

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 year ending:	December 31, 2007
Present name of respondent:	Michigan Consolidated Gas Company
Present DBA name in Michigan if different from legal name:	N/A
Address of principal place of business:	2000 2nd Avenue Detroit, Michigan 48226-1279
Utility representative to whom inquiries regarding this report may be directed:	Name: Peter B. Oleksiak Title: Vice President and Controller, and Chief Address: 2000 2nd Avenue Accounting Officer City: Detroit State: Michigan Zip Code: 48226-1279 Telephone, Including Area Code: E-mail: (313) 235-4000
If the utility name has been changed during the past year:	Prior Name: N/A Date of Change: N/A
Two copies of the published annual report to stockholders:	<input checked="" type="checkbox"/> were forwarded to the Commission (two copies of Annual Report on Form 10K) <input type="checkbox"/> will be forwarded to the Commission on or about April 28, 2008
Annual reports to stockholders:	<input type="checkbox"/> are published <input checked="" 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

Michigan Public Service Commission
Regulated Energy Division
6545 Mercantile Way
P. O. Box 30221
Lansing, MI 48909



Deloitte & Touche LLP
Suite 900
600 Renaissance Center
Detroit, MI 48243-1895
USA

Tel: +1 313 396 3000
Fax: +1 313 396 3618
www.deloitte.com

INDEPENDENT AUDITORS' REPORT

Michigan Consolidated Gas Company

We have audited the balance sheet—regulatory basis of Michigan Consolidated Gas Company (the “Company”) as of December 31, 2007, and the related statements of income—regulatory basis; retained earnings—regulatory basis; cash flows—regulatory basis, and accumulated other comprehensive income, comprehensive income, and hedging activities—regulatory basis for the year ended December 31, 2007, included on pages 110 through 123 (excluding pages 116, 117A and 117B) of the accompanying Michigan Public Service Commission Form P-522. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 B, item 6, these 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 Michigan Consolidated Gas Company as of December 31, 2007, and the results of its operations and its cash flows for the year ended December 31, 2007, 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 Michigan Consolidated Gas 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

March 7, 2008

MPSC FORM P-522

ANNUAL REPORT OF NATURAL GAS COMPANIES (MAJOR AND NONMAJOR)

IDENTIFICATION		
01 Exact Legal Name of Respondent Michigan Consolidated Gas Company	02 Year of Report December 31, 2007	
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Office at End of Year (Street, City, St., Zip) 2000 2nd Avenue Detroit, MI. 48226-1279		
05 Name of Contact Person Peter B. Oleksiak	06 Title of Contact Person Vice President and Controller, and Chief Accounting Officer	
07 Address of Contact Person (Street, City, St., Zip) 2000 2nd Avenue Detroit, MI. 48226-1279		
08 Telephone of Contact Person, Including Area Code: (313) 235-4000	09 This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 12-31-07
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 January 1 to and including December 31 of the year of the report.		
01 Name Peter B. Oleksiak	03 Signature: /s/ Peter B. Oleksiak	04 Date Signed: (Mo, Da, Yr) 12-19-08
02 Title Vice President and Controller, and Chief Accounting Officer		

