C & D	1,386	646,219	1,593,305
3	Optional	Industrial	E	0	0	0
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTALS			6,343	1,089,326	3,124,571

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Michigan Gas Utilities Corp				
OFF-SYSTEM SALES - NATURAL GAS				
Report particulars (details) concerning off-system sales. Off-system sales include all sales other than MPSC approved rate schedule sales.				
Line No.	Name (a)	Point of Delivery (City or town and State) (b)	Account (c)	Dekatherms of Gas Sold (d)
1	BP Canada Energy Marketing Co.	Wayne, MI	804	15,000
2	BP Canada Energy Marketing Co.	Wayne, MI	804	10,000
3	BP Canada Energy Marketing Co.	Wayne, MI	804	7,000
4	BP Canada Energy Marketing Co.	Wayne, MI	804	4,700
5	BP Canada Energy Marketing Co.	Seward, KS	804	13,500
6	BP Canada Energy Marketing Co.	Seward, KS	804	243
7	BP Canada Energy Marketing Co.	Seward, KS	804	243
8	BP Canada Energy Marketing Co.	Seward, KS	804	244
9	BP Canada Energy Marketing Co.	Seward, KS	804	244
10	BP Canada Energy Marketing Co.	Seward, KS	804	235
11	BP Canada Energy Marketing Co.	Seward, KS	804	235
12	BP Canada Energy Marketing Co.	Seward, KS	804	231
13	BP Canada Energy Marketing Co.	Seward, KS	804	230
14	Conoco Phillips Company	Seward, KS	804	229
15	BP Canada Energy Marketing Co.	Seward, KS	804	7,888
16	BP Canada Energy Marketing Co.	Seward, KS	804	7,888
17	Conoco Phillips Company	Seward, KS	804	7,888
18	Southwest Energy, L.P.	Osceola, MI	804	44,410
19	Southwest Energy, L.P.	Osceola, MI	804	9,813
20	Southwest Energy, L.P.	Osceola, MI	804	10,000

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Michigan Gas Utilities Corp						
OFF-SYSTEM SALES - NATURAL GAS (Continued)						
Revenue for Year (See Instr. 5) (e)	Average Revenue per Dekatherms (f)	Peak Day Delivery to Customers			Line No.	
		Date (g)	Mcf			
			Noncoin- cidental (h)	Coin- cidental (i)		
\$73,500	\$4.90				1	
\$48,200	\$4.82				2	
\$28,560	\$4.08				3	
\$18,471	\$3.93				4	
\$35,910	\$2.66				5	
\$790	\$3.25				6	
\$790	\$3.25				7	
\$791	\$3.24				8	
\$791	\$3.24				9	
\$740	\$3.15				10	
\$740	\$3.15				11	
\$699	\$3.03				12	
\$696	\$3.03				13	
\$693	\$3.03				14	
\$24,610	\$3.12				15	
\$24,610	\$3.12				16	
\$24,610	\$3.12				17	
\$190,248	\$4.28				18	
\$45,882	\$4.68				19	
\$45,066	\$4.51				20	
\$566,397					21	

Name of Respondent Michigan Gas Utilities Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
REVENUE FROM TRANSPORTATION OF GAS OF OTHERS--NATURAL GAS (Account 489)				
<p>1. Report below particulars (details) concerning revenue from transportation or compression (by respondent) of natural gas for others. Subdivide revenue between transportation or compression for interstate pipeline companies and others.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas. Designate with an asterisk, however, if gas is transported or compressed is other than natural gas.</p>		<p>3. Enter the average number of customers per company and/or by rate schedule.</p> <p>4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Specify the Commission order or regulation authorizing such transaction. Separate out the various customers, volumes and revenues by individual rate schedule.</p>		
Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk)		Distance Transported (in miles) (b)*	
	(a)			
1				
2	Mac Steel - Transportation of Gas		Various	
3	Point of Receipt - Monroe			
4	Point of Delivery - Monroe			
5	Gas Received from ANR & PEPL, Delivered to Mac Steel			
6	IMCO - Transportation of Gas		Various	
7	Point of Receipt - Otsego			
8	Point of Delivery - Otsego			
9	Gas Received from ANR, Delivered to IMCO			
10	Other - Transportation of Gas, individually less than 500,000 Mcf		Various	
11	Various Points of Receipt and Delivery			
12	Various Companies from which Gas was Received and to which Delivered			
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
TOTAL			-	

\*(B) Distance transported (in miles) from origin is not available because it is delivered from different suppliers.

Name of Respondent Michigan Gas Utilities Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009		
REVENUE FROM TRANSPORTATION OF GAS OF OTHERS--NATURAL GAS (Account 489) (Continued)					
5. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system. 6. Enter Mcf at 14.65 psia at 60°F. 7. Minor items (less than 1,000,000 mcf) may be grouped.		"Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a):  284.102, 284.122, 284.222, 284.223(a), 284.233(b), and 284.224. Details for each transportation are reported in separate annual reports required under Part 284 of the Commission's regulations."			
Mcf of Gas Received (c)*	Mcf of Gas Delivered (d)*	Revenue (e)	Average Revenue per Mcf of Gas Delivered (in cents) (f)	FERC Tariff Rate Schedule Designation (g)	Line No.
866,777	866,777	361,839	0.42		1
					2
					3
					4
928,049	928,049	402,962	0.43		5
					6
					7
					8
					9
7,396,464	7,396,464	6,951,704	0.94		10
					11
					12
					13
					14
					15
					16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
9,191,290	9,191,290	\$ 7,716,505	\$0.84		

\*(C&D) Reported in Sales Base Pressure

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Michigan Gas Utilities Corp			
GAS OPERATION AND MAINTENANCE EXPENSES			
If the amount for previous year is not derived from previously reported figures, explain in footnotes.			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production	269,992	231,611
3	Manufactured Gas Production ( <i>Submit Supplemental Statement</i> )		
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation	0	0
7	750 Operation Supervision and Engineering	0	0
8	751 Production Maps and Records	0	0
9	752 Gas Wells Expenses	0	0
10	753 Field Lines Expenses	0	0
11	754 Field Compressor Station Expenses	0	0
12	755 Field Compressor Station Fuel and Power	0	0
13	756 Field Measuring and Regulating Station Expenses	9,673	188,583
14	757 Purification Expenses	0	0
15	758 Gas Well Royalties	0	0
16	759 Other Expenses	0	0
17	760 Rents	0	0
18	TOTAL Operation ( <i>Enter Total of lines 7 thru 17</i> )	9,673	188,583
19	Maintenance		
20	761 Maintenance Supervision and Engineering	0	0
21	762 Maintenance of Structures and Improvements	0	0
22	763 Maintenance of Producing Gas Wells	0	0
23	764 Maintenance of Field Lines	0	0
24	765 Maintenance of Field Compressor Station Equipment	0	0
25	766 Maintenance of Field Meas. and Reg. Sta. Equipment	0	0
26	767 Maintenance of Purification Equipment	0	0
27	768 Maintenance of Drilling and Cleaning Equipment	0	0
28	769 Maintenance of Other Equipment	0	0
29	TOTAL Maintenance ( <i>Enter Total of lines 20 thru 28</i> )	0	0
30	TOTAL Natural Gas Production and Gathering ( <i>Total of lines 18 and 29</i> )	9,673	188,583
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering	0	0
34	771 Operation Labor	0	0
35	772 Gas Shrinkage	0	0
36	773 Fuel	0	0
37	774 Power	0	0
38	775 Materials	0	0
39	776 Operation Supplies and Expenses	0	0
40	777 Gas Processed by Others	0	0
41	778 Royalties on Products Extracted	0	0
42	779 Marketing Expenses	0	0
43	780 Products Purchased for Resale	0	0
44	781 Variation in Products Inventory	0	0
45	(Less) 782 Extracted Products Used by the Utility-Credit	0	0
46	783 Rents	0	0
47	TOTAL Operation ( <i>Enter Total of lines 33 thru 46</i> )	0	0