MICHIGAN CONSOLIDATED GAS COMPANY		A Resubmission	December 31, 2007
LIST OF SCHEDULES (Natural Gas Company)			
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 (a)	Reference Page No. (b)	Remarks (c)	
GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
General Information	101		
Control Over Respondent & Other Associated Companies	M 102 - 102.s		
Corporations Controlled by Respondent	103		
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 114-117B	116 NONE	
Statement of Retained Earnings for the Year	M 118-119		
Statement of Cash Flows	120-121		
Statement of Accumulated Comprehensive Income	122a-122b		
Notes to Financial Statements	122-123		
BALANCE SHEET SUPPORTING SCHEDULES (Assets & Other Debits)			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201		
Gas Plant in Service	M 204-212B	Resubmitted	
Gas Plant Leased to Others	213	NONE	
Gas Plant Held for Future Use	214		
Production Properties Held for Future Use	215		
Construction Work in Progress - Gas	216		
Construction Overheads - Gas	217	Resubmitted	
General Description of Construction Overhead Procedure	M 218	Resubmitted	
Accumulated Provision for Depreciation of Gas Utility Plant	M 219	Resubmitted	
Gas Stored	220		
Nonutility Property	221		
Accumulated Provision for Depreciation and Amortization of Nonutility Property	221		
Investments	222-223		
Investments in Subsidiary Companies	224-225		
Gas Prepayments Under Purchase Agreements	226-227	NONE	
Advances for Gas Prior to Initial Deliveries or Commission Certification	229		
Prepayments	230		
Extraordinary Property Losses	230	NONE	
Unrecovered Plant and Regulatory Study Costs	230C-D	NONE	
Preliminary Survey and Investigation Charges	231		
Other Regulatory Assets	232		
Miscellaneous Deferred Debits	233		
Accumulated Deferred Income Taxes (Account 190)	234-235		

MICHIGAN CONSOLIDATED GAS COMPANY		A Resubmission	December 31, 2007
LIST OF SCHEDULES (Natural Gas Company) (Continued)			
Title of Schedule	Reference Page No.	Remarks	
(a)	(b)	(d)	
BALANCE SHEET SUPPORTING SCHEDULES (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	NONE	
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		
Long-Term Debt	256-257		
Unamortized Debt Expense, Premium and Discount on Long-Term Debt	258-259		
Unamortized Loss and Gain on Reacquired Debt	260		
Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	M 261A-D	Resubmitted 261 C	
Calculation of Federal Income Tax	M 261E-F		
Taxes Accrued, Prepaid and Charged During Year	262-263E		
Accumulated Deferred Investment Tax Credits	M 266-267		
Miscellaneous Current and Accrued Liabilities	M 268		
Customer Advances for Construction	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 276A-B	Resubmitted 276 B	
Other Regulatory Liabilities	278		
INCOME ACCOUNT SUPPORTING SCHEDULES			
Gas Operating Revenues	300-301		
Customer Choice Gas Operating Revenues	M 302-303		
Rates and Sales Section	M 305A-C		
Customer Choice Gas Sales Data by Rate Schedule	M 306C		
Off-System Sales - Natural Gas	M 310A-B	NONE	
Revenue from Transportation of Gas of Others-Natural Gas	312-313A		
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	Resubmitted	
Number of Gas Department Employees	325		
Exploration and Development Expenses	326	NONE	
Abandoned Leases	326	NONE	
Gas Purchases	M 327-327E	NONE	
Exchange Gas Transactions	328-330		
Gas Used in Utility Operations - Credit	331	Resubmitted	
Transmission and Compression of Gas by Others	332-333		
Other Gas Supply Expenses	334		
Miscellaneous General Expenses - Gas	M 335	Resubmitted	
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	340-340A	Resubmitted	

MICHIGAN CONSOLIDATED GAS COMPANY		A Resubmission	December 31, 2007
LIST OF SCHEDULES (Natural Gas Company) (Continued)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (d)	
COMMON SECTION			
Regulatory Commission Expenses	350-351		
Research, Development and Demonstration Activities	352-353		
Distribution of Salaries and Wages	354-355	Resubmitted	
Charges for Outside Professional and Other Consultative Services	357-357C	Resubmitted	
GAS PLANT STATISTICAL DATA			
Natural Gas Reserves and Land Acreage	500-501A		
Changes in Est. Hydrocarbon Reserves and Costs, and Net Realizable Value	504-505		
Compressor Stations	508-509A		
Gas and Oil Wells	510-510A		
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	117A-B		
Operating Loss Carryforward	117C	NONE	
Notes & Accounts Receivable Summary for Balance Sheet	228A		
Accumulated Provision for Uncollectible Accounts - Credit	228A		
Receivables from Associated Companies	228B-B1		
Materials and Supplies	228C		
Notes Payable	260A		
Payables to Associated Companies	260B		
Accumulated Deferred Income Taxes - Temporary	277	NONE	
Gas Operation and Maintenance Expenses (Nonmajor)	320N-324N	N/A	
Lease Rentals Charged	333A-333D		
Depreciation, Depletion and Amortization of Gas Plant (Nonmajor)	336N	N/A	
Particulars Concerning Certain Other Income Accounts	341-341A	Resubmitted 341	
Gain or Loss on Disposition of Property	342		
Expenditures of Certain Civic, Political and Related Activities	343		
Common Utility Plant and Expenses	356	N/A	
Summary of Costs Billed to Associated Companies	358-359		
Summary of Costs Billed from Associated Companies	360-361		

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2007
GENERAL INFORMATION		
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of 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 style="text-align: center; margin-top: 20px;">Mr. Peter B. Oleksiak, Vice President and Controller, and Chief Accounting Officer 2000 2nd Avenue, Detroit, Michigan 48226-1279</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 style="text-align: center; margin-top: 20px;">Michigan - January 12, 1898</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 style="text-align: center; margin-top: 20px;">Not Applicable</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 style="text-align: center; margin-top: 20px;">Gas Utility - Michigan</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) <input type="checkbox"/> YES ...Enter the date when such independent accountant was initially engaged:_____.</p> <p>(2) <input checked="" type="checkbox"/> NO</p>		

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2007
CONTROL OVER RESPONDENT		
<ol style="list-style-type: none"> 1. If any corporation, business trust, or similar organization or combination of such organization 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 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. 2. List any entities which respondent did not control either directly or indirectly and which did not control respondent but which were associated companies at any time during the year. 3. If the above required information is available from the SEC 10-K Report Form filing, a specific reference 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. 		
<p>MichCon Holdings, Inc. is the holding company of the respondent. The attached pages 102a - 102s detail the chain of ownership and control to the main parent company.</p>		

I. NATURE OF BUSINESS OF CLAIMANTS AND EVERY SUBSIDIARY THEREOF

Claimant: DTE Energy Company

DTE Energy Company (“Company” or “DTE”) is a Michigan corporation. DTE owns, directly and indirectly, three utilities, The Detroit Edison Company (“Detroit Edison”), Michigan Consolidated Gas Company (“MichCon”) and Citizens Gas Fuel Company (“Citizens”), and non-regulated subsidiaries engaged in energy marketing and trading, energy services, and various other electricity, coal and gas related businesses. The Company’s address is 2000 2nd Avenue, Detroit, Michigan 48226-1279.

Claimant: DTE Enterprises, Inc.

DTE Enterprises, Inc. (“DTEE”) owns, directly and indirectly, two utilities, MichCon and Citizens, and non-regulated subsidiaries primarily involved in natural gas production, gathering, processing, transmission, storage, distribution and marketing in the Midwest-to-Northeast corridor. DTEE is organized under the laws of the state of Michigan and has its principal executive offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279.

Claimant: MichCon Holdings, Inc.

MichCon Holdings, Inc. is the holding company for MichCon and MichCon Enterprises, Inc. MichCon is a public utility engaged in the distribution and transmission of natural gas in the state of Michigan. MichCon’s principal executive offices are located at 2000 2nd Avenue, Detroit, Michigan 48226-1279. MichCon conducts substantially all of its business in the state of Michigan and is subject to the jurisdiction of the Michigan Public Service Commission (“MPSC”) as to various phases of its operations, including gas sales rates, service, and accounting. MichCon Enterprises, Inc. (a non-regulated affiliate) was formed to engage in non-regulated activities.