Name of Respondent 0		This Report Is: <input type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
	B2. Products Extraction (Continued)			
48	Maintenance			
49	784 Maintenance Supervision and Engineering	0	0	
50	785 Maintenance of Structures and Improvements	0	0	
51	786 Maintenance of Extraction and Refining Equipment	0	0	
52	787 Maintenance of Pipe Lines	0	0	
53	788 Maintenance of Extracted Products Storage Equipment	0	0	
54	789 Maintenance of Compressor Equipment	0	0	
55	790 Maintenance of Gas Measuring and Reg. Equipment	0	0	
56	791 Maintenance of Other Equipment	0	0	
57	TOTAL Maintenance (Enter Total of lines 49 thru 56)	0	0	
58	TOTAL Products Extraction (Enter Total of lines 47 and 57)	0	0	
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals	0	0	
62	796 Nonproductive Well Drilling	0	0	
63	797 Abandoned Leases	0	0	
64	798 Other Exploration	0	0	
65	TOTAL Exploration and Development (Enter Total of lines 61 thru 64)	0	0	
	D. Other Gas Supply Expenses			
66	Operation			
67	800 Natural Gas Well Head Purchases	1,884,592	1,592,057	
68	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	0	0	
69	801 Natural Gas Field Line Purchases	0	0	
70	802 Natural Gas Gasoline Plant Outlet Purchases	0	0	
71	803 Natural Gas Transmission Line Purchases	0	0	
72	804 Natural Gas City Gate Purchases	114,284,327	197,651,772	
73	804.1 Liquefied Natural Gas Purchases	0	0	
74	805 Other Gas Purchases	0	0	
75	(Less) 805.1 Purchased Gas Cost Adjustments	0	0	
76				
77	TOTAL Purchased Gas (Enter Total of lines 67 to 75)	116,168,919	199,243,829	
78	806 Exchange Gas	0	0	
79	Purchased Gas Expenses			
80	807.1 Well Expenses-Purchased Gas	0	0	
81	807.2 Operation of Purchased Gas Measuring Stations	0	0	
82	807.3 Maintenance of Purchased Gas Measuring Stations	0	0	
83	807.4 Purchased Gas Calculations Expenses	0	0	
84	807.5 Other Purchased Gas Expenses	0	0	
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 thru 84)	0	0	
86	808.1 Gas Withdrawn from Storage-Debit	50,127,190	69,602,801	
87	(Less) 808.2 Gas Delivered to Storage-Credit	(33,209,036)	(81,544,564)	
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	0	0	
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	0	0	
90	Gas Used in Utility Operations-Credit			
91	810 Gas Used for Compressor Station Fuel-Credit	0	0	
92	811 Gas Used for Products Extraction-Credit	0	0	
93	812 Gas Used for Other Utility Operations-Credit	(356,819)	(783,251)	
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	(356,819)	(783,251)	
95	813 Other Gas Supply Expenses	184,964	99,864	
96	TOTAL Other Gas Supply Exp (Total of lines 77, 78, 85, 86 thru 89, 94, 95)	132,915,218	186,618,679	
97	TOTAL Production Expenses (Enter Total of lines 3, 30, 58, 65, and 96)	133,194,883	187,038,873	

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering	86,778	107,372	
102	815 Maps and Records	0		
103	816 Wells Expenses	23,069	11,181	
104	817 Line Expense	19,925	10,065	
105	818 Compressor Station Expenses	20,668	7,729	
106	819 Compressor Station Fuel and Power	153,753	367,753	
107	820 Measuring and Regulating Station Expenses	16,312	15,037	
108	821 Purification Expenses	13,020	8,024	
109	822 Exploration and Development	0		
110	823 Gas Losses	0		
111	824 Other Expenses	58,065	92,347	
112	825 Storage Well Royalties	0		
113	826 Rents	0		
114	TOTAL Operation (Enter Total of lines 101 thru 113)	391,590	619,508	
115	Maintenance			
116	830 Maintenance Supervision and Engineering	16,724	5,367	
117	831 Maintenance of Structures and Improvements	0	0	
118	832 Maintenance of Reservoirs and Wells	11,141	19,548	
119	833 Maintenance of Lines	17,433	27,612	
120	834 Maintenance of Compressor Station Equipment	45,355	30,851	
121	835 Maintenance of Measuring and Regulating Station Equipment	14,284	2,257	
122	836 Maintenance of Purification Equipment	47,419	5,980	
123	837 Maintenance of Other Equipment	18,440	10,078	
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)	170,796	101,693	
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	562,386	721,201	
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation Supervision and Engineering	0	0	
129	841 Operation Labor and Expenses	0	0	
130	842 Rents	0	0	
131	842.1 Fuel	19,786	22,644	
132	842.2 Power	0	0	
133	842.3 Gas Losses	0	0	
134	TOTAL Operation (Enter Total of lines 128 thru 133)	19,786	22,644	
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering	0	0	
137	843.2 Maintenance of Structures and Improvements	0	0	
138	843.3 Maintenance of Gas Holders	0	0	
139	843.4 Maintenance of Purification Equipment	0	0	
140	843.5 Maintenance of Liquefaction Equipment	0	0	
141	843.6 Maintenance of Vaporizing Equipment	0	0	
142	843.7 Maintenance of Compressor Equipment	0	0	
143	843.8 Maintenance of Measuring and Regulating Equipment	0	0	
144	843.9 Maintenance of Other Equipment	0	0	
145	TOTAL Maintenance (Enter Total of lines 136 thru 144)	0	0	
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)	19,786	22,644	



Name of Respondent 0		This Report Is: <input type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
147	C. Liquefied Natural Gas Terminaling and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering	0	0	
150	844.2 LNG Processing Terminal Labor and Expenses	0	0	
151	844.3 Liquefaction Processing Labor and Expenses	0	0	
152	844.4 Liquefaction Transportation Labor and Expenses	0	0	
153	844.5 Measuring and Regulating Labor and Expenses	0	0	
154	844.6 Compressor Station Labor and Expenses	0	0	
155	844.7 Communication System Expenses	0	0	
156	844.8 System Control and Load Dispatching	0	0	
157	845.1 Fuel	0	0	
158	845.2 Power	0	0	
159	845.3 Rents	0	0	
160	845.4 Demurrage Charges	0	0	
161	(Less) 845.5 Wharfage Receipts-Credit	0	0	
162	845.6 Processing Liquefied or Vaporized Gas by Others	0	0	
163	846.1 Gas Losses	0	0	
164	846.2 Other Expenses	0	0	
165	TOTAL Operation (Enter Total of lines 149 thru 164)	0	0	
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering	0	0	
168	847.2 Maintenance of Structures and Improvements	0	0	
169	847.3 Maintenance of LNG Processing Terminal Equipment	0	0	
170	847.4 Maintenance of LNG Transportation Equipment	0	0	
171	847.5 Maintenance of Measuring and Regulating Equipment	0	0	
172	847.6 Maintenance of Compressor Station Equipment	0	0	
173	847.7 Maintenance of Communication Equipment	0	0	
174	847.8 Maintenance of Other Equipment	0	0	
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)	0	0	
176	TOTAL Liquefied Nat Gas Terminaling and Processing Exp (Lines 165 & 175)	0	0	
177	TOTAL Natural Gas Storage (Enter Total of lines 125, 146, and 176)	582,172	743,845	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering	0	0	
181	851 System Control and Load Dispatching	0	0	
182	852 Communication System Expenses	0	0	
183	853 Compressor Station Labor and Expenses	0	0	
184	854 Gas for Compressor Station Fuel	0	0	
185	855 Other Fuel and Power for Compressor Stations	0	0	
186	856 Mains Expenses	27,157	21,652	
187	857 Measuring and Regulating Station Expenses	192,254	230,056	
188	858 Transmission and Compression of Gas by Others	0	0	
189	859 Other Expenses	0	0	
190	860 Rents	0	0	
191	TOTAL Operation (Enter Total of lines 180 thru 190)	219,411	251,708	

Name of Respondent Michigan Gas Utilities		This Report Is: <input type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
	3. TRANSMISSION EXPENSES (Continued)			
192	Maintenance			
193	861 Maintenance Supervision and Engineering	0	0	
194	862 Maintenance of Structures and Improvements	0	0	
195	863 Maintenance of Mains	27,901	58,622	
196	864 Maintenance of Compressor Station Equipment	0	0	
197	865 Maintenance of Measuring and Reg. Station Equipment	69,389	80,606	
198	866 Maintenance of Communication Equipment	0	0	
199	867 Maintenance of Other Equipment	20,263	22,784	
200	TOTAL Maintenance (Enter Total of lines 193 thru 199)	117,553	162,012	
201	TOTAL Transmission Expenses (Enter Total of lines 191 and 200)	336,964	413,720	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering	1,006,505	910,252	
205	871 Distribution Load Dispatching	321,922	357,047	
206	872 Compressor Station Labor and Expenses	0	0	
207	873 Compressor Station Fuel and Power	0	0	
208	874 Mains and Services Expenses	942,442	850,558	
209	875 Measuring and Regulating Station Expenses-General	11,269	0	
210	876 Measuring and Regulating Station Expenses-Industrial	0	0	
211	877 Measuring and Regulating Station Expenses-City Gate Check Station	55,457	12,880	
212	878 Meter and House Regulator Expenses	1,129,986	983,684	
213	879 Customer Installations Expenses	710,200	611,839	
214	880 Other Expenses	1,651,686	1,708,892	
215	881 Rents	14,875	18,010	
216	TOTAL Operation (Enter Total of lines 204 thru 215)	5,844,342	5,453,162	
217	Maintenance			
218	885 Maintenance Supervision and Engineering	28,655	39,621	
219	886 Maintenance of Structures and Improvements	0	0	
220	887 Maintenance of Mains	785,562	710,302	
221	888 Maintenance of Compressor Station Equipment	0	0	
222	889 Maintenance of Meas. and Reg. Sta. Equip.-General	52,161	37,796	
223	890 Maintenance of Meas. and Reg. Sta. Equip.-Industrial	0	0	
224	891 Maintenance of Meas. and Reg. Sta. Equip.-City Gate Check Station	116,621	76,845	
225	892 Maintenance of Services	265,322	222,041	
226	893 Maintenance of Meters and House Regulators	324,572	306,556	
227	894 Maintenance of Other Equipment	310,307	295,600	
228	TOTAL Maintenance (Enter Total of lines 218 thru 227)	1,883,200	1,688,761	
229	TOTAL Distribution Expenses (Enter Total of lines 216 and 228)	7,727,542	7,141,923	
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision	281,390	250,617	
233	902 Meter Reading Expenses	1,753,913	1,814,960	
234	903 Customer Records and Collection Expenses	5,088,528	4,501,550	
235	904 Uncollectible Accounts	425,931	3,240,858	
236	905 Miscellaneous Customer Accounts Expenses	242,467	310,947	
237	TOTAL Customer Accounts Expenses (Enter Total of lines 232 thru 236)	7,792,229	10,118,932	

Name of Respondent Michigan Gas Utilities		This Report Is: <input type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
239	Operation			
240	907 Supervision	3,937	18,514	
241	908 Customer Assistance Expenses	332,502	248,014	
242	909 Informational and Instructional Expenses	140,544	229,750	
243	910 Miscellaneous Customer Service and Informational Expenses	81	4,251	
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)	477,064	500,529	
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision	0	0	
248	912 Demonstrating and Selling Expenses	0	14	
249	913 Advertising Expenses	0	0	
250	916 Miscellaneous Sales Expenses	0	0	
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)	0	14	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920 Administrative and General Salaries	4,486,883	3,880,261	
255	921 Office Supplies and Expenses	1,533,824	1,678,480	
256	(Less) (922) Administrative Expenses Transferred-Cr.	0	0	
257	923 Outside Services Employed	764,892	815,944	
258	924 Property Insurance	35,534	51,461	
259	925 Injuries and Damages	421,535	410,917	
260	926 Employee Pensions and Benefits	4,118,470	3,843,057	
261	927 Franchise Requirements	0	0	
262	928 Regulatory Commission Expenses	466,492	408,523	
263	(Less) (929) Duplicate Charges-Cr.	0	0	
264	930.1 General Advertising Expenses	45,109	21,615	
265	930.2 Miscellaneous General Expenses	782,421	639,794	
266	931 Rents	401,136	285,218	
267	TOTAL Operation (Enter Total of lines 254 thru 266)	13,056,296	12,035,270	
268	Maintenance			
269	935 Maintenance of General Plant	0	(96)	
270	TOTAL Administrative and General Exp (Total of lines 267 and 269)	13,056,296	12,035,174	
271	TOTAL Gas O. and M. Exp (Lines 97, 177, 201, 229, 237, 244, 251, and 270)	163,167,150	217,993,010	
NUMBER OF GAS DEPARTMENT EMPLOYEES				
<p>1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special</p> <p>construction employees in a footnote.</p> <p>3. The number of employees assignable to the gas department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.</p>				
1. Payroll Period Ended (Date)		12/25/2009		
2. Total Regular Full-Time Employees		163 *		
3. Total Part-Time and Temporary Employees		3		
4. Total Employees		166		
*Does not include: Charles Cloninger or one IBS employee.				

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Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
GAS PURCHASES (Accounts 800, 801, 802, 803, 803.1, 804, 804.1 and 805)			
<p>1. Report particulars of gas purchases during the year in the manner prescribed below.</p> <p>2. Provide subheadings and totals for prescribed accounts as follows:</p> <p>800 Natural Gas Well Head Purchases. 801 Natural Gas Field Line Purchases. 802 Natural Gas Gasoline Plant Outlet Purchases. 803 Natural Gas Transmission Line Purchases. 803.1 Off-System Gas Purchases. 804 Natural Gas City Gate Purchases. 804.1 Liquefied Natural Gas Purchases. 805 Other Gas Purchases.</p> <p>Purchases are to be reported in account number sequence, e.g. all purchases charged to Account 800, followed by charges to Account 801, etc. Under each account number, purchases should be reported by states in alphabetical order. Totals are to be shown for each account in Columns (h) and (i) and should agree with the books of account, or any differences reconciled.</p> <p>In some cases, two or more lines will be required to report a purchase, as when it is charged to more than one account.</p> <p>3. Purchases may be reported by gas purchase contract totals (at the option of the respondent) provided that the same price is being paid for all gas purchased under the contract. If two or more prices are in effect under the same contract, separate details for each price shall be reported. The name of each seller included in the contract total shall be listed on separate sheets, clearly cross-referenced. Where two or more prices are in effect the sellers at each price are to be listed separately.</p> <p>4. Purchases of less than 100,000 Mcf per year per contract from sellers not affiliated with the reporting company may (at the option of the respondent) be grouped by account number, except when the purchases were permanently discontinued during the reporting year. When grouped purchases are reported, the number of grouped purchases is to be reported in Column (b). Only Columns (a), (b), (h), (i), and (j) are to be completed for grouped purchases; however, the Commission may request additional details when necessary. Grouped non-jurisdictional purchases should be shown on a separate line.</p>		<p>5. Column instructions are as follows:</p> <p><u>Column (b)</u> - Report the names of all sellers. Abbreviations may be used where necessary.</p> <p><u>Column (c)</u> - Give the name of the producing field only for purchases at the wellhead or from field lines. The plant name should be given for purchase from gasoline outlets. If purchases under a contract are from more than one field or plant, use the name of the one contributing the largest volume. Use a footnote to list the other fields or plants involved.</p> <p><u>Columns (d) and (e)</u> - Designate the state and county where the gas is received. Where gas is received in more than one county, use the name of the county having the largest volume and by footnote list the other counties involved.</p> <p><u>Column (f)</u> - Show date of the gas purchase contract. If gas is purchased under a renegotiated contract, show the date of the original contract and the date of the renegotiated contract on the following line in brackets. If new acreage is dedicated by ratification of an existing contract show the date of the ratification, rather than the date of the original contract. If gas is being sold from a different reservoir than the original dedicated acreage pursuant to Section 2.56(f)(2) of the Commission's Rules of Practice and Procedure, place the letter "A" after the contract date.</p> <p>If the purchase was permanently discontinued during the reporting year, so indicate by an asterisk (*) in Column (f).</p> <p><u>Column (g)</u> - Show for each purchase the approximate Btu per cubic foot.</p> <p><u>Column (h)</u> - State the volume of purchased gas as measured for purpose of determining the amount payable for the gas. Include current year receipts of make-up gas that was paid for in prior years.</p> <p><u>Column (i)</u> - State the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in Column (h).</p> <p><u>Column (j)</u> - State the average cost per Mcf to the nearest hundredth of a cent. [Column (i) divided by Column (h) multiplied by 100].</p>	