1. DTE Energy Company

- A. DTE Energy Corporate Services, LLC is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. This company is a wholly owned subsidiary of DTE Energy Company
- B. DTE Energy Resources, LLC (“DTE ER”), formerly DTE Energy Resources, Inc., is a Delaware company. DTE ER is a wholly owned subsidiary of the Company with offices at 425 S. Main, Ann Arbor, Michigan 48104. DTE ER is engaged in energy services, electric generation, electric and gas marketing and trading and landfill gas projects. This company was converted to a Limited Liability Company on December, 20, 2007.
 1. DTE Biomass Energy, Inc. (“DTE Biomass”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. DTE Biomass is a wholly owned subsidiary of DTE ER and is engaged in landfill gas projects
 - a. Adrian Energy Associates, LLC (“Adrian Energy”) is a Michigan company with offices at 29261 Wall Street, Wixom, Michigan 48393. Adrian Energy is a 50% owned subsidiary of DTE Biomass and is engaged in the production of electricity from landfill gas.
 - b. Adrian Gas Producers, L.L.C. (“Adrian Gas”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Adrian Gas is a 50% owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
 - c. Bellefontaine Gas Producers, L.L.C. (“Bellefontaine Gas”) is a Delaware company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Bellefontaine Gas is a 50% owned subsidiary of DTE Biomass and is engaged in landfill gas projects.

- d. Bellefontaine Leachate Services, L.L.C. (“Bellefontaine Leachate”) is a Delaware company with offices at 6910 Treeline Drive, Brecksville, Ohio 44141. Bellefontaine Leachate is a 50% owned subsidiary of DTE Biomass and is engaged in processing landfill leachate from landfill gas.
- e. Belleville Gas Producers, Inc. (“Belleville”) was a Michigan corporation that previously had offices at 425 S. Main, Ann Arbor, Michigan, 48104. Belleville was a wholly owned subsidiary of DTE Biomass and was engaged in landfill gas projects. Belleville was dissolved on August 21, 2007.
- f. Birmingham Gas Producers, L.L.C. (“Birmingham”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Birmingham is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- g. Denton Power, LLC (Denton) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Denton is a wholly owned subsidiary of DTE Biomass and is engaged in landfill projects.
- h. DTE Arbor Gas Producers, Inc. (“DTE Arbor”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. DTE Arbor is a wholly owned subsidiary of DTE Biomass
- i. DTE Methane Resources, L.L.C. (“DTE Methane”) is a Michigan company with offices at 425 S. Main St., Ann Arbor, Michigan 48104. DTE Methane is a wholly owned subsidiary, 50% by DTE Biomass and 50% by DTE Coal Services, and is engaged in coal mine methane projects.
- j. Enerdyne LTD, LLC is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Enerdyne LTD is 75.5% owned by DTE Biomass.
 - i. Iredell Transmission, LLC is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Iredell is 100% owned by Enerdyne LTD, LLC.
 - ii. Lynchburg Transmission, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Lynchburg is 100% owned by Enerdyne LTD, LLC.
 - iii. Middle Peninsula Gas Producers, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Middle Peninsula is 100% owned by Enerdyne LTD, LLC.
 - iv. Waverly Gas Producers, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Waverly is 100% owned by Enerdyne LTD, LLC.
- k. Enerdyne TEN, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Enerdyne TEN, LLC is 75.5% owned by DTE Biomass.
 - i. King George Gas Producers, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. King George is 100% owned by Enerdyne TEN, LLC.
- l. Escambia Gas Producers, Inc. (“Escambia”), formerly ESCA Gas Producers, Inc., is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. Escambia is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- m. Fayetteville Gas Producers, L.L.C. (“Fayetteville”), formerly Fayetteville Gas Company, L.L.C. is a North Carolina company with offices located at 425 S. Main, Ann Arbor, Michigan 48104. Fayetteville is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.