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
GAS PURCHASES (Accounts 800, 801, 802, 803, 804, and 805) (Continued)				
Line No.	Account Number (a)	Name of Seller * (Designate Associated Companies) (b)	Name of Producing Field or Gasoline Plant (c)	State (d)
1	800	<u>* Natural Gas Local Production Suppliers to Michigan Gas Utilities Corporation</u>		
2		Calhoun Energy, LLC		
3		Christian Oil Company		
4		Miller Exploration Company		
5		Scenic View Dairy, LLC		
6		West Bay Exploration		
7		West Hopkins Petroleum Company		
8				
9				
10	804	<u>* Natural Gas Suppliers to Michigan Gas Utilities Corporation</u>		
11		Anadarko Energy Services		
12		BP Canada Energy Marketing Co.		
13		CenterPoint Energy Services		
14		Chevron Natural Gas		
15		Cimarex Energy Co.		
16		ConocoPhillips Company		
17		DTE Energy Trading, Inc.		
18		Eagle Energy Partners I, L.P.		
19		EDF Trading North America, LLC		
20		Enterprise Products Operating		
21		J.P. Morgan Ventures Energy Co.		
22		National Fuel Marketing Company		
23		Nexen Marketing U.S.A. Inc.		
24		Occidental Energy Marketing		
25		ONEOK Energy Services		
26		Sequent Energy Management, LLC		
27		Southwest Energy, L.P.		
28		Tenaska Marketing Ventures		
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Name of Respondent		This Report Is:		Date of Report	Year of Report	
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2010	December 31, 2009	
GAS PURCHASES (Accounts 800, 801, 802, 803, 804, and 805) (Continued)						
County (e)	Date of Contract (f)		Gas ** Purchased-Mcf (14.73 psia 60 F) (h)	Cost of Gas (i)	Cost Per Mcf (cents) (j)	Line No.
			434,902	\$ 1,884,592	433.34	1
						2
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			19,351,087	\$ 104,561,743	540.34	10
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\*\* Volumes are reported in MMBtu.  
MPSC FORM P-522 (Rev. 1-01)

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2010		December 31, 2009	
GAS USED IN UTILITY OPERATIONS-CREDIT (Accounts 810, 811, 812)							
1. Report below particulars (details) of credits during the year to Accounts 810, 811 and 812 which offset charges to operating expenses or other accounts for the cost of gas from the respondent's own supply.				4. If any natural gas was used by the respondent for which a change was not made to the appropriate operating expense or other account, list separately in column (c) the Mcf of gas used, omitting entries in columns (d) and (e).			
2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.				5. Report pressure base of measurement of gas volumes at 14.73 psia at 60°F.			
3. If the reported Mcf for any use is an estimated quantity, state such fact in a footnote.							
Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas			Manufactured Gas	
			Mcf of Gas Used (c)	Amount of Credit (d)	Amount per Mcf (In Cents) (e)	Mcf of Gas Used (f)	Amount of Credit (g)
1	810 Gas used for Compressor Station Fuel-Cr	819	31,311	153,753	491.05		
2	811 Gas used for Products Extraction-Cr						
3	Gas Shrinkage and Other Usage in Respdnt's Own Proc.						
4	Gas Shrinkage, Etc. for Respdnt's Gas Processed by Others						
5	812 Gas used for Other Util. Oprs-Cr (Rpt sep. for each prin. use. Group minor uses)						
6	812.1 Gas used in Util. Oprs-Cr (Nonmajor only)						
7							
8	Operation of Buildings/Reg Station	Various	31,470	203,066	645.27		
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25	TOTAL		62,781	356,819	568.36		



Name of Respondent Michigan Gas Utilities Corp	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
OTHER GAS SUPPLY EXPENSES (Account 813)			
Report other gas supply expenses by descriptive titles which clearly indicate the nature of such expenses. Show maintenance expenses separately. Indicate the functional classification and purpose of property to which any expenses relate.			
Line No.	Description (a)	Amount (in dollars) (b)	
1	Coordinate Gas Supply Resource	4,560	
2	Gas Supply Services	180,404	
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50	TOTAL	184,964	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)				
1	Industry association dues			55,806
2	Experimental and general research expenses			
3	Publishing and distributing information and reports to stockholders; trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent			758
4	Other expenses (items of \$5,000 or more must be listed separately in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Amounts of less than \$5,000 may be grouped by classes if the number of items so grouped is shown)			
5	Intercompany Cost Allocation			725,857
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49	TOTAL			782,421

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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009	
Michigan Gas Utilities Corp				
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accounts 403, 404.1, 404.2 404.3, 405) (Except Amortization of Acquisition Adjustments)				
<p>1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.</p> <p>2. Report all available information called for in Section B for the report year 1971, 1974 and every fifth year thereafter. Report only annual changes in the intervals</p> <p>between the report years (1971, 1974 and every fifth year thereafter). Report in column (b) all depreciable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate at the bottom of Section B the</p>				
Section A. Summary of Depreciation, Depletion, and Amortization Charges				
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (c)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (d)
1	Intangible plant (404xxx)			
2	Production plant, manufactured gas			
3	Production and gathering plant, natural gas	2,138		
4	Products extraction plant			
5	Underground gas storage plant	334,551		60,176
6	Other storage plant			
7	Base load LNG terminating and processing plant			
8	Transmission plant	921,793		
9	Distribution plant	5,397,776		
10	General plant	686,541		
11	Common plant-gas			
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25	TOTAL	7,342,799	-	60,176

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accounts 403, 404.1, 404.2 404.3, 405) (Except Amortization of Acquisition Adjustments) (Continued)			
<p>manner in which column (b) balance are obtained. If average balances, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show at the bottom of Section B any revisions made to estimated gas reserves.</p> <p>3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section B the amounts and nature of the provisions and the plant items to which related.</p>			
Section A. Summary of Depreciation, Depletion, and Amortization Charges			
Amortization of Other Limited-term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405),(404200) (f)	Total (b to f) (g)	Functional Classification (a) Line No.
	60,278	60,278	Intangible plant 1
		0	Production plant, manufactured gas 2
		2,138	Production and gathering plant, natural gas 3
		0	Products extraction plant 4
		394,727	Underground gas storage plant 5
		0	Other storage plant 6
		0	Base load LNG terminating and processing plant 7
		921,793	Transmission plant 8
		5,397,776	Distribution plant 9
		686,541	General plant 10
		0	Common plant-gas 11
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-	60,278	7,463,253	TOTAL 25

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)			
Section B. Factors Used in Estimated Depreciation Charges			
Line No.	Functional Classification (a)	Depreciation Plant Base (Thousands) (b)	Applied Depr. Rate(s) (Percent) (c)
1	Intangible Plant	381	15.857%
2	Production Plant	319	0.669%
3	Storage Plant	11,363	3.474%
4	Transmission Plant	38,843	2.373%
5	Distribution Plant	212,792	2.537%
6	General Plant	17,288	3.971%
7			
8			
9			
10			
<p>Notes to Depreciation, Depletion and Amortization of Gas Plant</p> <p>Column (b) balances were obtained using a twelve month average from January 2009 through December 2009.</p>			

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS		
<p>Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.</p> <p>(a) <i>Miscellaneous Amortization</i> (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.</p> <p>(b) <i>Miscellaneous Income Deductions</i> -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related</p> <p>Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be <u>grouped by classes within the above accounts</u>.</p> <p>(c) <i>Interest on Debt to Associated Companies</i> (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.</p> <p>(d) <i>Other Interest Expense</i> (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.</p>		
Line No.	Item (a)	Amount (b)
1	<b>Miscellaneous Amortization (425)</b>	88,188,000
2	Total - 425	88,188,000
3		
4	<b>Donations (426.1)</b>	
5	Co Match of Energy Aid Assistance	11,713
6	Total - 426.1	11,713
7		
8	<b>Penalties (426.3)</b>	768
9	Total - 426.3	768
10		
11	<b>Expenditures for Certain Civic, Political and Related Activities (426.4)</b>	11,004
12	Total - 426.4	11,004
13		
14	<b>Other Deductions (426.5)</b>	
15	Unrealized Loss - Fuel Options	4,350
16	Total - 426.5	4,350
17		
18	<b>Interest on Debt to Assoc Companies (430)</b>	
19	Int Debt - Integrys Energy Group Short Term	239,138
20	Int Debt - Integrys Energy Group Long Term	4,960,095
21	Total - 430	5,199,233
22		
23	<b>Other Interest Expense (431)</b>	
24	Interest on Customer Deposits	37,319
25	GCR Interest Adjustment	(65,680)
26	Misc	5,449
27	Total - 431	(22,912)
28		
29		
30		
31		
32		
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37		
38		
39		
40		93,392,156

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2010	December 31, 2009

PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS		
<p>1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.</p> <p>2. Merchandising, Jobbing, and Contract Work (Accounts 415 and 416) - Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.</p> <p>3. Nonutility Operations (Accounts 417 and 417.1) - Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.</p> <p>4. Nonoperating Rental Income (Account 418) - For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date</p> <p>and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leases on a basis other than that of a fixed annual rental, state the method of determining rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.</p> <p>5. Equity in earnings of subsidiary companies (Account 418.1) - Report the utility's equity in the earnings or losses of each subsidiary company for the year.</p> <p>6. Interest and Dividend Income (Account 419) - Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses included in Account 419 as required by the Uniform System of Accounts.</p> <p>7. Miscellaneous Nonoperating Income (Account 421) - Give the nature and source of each miscellaneous nonoperating income, and expense and the amount for the year. Minor items may be grouped by classes.</p>		

Line No.	Item (a)	Amount (b)
1	Account 415 - Revenue from Contract Work	91,119
2		
3	Account 417 - Revenues from Non-Utility Operations	
4	Revenue	10,137
5	Operating Expenses	30,217
6	Non Tar Revenue	(3,734)
7		
8	Account 419 - Interest & Dividend Income	(24,129)
9		
10	Account 421 - Misc Non-Operating Income	(140)
11		
12		
13	Total Other Income	103,470
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

**EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES**

**(Account 426.4)**

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

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

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

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

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

5. Minor amount may be grouped by classes if the number of items so grouped is shown.

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

Line No.	Item (a)	Amount (b)
1		
2	Labor	\$ 853
3	Consulting Expenses	3,432
4	Memberships	6,353
5	Miscellaneous Expense	366
6		
7		
8		
9		
10		
11		
12		
13		
14		
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31		
32	TOTAL	11,004

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009	
<b>REGULATORY COMMISSION EXPENSES</b>					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or			cases in which such a body was a party. 2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.		
Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for current year (b) + (c) (d)	Deferred at Beginning of Year (e)
1	Dept. of Labor & Economic Growth				
2	2008/2009 Public Utility Assessment,				
3	Third Quarter	90,238		90,238	
4					
5					
6	Dept. of Labor & Economic Growth				
7	2008/2009 Public Utility Assessment,				
8	Fourth Quarter	90,238		90,238	
9					
10					
11	Dept. of Labor & Economic Growth				
12	2009/2010 Public Utility Assessment,				
13	First Quarter	99,417		99,417	
14					
15					
16	Dept. of Labor & Economic Growth				
17	2009/2010 Public Utility Assessment,				
18	Second Quarter	138,900		138,900	
19					
20					
21	Dept. of Labor & Economic Growth				
22	2009 Public Utility Assessment	23,588		23,588	
23					
24					
25	2009 Rate Case		9,250	9,250	
26					
27					
28	Other		14,861	14,861	
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45	TOTAL	442,381	24,111	466,492	0

Name of Respondent			This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corp			(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2010		December 31, 2009	
<b>REGULATORY COMMISSION EXPENSES (Continued)</b>								
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a), the period of amortization.				4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts. 5. Minor items (less than \$25,000) may be grouped.				
<b>EXPENSES INCURRED DURING YEAR</b>				<b>AMORTIZED DURING YEAR</b>				Line No.
<b>CHARGED CURRENTLY TO</b>			Deferred	Contra Account	Amount	Deferred at End of Year		
Department	Account No.	Amount						
(f)	(g)	(h)	(i)	(j)	(k)	(l)		
							1	
							2	
							3	
							4	
							5	
							6	
							7	
	928000	90,238					8	
							9	
	928000	90,238					10	
							11	
							12	
	928000	99,417					13	
							14	
							15	
							16	
							17	
	928000	138,900					18	
							19	
							20	
	928000	23,588					21	
							22	
							23	
	928000	9,250					24	
	92800M						25	
							26	
	928000	14,861					27	
	92800F						28	
	92800M						29	
							30	
							31	
							32	
							33	
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							44	
		466,492	0		0	0	45	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009

DISTRIBUTION OF SALARIES AND WAGES				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification	Direct Payroll Distribution	Allocation of Payroll Charged for Clearing Accounts	Total
	(a)	(b)	(c)	(d)
1	<b>ELECTRIC</b>			
2	Operation			
3	Production			
4	Transmission			
5	Distribution			
6	Customer Accounts			
7	Customer Service and Informational			
8	Sales			
9	Administrative and General			
10	TOTAL Operation (Enter Total of lines 3 thru 9)	0		
11	Maintenance			
12	Production			
13	Transmission			
14	Distribution			
15	Administrative and General			
16	TOTAL Maint. (Total of lines 12 thru 15)	0		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	0		
19	Transmission (Enter Total of lines 4 and 13)	0		
20	Distribution (Enter Total of lines 5 and 14)	0		
21	Customer Accounts (Transcribe from line 6)	0		
22	Customer Svc. And Informational (Transcribe from line 7)	0		
23	Sales (Transcribe from line 8)	0		
24	Administrative and General (Enter Total of lines 9 & 15)	0		
25	TOTAL Oper. And Maint. (Total of lines 18 thru 24)	0		
26	<b>GAS</b>			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (Including Expl. And Dev.)			
30	Other Gas Supply	6,745		
31	Storage, LNG Terminating and Processing	88,187		
32	Transmission	14,795		
33	Distribution	3,710,760		
34	Customer Accounts	2,150,200		
35	Customer Service and Informational	146,897		
36	Sales	0		
37	Administrative and General	1,095,642		
38	TOTAL Operation (Enter Total of lines 28 thru 37)	7,213,226		

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009	
Michigan Gas Utilities Corp				
<b>DISTRIBUTION OF SALARIES AND WAGES (Continued)</b>				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	GAS (Continued)			
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminating and Processing	34,306		
44	Transmission	81,557		
45	Distribution	1,220,191		
46	Administrative and General	0		
47	TOTAL Maint. (Enter Total of lines 40 thru 46)	1,336,054		
48	Total Operation and Maintenance	8,549,280		
49	Production-Manufactured Gas (Total of lines 28 and 40)	0		
50	Production-Nat. Gas (Including Expl. & Dev.) (Total of lines 29 and 41)	0		
51	Other Gas Supply (Enter Total of lines 30 and 42)	6,745		
52	Storage, LNG Terminating and Processing (Total of lines 31 and 43)	122,493		
53	Transmission (Lines 32 and 44)	96,352		
54	Distribution (Lines 33 and 45)	4,930,951		
55	Customer Accounts (Line 34)	2,150,200		
56	Customer Service and Informational (Line 35)	146,897		
57	Sales (Line 36)	0		
58	Administrative and General (Lines 37 and 46)	1,095,642		
59	TOTAL Operation & Maint. (total of lines 49 thru 58)	8,549,280	193,493	8,742,773
60	OTHER UTILITY DEPARTMENTS			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59 & 61)	8,549,280	193,493	8,742,773
63	UTILITY PLANT			
64	Construction (By Utility Departments)			
65	Electric Plant			
66	Gas Plant	1,620,118	140,182	1,760,300
67	Other			0
68	TOTAL Construction (Total of lines 65 thru 67)	1,620,118	140,182	1,760,300
69	Plant Removal (By Utility Departments)			
70	Electric Plant			
71	Gas Plant			
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	0	0	0
74	Other Accounts (Specify)			
	Misc.	(2,426)	2,426	0
75	Clearing Accounts	288,125	(331,628)	(43,503)
76	Co-Tenant	0	0	0
	Other Accounts	10,806	(2,171)	8,635
77	TOTAL Other Accounts	296,505	(331,373)	(34,868)
78	TOTAL SALARIES AND WAGES	10,465,903	2,302	10,468,205