- n. Hillside Gas Producers, L.L.C. (“Hillside”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Hillside is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- o. Iredell Landfill Gas, LLC is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Iredell Landfill Gas LLC is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- p. Kansas City Gas Producers, L.L.C. (“Kansas City”) was a Michigan company that previously had offices at 425 S. Main, Ann Arbor, Michigan 48104. Kansas City was a wholly owned subsidiary of DTE Biomass and was engaged in landfill gas projects. Kansas City was dissolved on June 21, 2007.
- q. Kiefer Landfill Generating II, LLC is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Kiefer Landfill is a 10% owned subsidiary of DTE Biomass and is engaged in landfill projects.
- r. Montgomery Gas Producers, L.L.C. (“Montgomery”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Montgomery is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- s. Oklahoma Gas Producers, L.L.C. (“Oklahoma”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Oklahoma is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- t. Orlando Gas Producers, Inc. (“Orlando”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. Orlando is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- u. Pinnacle Gas Producers, L.L.C. (“Pinnacle”) is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Pinnacle is a wholly owned subsidiary of DTE Biomass and is engaged in a landfill gas-to-energy project.
- v. Phoenix Gas Producers, L.L.C. (“Phoenix”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Phoenix is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- w. Plainville Gas Producers, Inc. (“Plainville”), formerly Sumpter Gas Producers, Inc. was a Michigan corporation that previously had offices at 425 S. Main, Ann Arbor, Michigan 48104. Plainville was a wholly owned subsidiary of DTE Biomass and was engaged in landfill gas projects. Plainville was dissolved on September 24, 2007.
- x. Polk Gas Producers, L.L.C. (“Polk”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Polk is a 99% owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- y. Raleigh Steam Producers, LLC (“Raleigh”), formerly Enerdyne IV, LLC, is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Raleigh is a 50% owned subsidiary of DTE Biomass and is engaged in production of steam from landfill gas.
- z. RES Power, Inc. (“RESP”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. RESP is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.

- i. Riverview Energy Systems (“Riverview”) is a Michigan partnership with offices at 29261 Wall Street, Wixom, Michigan 48393. Riverview is a 50% owned subsidiary of RESP and is engaged in the production of electricity from landfill gas.
- aa. Riverview Gas Producers, Inc. (“Riverview”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. Riverview is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- bb. Roxana Gas Producers, Inc. (“Roxana”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. Roxana is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- cc. Sacramento Gas Producers, L.L.C. (“Sacramento”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Sacramento is a 50% owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- dd. Salem Energy Systems, LLC (“Salem”) is a North Carolina company with offices at 29261 Wall Street, Wixom, Michigan 48393. Salem is 50% owned by DTE Biomass and is engaged in the production of electricity from landfill gas.
- ee. Salt Lake Energy Systems, L.L.C. (“Salt Lake”) is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Salt Lake is a 50% owned subsidiary of DTE Biomass and is engaged in a landfill gas-to-energy project.
- ff. Sampson Energy Producers, LLC (“Sampson”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Sampson is a wholly owned by DTE Biomass and is engaged in landfill projects.
- gg. Sonoma Energy Systems, Inc. (“Sonoma”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. Sonoma is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- hh. St. Louis Gas Producers, L.L.C. (“St. Louis”) is a Delaware company with offices at 425 S. Main, Ann Arbor, Michigan 48104. St Louis is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- ii. Sunshine Gas Producers, LLC is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Sunshine Gas is a 50% owned subsidiary of DTE Biomass and is engaged in landfill projects.
- jj. Wake Gas Producers, L.L.C. (“Wake”) is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Wake is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- kk. Westside Gas Producers, L.L.C. (“Westside”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Westside is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- ll. Wichita Gas Producers, L.L.C. (“Wichita”), formerly BES/LES Gas Producers I, L.L.C., is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Wichita is a 90% owned subsidiary of DTE Biomass and is engaged in acquiring rights to, developing, collecting and selling landfill gas and related constituent products.

- mm. Winston Gas Producers, L.L.C. (“Winston”) is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Winston is a 99% owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- 2. DTE Coal Services, Inc. (“DTE Coal”) is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. DTE Coal is a wholly owned subsidiary of DTE ER and is engaged in selling and transporting coal to third parties.
 - a. Cornhusker Railways, LLC (“Cornhusker”) is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Cornhusker is a wholly owned subsidiary of DTE Coal Services, Inc. and is a common carrier shortline railroad.
 - b. DTECS Limited Partnership is a Michigan limited partnership with offices at 425 S. Main, Ann Arbor, Michigan 48104. DTECS Limited Partnership is a wholly owned subsidiary of DTE Coal, which holds a limited partnership interest, and is engaged in the acquisition, storage and reselling of coal.
 - c. DTE Chicago Fuels Terminal, LLC (“Chicago Fuels”), formerly DTE South Chicago Terminal LLC, is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. This company is a wholly owned subsidiary of DTE Coal and is engaged in coal cleaning and processing.
 - i. Red Building, LLC (“Red Building”) is an Illinois company with offices at 414 S. Main, Ann Arbor, Michigan 48104 that is engaged in real estate. Red Building is owned 40% by Chicago Fuels.
 - d. DTE DuQuoin, LLC (“DTE DuQuoin”) was a Michigan company that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE DuQuoin was involved in slurry and mining waste processing. DTE DuQuoin was a wholly owned subsidiary of DTE Coal. DTE DuQuoin was dissolved December 28, 2007.
 - e. DTE Osage, LLC (“Osage”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Osage is a wholly owned subsidiary of DTE Coal and is engaged in coal cleaning and processing.
 - f. DTE Peptec, Inc. (“DTE Peptec”) is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Peptec is involved in coal preparation and cleaning activities. DTE Peptec is a wholly owned subsidiary of DTE Coal.
 - i. DTE Dickerson, L.L.C. (“DTE Dickerson”) is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Dickerson is involved in coal preparation and cleaning activities. DTE Dickerson is a wholly owned subsidiary of DTE Peptec.
 - ii. Peptec, Inc. (“Peptec”) is a Pennsylvania corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. Peptec is a wholly owned subsidiary of DTE Peptec.
 - g. DTE Rail Services, Inc. (“DTE Rail”), formerly DTE CS Rail Services, Inc., is a Michigan corporation with offices at 425 S. Main, Ann Arbor, Michigan 48104. DTE Rail is a wholly owned subsidiary of DTE Coal and is engaged in rail car repair and maintenance.
 - h. Venture Energy, LLC is a Delaware company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Venture Energy LLC is partially owned by DTE Coal and holds marketing and service agreements.

3. DTE Energy Services, Inc. ("DTE ES"), formerly Edison Energy Services, Inc., is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE ES is a wholly owned subsidiary of DTE ER and is engaged in energy services activities.
- a. CBC 1, L.L.C. ("CBC") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. CBC is a wholly owned subsidiary of DTE ES and is a holding company.
 - b. DTE Backup Generation Equipment Leasing, L.L.C. ("Backup Generation Equipment Leasing") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Backup Generation Equipment Leasing is a wholly owned subsidiary of DTE ES, and is engaged in the equipment leasing business.
 - c. DTE BH Holdings, Inc. ("DTE BH") was a Delaware corporation that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE BH was a wholly owned subsidiary of DTE ES and was a holding company. DTE BH was dissolved in Delaware on December 3, 2007.
 - i. BH Coke Energy Company, Inc. ("BH Coke") was a Delaware corporation that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. BH Coke was a wholly owned subsidiary of DTE BH and was a holding company. BH Coke was dissolved on December 3, 2007.
 - d. DTE Coke Holdings, LLC, ("Coke Holdings") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Coke Holdings is a wholly owned subsidiary of DTE ES and is a holding company.
 - i. Shenango Acquisition Corporation ("Shenango") is a Pennsylvania corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Shenango is a wholly owned subsidiary of Coke Holdings.
 - e. DTE Coke Operations, LLC ("DTE Coke") is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Coke is a wholly owned subsidiary of DTE ES and is involved in synthetic fuel activities.
 - f. DTE Dearborn, LLC ("Dearborn"), formerly DLM Energy, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Dearborn is a wholly owned subsidiary of DTE ES.
 - g. DTE East China, LLC ("East China"), formerly Woodward Energy, L.L.C., is a Michigan company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. East China is a wholly owned subsidiary of DTE ES and is engaged in electricity generation.
 - h. DTE East China Operations, LLC ("East China Operations") is a Delaware company, with offices at 414 S. Main, Ann Arbor, Michigan 48104. East China Operations is a wholly owned subsidiary of DTE ES, and is engaged in the operation and maintenance of an electric generation facility.
 - i. DTE Energy Center Operations, LLC ("DTE Energy Cent Oper") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Energy Cent Oper is a wholly owned subsidiary of DTE ES and is involved in the operation of Energy Center.
 - j. DTE ES Finance, LLC ("ES Finance") is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. ES Finance is a wholly owned subsidiary of DTE ES and is involved in financing and investing activities.