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Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009	
<b>CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES</b>					
1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$50,000, including payments for legislative services, except those which should be reported in Account			426.4, Expenditures for Certain civic, Political and Related Activities.) (a) Name and address of person or organization rendering services, (b) description of services received during year and project or case to which services relate, (c) basis of charges, (d) total charges for the year, detailing utility department and account charged. 2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval. 3. Designate with an asterisk associated companies.		
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
1	Vertex Business Services	Customer Billing	Contract fees and additional	107	\$ 19,104
2	10511 Airport Road		fees related to new information	903	4,054,865
3	Scottsbluff, NE 69631		requests	921	17,030
4					
5			Accruals/Reversals	Various	173,162
6					\$ 4,264,161
7					
8	Kent Power	Construction	By project	107	\$ 2,285,417
9	90 Spring Street			863	1,391
10	Kent City, MI 49330			878	117
11				887	27,579
12				892	758
13					\$ 2,315,262
14					
15	McDonald Hopkins LLC	Legal	Billable hours	923	\$ 21,088
16	600 Superior Avenue E, Suite 2100			925	34,351
17	Cleveland, OH 44114				\$ 55,439
18					
19	Miller, Canfield, Paddock & Stone PLC	Legal	Billable hours/printing	923	\$ 120,086
20	One Michigan Avenue, Suite 900			928	28,848
21	Lansing, MI 48933				\$ 148,934
22					
23	Pescador LLC	Env. Consulting	Billable hours	182337	\$ 247,472
24	36 Highview Road			824	9,608
25	Traverse City, MI 49686			880	5,846
26					\$ 262,926
27					
28	Pricewaterhouse Cooper	Auditors	Billable hours	923	\$ 92,828
29	P. O. Box 75647				
30	Chicago, IL 60675-5647				
31					
32	RL Coolsaet Construction Co	Construction	By project	107	\$ 435,838
33	P. O. Box 279			887	825
34	Taylor, MI 48180				\$ 436,663
35					
36					
37					
38					
39	TOTAL				\$ 7,576,213

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
<b>SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES</b>					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Integrus Energy Group, Inc.	Parent Company	Other		0
2		(MGUC is a wholly-owned			
3		subsidiary of Integrus			
4		Energy Group, Inc.)			
5					
6	Wisconsin Public Services	In Common Control With	Labor & Labor Loadings		0
7	Corporation		Invoices & Expenses Accounts	Various	2,730
8			Materials & Supplies	893000	72
9			Other	893000	4
10			Usage Based	893000	14
11					
12					
13	Upper Peninsula Power	In Common Control With	Invoices & Expenses Accounts	Various	9,801
14	Company				
15					
16	Minnesota Energy Resources	In Common Control With	Invoices & Expenses Accounts	Various	20,053
17	Corporation		Materials & Supplies		0
18			Usage Based		0
19					
20					
21	Integrus Business Support, LLC	In Common Control With	Invoices & Expenses Accounts	921000	2,242
22			Other	920000	97
23					
24					
25	The Peoples Gas Light &	In Common Control With	Labor & Labor Loadings		0
26	Coke Company		Invoices & Expenses Accounts		0
27			Other		0
28					
29					
30	North Shore Gas Company	In Common Control With	Materials & Supplies		0
31			Other		0
32			Usage Based		0
33					
34					
35	Integrus Energy Services, Inc.	In Common Control With	Invoices & Expenses Accounts	625000	175
36					
37					



Name of Respondent	This Report Is:	Date of Report	Year of Report
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**SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)**

5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.  
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.  
7. In column (j) report the total.  
8. In column (k) indicate the pricing method (cost, per contract terms, etc.)

Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
		216000	534,307	534,307	(2)	1
				0		2
				0		3
				<b>534,307</b>		4
						5
		Various	10,153	10,153	(1)	6
		Various	6,206	8,936	(4)	7
		Various	5,403	5,475	(1)	8
		Various	5,502	5,506	(2)	9
			0	14	(4)	10
				<b>30,084</b>		11
						12
		184020	(532)	9,269	(4)	13
				<b>9,269</b>		14
						15
		Various	4,133	24,186	(4)	16
		107000	55	55	(1)	17
		107000	14	14	(4)	18
		Total		<b>24,255</b>		19
						20
		Various	71,620	73,862	(1)	21
		107000	(2,569)	(2,472)	(4)	22
		Total		<b>71,390</b>		23
						24
		107000 & 184020	3,059	3,059	(1)	25
		146053	161	161	(4)	26
		Various	2,314	2,314	(2)	27
				<b>5,534</b>		28
						29
		107000	885	885	(1)	30
		107000	293	293	(2)	31
		Various	221	221	(4)	32
				<b>1,399</b>		33
						34
			0	<b>175</b>	(4)	35
						36
		Total		<b>676,413</b>		37

- (1) Fully Loaded Cost  
(2) Market  
(3) Tariff  
(4) Actual Cost  
(5) Contract

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009	
<b>SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES</b>					
1. In column (a) report the name of the associated company.			services provided (administrative and general expenses, dividends declared, etc.).		
2. In column (b) describe the affiliation (percentage ownership, etc.).			4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.		
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Integrus Energy Group, Inc.	Parent Company owns	Labor and Labor Loading	920000	38,005
2		100% of Michigan Gas	Invoices and Expenses	Various	111,992
3		Utilities Corporation	Other	Various	67,385
4			Usage Based	921000	12,610
5					
6					
7	Wisconsin Public Service Corporation	In Common Control With	Labor and Labor Loading	Various	22,025
8			Invoices and Expenses	Various	165,534
9			Materials & Supplies	Various	126,184
10			Other	Various	281,813
11			Usage Based	Various	22,687
12			Direct Support	871000	48,274
13					
14					
15	Upper Peninsula Power Company	In Common Control With	Labor and Labor Loading	920000	4,026
16			Invoices and Expenses	Various	32,903
17			Other	Various	924
18					
19					
20	Minnesota Energy Resources	In Common Control With	Labor and Labor Loading	Various	260,829
21	Corporation		Invoices and Expenses	Various	101,060
22			Other		7,517
23					
24					
25					
26	The Peoples Gas Light & Coke Co.	In Common Control With	Labor and Labor Loading		0
27			Invoices and Expenses	Various	129
28			Materials & Supplies	880000	529
29			Other		0
30			Usage Based	880000	63
31					
32					
33	Integrus Business Support, LLC	In Common Control With	Labor and Labor Loading	Various	1,774,135
34			Invoices and Expenses	Various	2,704,496
35			Other	Various	6,404,201
36			Usage Based	Various	25,746
37					
38					
39	Peoples Energy Corporation	In Common Control With	Invoices and Expenses	930	2,604
40					
41					
42					

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009			
Michigan Gas Utilities Corp						
<b>SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)</b>						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported. 6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported. 7. In column (j) report the total. 8. In column (k) indicate the pricing method (cost, per contract terms, etc.)						
Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
			0	38,005	(1)	1
		Various	10,767	122,759	(4)	2
		182	44	67,429	(2)	3
		182	239	12,849	(4)	4
		Total		241,042		5
						6
		184	7,922	29,947	(1)	7
		Various	5,755	171,289	(4)	8
		Various	137,392	263,576	(1)	9
		Various	21,331	303,144	(2)	10
		Various	24,453	47,140	(4)	11
				48,274	(4)	12
		Total		863,370		13
						14
			0	4,026	(1)	15
			0	32,903	(4)	16
			0	924	(2)	17
		Total		37,853		18
						19
		Various	0	260,829	(1)	20
		Various	983	102,043	(4)	21
			213	7,730	(2)	22
		Total		370,602		23
						24
						25
		184	317	317	(1)	26
		Various	373	502	(4)	27
		107000	6,827	7,356	(1)	28
		Various	710	710	(2)	29
		107000	819	882	(4)	30
				9,767		31
						32
		Various	71,700	1,845,835	(1)	33
		Various	114,142	2,818,638	(4)	34
		Various	319,235	6,723,436	(2)	35
			0	25,746	(4)	36
				11,413,655		37
						38
			0	2,604	(4)	39
				2,604		40
						41
		Total		12,938,893		42

- (1) Fully Loaded Cost  
 (2) Market  
 (3) Tariff  
 (4) Actual Cost  
 (5) Contract

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
<b>COMPRESSOR STATIONS</b>			
1. Report below particulars (details) concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.		2. For column (a), indicate the production areas where such stations are used. Relatively small field compressor stations may be grouped by production areas. Show the number of stations grouped. Designate any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership.	
Line No.	Name of Station and Location  (a)	Number of Employees  (b)	Plant Cost  (c)
1	Underground Storage Compressor Stations 4 Total	3	3,021,032
2			
3	Gathering System Compressor Stations 1 Total	3	115,824
4			
5			
6			
7			
8			
9			
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Name of Respondent Michigan Gas Utilities Corp	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
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GAS AND OIL WELLS										
<p>1. Report below the particulars (details) concerning gas and oil wells of the respondent which are either producing or capable of production.</p> <p>2. Report the required information alphabetically by states. List wells located offshore separately.</p> <p>3. For column (a), under separate headings, list gas wells first, oil wells second, and combination wells third. Combination wells are wells producing or capable of production from one or more oil reservoirs and also from one or more gas reservoirs. Enter totals for each of the headings</p>						<p>(gas wells, oil wells, combination wells). Designate any wells not operated during the past year, and in a footnote state whether the book cost of such wells, or any portion thereof, has been retired in the books of account, or what disposition of the wells and their book cost is contemplated.</p> <p>4. In column (f), report wells reclassified during the year as oil wells, gas wells, or combination wells. Show additions in black and deductions enclosed in parentheses. The total additions equal the total deductions.</p>				

Line No.	Location of Wells (a)	Number of Wells Beginning of Year (b)	ADDITIONS DURING YEAR			Wells Reclassified (f)	REDUCTIONS DURING YEAR			Number of Wells at End of Year (j)
			Successful Wells Drilled (c)	Wells Purchased (d)	Total (c + d) (e)		Wells Abandoned (g)	Wells Sold (h)	Total (g + h) (i)	
1	Olivet, MI	1	-	-	-		-	-	-	1
2										
3										
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
<b>GAS STORAGE PROJECTS</b>			
1. Report particulars (details) for total gas storage projects.		3. Give particulars (details) of any gas stored for the benefit of another company under a gas exchange arrangement or on basis of purchase and resale to other company. Designate with an asterisk if other company is an associated company.	
2. Total storage plant (column b) should agree with amounts reported by the respondent in Acct's 350.1 to 364.8 inclusive (pages 206-207).			
Line No.	Item (a)	Total Amount (b)	
1	Natural Gas Storage Plant		
2	Land and Land Rights	15,767	
3	Structures and Improvements	281,823	
4	Storage Wells and Holders	5,364,825	
5	Storage Lines	897,299	
6	Other Storage Equipment	4,830,304	
7	TOTAL (Enter Total of Lines 2 Thru 6)	11,390,018	
8	Storage Expenses		
9	Operation	391,590	
10	Maintenance	170,796	
11	Rents		
12	TOTAL (Enter Total of Lines 9 Thru 11)	562,386	
13	Storage Operations (In Mcf @ 14.65 Psia)		
14	Gas Delivered to Storage		
15	January	95,676	
16	February	89,870	
17	March	184,391	
18	April	702,805	
19	May	1,270,014	
20	June	983,933	
21	July	992,870	
22	August	796,252	
23	September	791,495	
24	October	690,511	
25	November	157,670	
26	December	65,399	
27	TOTAL (Enter Total of Lines 15 Thru 26)	6,820,886	
28	Gas Withdrawn from Storage		
29	January	1,643,068	
30	February	1,136,638	
31	March	737,786	
32	April	249,416	
33	May	30,691	
34	June	17,238	
35	July	20,670	
36	August	28,244	
37	September	24,071	
38	October	174,777	
39	November	572,052	
40	December	1,766,006	
41	TOTAL (Enter Total of Lines 29 Thru 40)	6,400,657	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
GAS STORAGE PROJECTS (Continued)			
Line No.	Item (a)	Total Amount (b)	
	Storage Operations (In Mcf)		
42	Top or Working Gas End of Year (1)	5,423,845	
43	Cushion Gas (Including Native Gas) (2)	3,368,000	
44	Total Gas in Reservoir (Enter Total of Line 42 and Line 43) (1)	8,791,845	
45	Certificated Storage Capacity (2)	7,272,000	
46	Number of Injection - Withdrawal Wells (2)	14	
47	Number of Observation Wells (2)	6	
48	Maximum Day's Withdrawal from Storage (2)	33,076	
49	Date of Maximum Days' Withdrawal (2)	01/14/09	
50	LNG Terminal Companies (In Mcf)		
51	Number of Tanks		
52	Capacity of Tanks		
53	LNG Volumes		
54	a) Received at "Ship Rail"		
55	b) Transferred to Tanks		
56	c) Withdrawn from Tanks		
57	d) "Boil Off" Vaporization Loss		
58	e) Converted to Mcf at Tailgate of Terminal		

(1) Includes both MGUC owned storage fields and gas stored for MGUC by Washington 10 Storage Corp., Consumer's Energy Company, and ANR Pipeline Company, all under storage contract.

(2) Includes only MGUC owned storage fields.



Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2010	December 31, 2009
DISTRIBUTION AND TRANSMISSION LINES			
<p>1. Report below by States the total miles of pipe lines operated by respondent at end of year.</p> <p>2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.</p> <p>3. Report separately any line that was not operated during the past year. Enter in a footnote the particulars (details) and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book cost are contemplated.</p> <p>4. Report the number of miles of pipe to one decimal point.</p>			
Line No.	Designation (Identification) of Line or Group of Lines  (a)	Total Miles of Pipe (to 0.1) (b)	
1	<b>DISTRIBUTION</b>		
2	Benton Harbor <=1"	6.3	
3	2"	575.3	
4	3"	8.7	
5	4"	317.3	
6	6"	46.7	
7	8"	24.0	
8	10"	0.0	
9	12"	4.7	
10			
11	Grand Haven <=1"	4.2	
12	2"	290.5	
13	3"	3.0	
14	4"	142.9	
15	6"	16.1	
16	8"	8.9	
17	12"	11.0	
18			
19	Otsego <=1"	2.1	
20	2"	231.3	
21	3"	1.3	
22	4"	203.8	
23	6"	24.7	
24	8"	6.2	
25	12"	0.1	
26			
27	Coldwater & Partello <=1"	1.7	
28	2"	384.5	
29	3"	5.1	
30	4"	261.6	
31	6"	26.1	
32	8"	61.8	
33	10"	0.0	
34			
35	Monroe <=1"	5.1	
36	2"	470.6	
37	3"	9.9	
38	4"	361.5	
39	6"	94.4	
40	8"	23.6	
41	10"	18.6	
42	12"	3.4	
43			
44	All lines are located in the State of Michigan.		
45	<b>TOTAL</b>	<b>3,657.0</b>	

Name of Respondent Michigan Gas Utilities Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2007
DISTRIBUTION AND TRANSMISSION LINES			
<p>1. Report below by States the total miles of pipe lines operated by respondent at end of year.</p> <p>2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.</p> <p>3. Report separately any line that was not operated during the past year. Enter in a footnote the particulars (details) and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book cost are contemplated.</p> <p>4. Report the number of miles of pipe to one decimal point.</p>			
Line No.	Designation (Identification) of Line or Group of Lines (a)	Total Miles of Pipe (to 0.1) (b)	
1	<b>TRANSMISSION</b>		
2	Grand Haven 8"	0.5	
3			
4	Otsego 4"	0.0	
5	6"	7.7	
6	8"	13.3	
7			
8	Coldwater 4"	0.1	
9	6"	21.3	
10	8"	1.8	
11	10"	23.6	
12			
13	Monroe 10"	11.2	
14	12"	32.3	
15			
16	Partello <=1"	0.2	
17	2"	0.2	
18	3"	0.5	
19	4"	9.8	
20	6"	8.1	
21	8"	15.6	
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43	All lines are located in the State of Michigan.		
44	<b>TOTAL</b>	<b>146.2</b>	

Name of Respondent Michigan Gas Utilities Corp		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
DISTRIBUTION SYSTEM PEAK DELIVERIES				
1. Report below the total distribution system deliveries of gas, excluding deliveries to storage, for the periods of system peak deliveries indicated below during the calendar year.				
2. Report Mcf on a pressure base of 14.73 psia at 60°F.				
Line No.	Item (a)	Day/Month (b)	Amount of Mcf (c)	Curtailments on Day/Month Indicated (d)
<b>Section A. Three Highest Days of System Peak Deliveries</b>				
1	Date of Highest Day's Deliveries	01/15/09		Yes
2	Deliveries to Customers Subject to MPSC Rate Schedules		226,899	
3	Deliveries to Others		0	
4	TOTAL		226,899	
5	Date of Second Highest Day's Deliveries	01/16/09		Yes
6	Deliveries to Customers Subject to MPSC Rate Schedules		226,889	
7	Deliveries to Others		0	
8	TOTAL		226,889	
9	Date of Third Highest Day's Deliveries	01/14/09		Yes
10	Deliveries to Customers Subject to MPSC Rate Schedules		206,556	
11	Deliveries to Others		0	
12	TOTAL		206,556	
<b>Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)</b>				
13	Dates of Three Consecutive Days Highest System Peak Deliveries	01/14/09		Yes
		01/15/09		Yes
		01/16/09		Yes
14	Deliveries to Customers Subject to MPSC Rate Schedules		660,344	
15	Deliveries to Others		0	
16	TOTAL		660,344	
17	Supplies from Line Pack		0	
18	Supplies from Underground Storage (Note 1)		185,092	
19	Supplies from Other Peaking Facilities		0	
<b>Section C. Highest Month's System Deliveries</b>				
20	Month of Highest Month's System Deliveries	January		Yes
21	Deliveries to Customers Subject to MPSC Rate Schedules		5,327,099	
22	Deliveries to Others		0	
23	TOTAL		5,327,099	

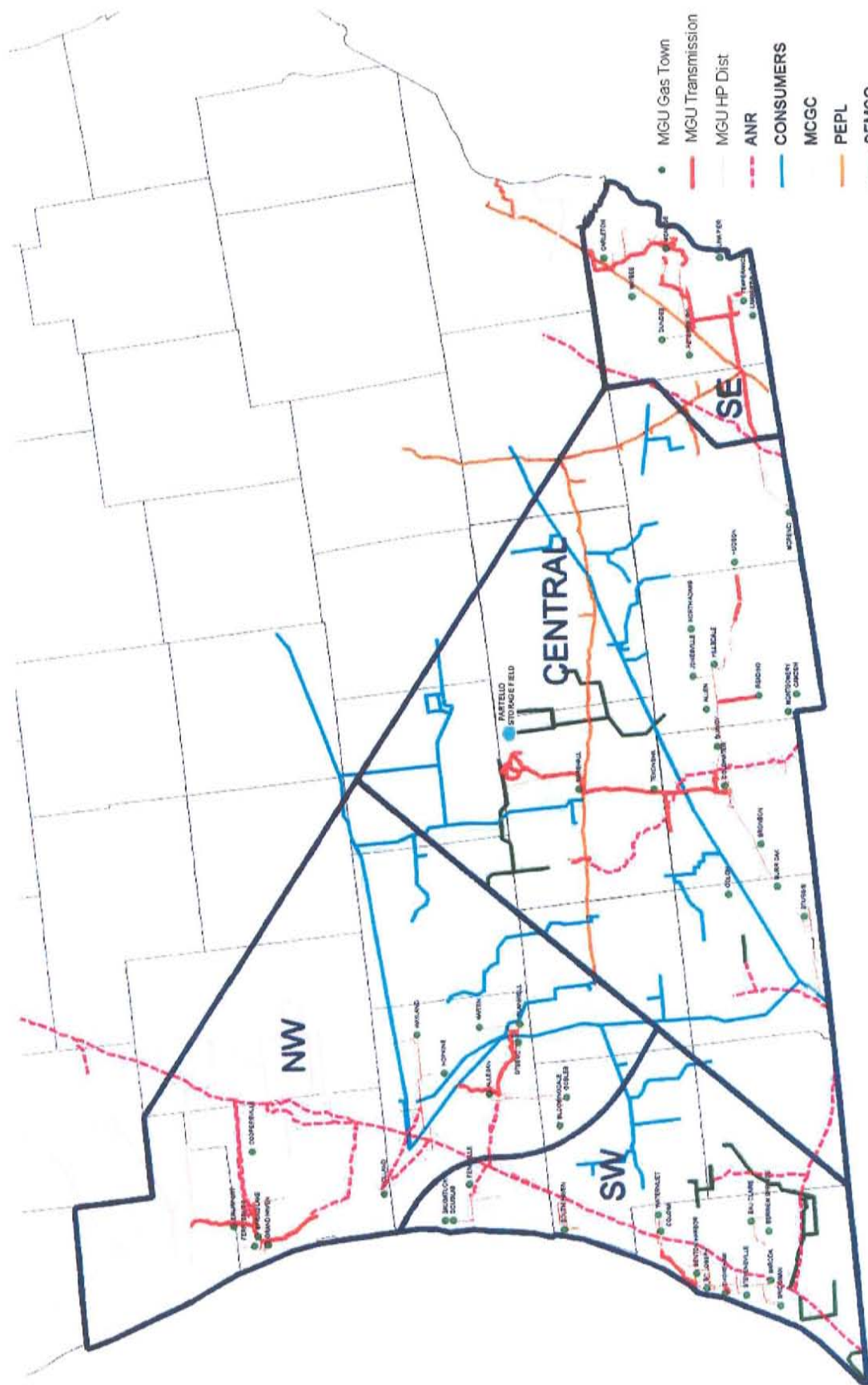
Note 1: Line 18 reflects storage volumes delivered at the citygate.

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corp		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2010		December 31, 2009	
AUXILIARY PEAKING FACILITIES							
1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc. 2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted.				For other facilities, report the rated maximum daily delivery capacities. 3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.			
	Location of Facility	Type of Facility	Maximum Daily Delivery Capacity of Facility, Mcf at 14.73 psia at 60°F	Cost of Facility (In dollars)	Was Facility Operated on Day of Highest Transmission Peak Delivery?		
	(a)	(b)	(c)	(d)	Yes (e)	No (f)	
1	Partello/Anderson/Mymachod-	Underground Storage	15,000 - 28,000	7,111,053			
2	Calhoun County, MI						
3	Cortright/Cambell -	Underground Storage	12,000 - 20,000	890,028			
4	Calhoun County, MI						
5	Lee 3/3A -	Underground Storage	17,500 - 30,000	3,490,868			
6	Calhoun & Eaton Counties, MI						
7							
8							
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NOTE: The daily deliverability of MGUC owned storage is less than the combined total of the three reservoirs due to pipeline constraints.

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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2010	Year of Report December 31, 2009
Michigan Gas Utilities Corp			
SYSTEM MAPS			
<p>1. Furnish 5 copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.</p> <p>2. Indicate the following information on the maps:</p> <p>(a) Transmission lines - colored in red, if they are not otherwise clearly indicated.</p> <p>(b) Principal pipeline arteries of gathering systems.</p> <p>(c) Sizes of pipe in principal pipelines shown on map.</p> <p>(d) Normal directions of gas flow - indicated by arrows.</p> <p>(e) Location of natural gas fields or pools in which the respondent produces or purchases natural gas.</p> <p>(f) Locations of compressor stations, products extraction plants, stabilization plants, important purification plants, underground storage areas, recycling areas, etc.</p> <p>(g) Important main line interconnections with other natural gas companies, indicating in each case whether gas is received or delivered and name of connecting company.</p> <p>(h) Principal communities in which respondent renders local distribution service.</p> <p>3. In addition, show on each map: graphic scale to which map is drawn; date as of which the map represents the facts it purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.</p> <p>4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger than this report. Bind the maps to the report.</p>			
See Page 522A			



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