- i. DTE Crete Operations, LLC (“Crete Operations”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Crete Operations is a wholly owned subsidiary of ES Finance and operates and maintains electric generating facilities
- k. DTE ES Holdings No. 1, LLC (“ES Holdings”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor Michigan 48104. ES Holdings is a wholly owned subsidiary of DTE ES and is a holding company.
- l. DTE ES Operations, LLC (“ES Oper”), formerly DTE La Paloma Operations, LLC, is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. ES Oper is a wholly owned subsidiary of DTE ES and is engaged in the operation and maintenance of electric generation facilities.
- m. DTE Georgetown Holdings, Inc. (“Georgetown Holdings”) is a Delaware corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Georgetown Holdings is a wholly owned subsidiary of DTE ES, and is a holding company.
- n. DTE Georgetown, LP. (“Georgetown”) is a Delaware limited partnership with offices at 414 S. Main, Ann Arbor, Michigan 48104. Georgetown is a 99% owned subsidiary of DTE ES and is 1% owned by Georgetown Holdings, Inc. It is engaged in the generation of electricity. This company was sold July 24, 2007.
- o. DTE Hillman, LLC (“Hillman”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Hillman is a wholly owned subsidiary of DTE ES.
 - i. Cactus DTE, S. de R.L. de C.V. (“Cactus”) is a company in Mexico with offices at 414 S. Main, Ann Arbor, Michigan 48104. Cactus is 99% owned by Hillman and 1% owned by DTE ES.
- p. DTE Indiana Harbor, LLC (“Indiana Harbor”) was a Delaware company that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. Indiana Harbor was owned 75% by DTE ES and was owned 25% by DTE ES Holdings. Indiana Harbor was dissolved on December 3, 2007.
- q. DTE Lake Road Operations, LLC (“Lake Road”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Lake Road is a wholly owned subsidiary of DTE ES and is engaged in the operation and maintenance of an electric generation facility.
- r. DTE Mobile Operations, LLC (“DTE Mobile”), formerly DTE Carneys Point, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Mobile is a wholly owned subsidiary of DTE ES and is involved in the operation of Mobile Energy.
- s. DTE Northwind Operations, L.L.C. (“Northwind Operations”) was a Michigan company that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. Northwind Operations was a wholly owned subsidiary of DTE ES and handled the operation and maintenance of Northwind. Northwind Operations merged into DTE ES Operations, LLC on December 5, 2007, with DTE ES Operations as the surviving entity.
- t. DTE On-Site Energy, LLC (“On-Site”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE On-Site is a wholly owned subsidiary of DTE ES and is involved in on-site energy projects.
 - i. EIUC Holdings, LLC, (“EIUC Holdings”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. EIUC Holdings is a wholly owned subsidiary of On-Site and is a holding company for EIUC.

1. Energy & Industrial Utilities Company, LLC, (“EIUC”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. EIUC is wholly owned by EIUC Holdings, LLC and is a holding company.
 - a) DTE Burns Harbor Holdings, LLC (“Burns Harbor Holdings”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Burns Harbor Holdings is a wholly owned subsidiary of EIUC.
 - i. DTE Burns Harbor, L.L.C. (“DTE Burns Harbor”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Burns Harbor is 51% owned by Burns Harbor Holdings and operates a coke battery facility.
 - b) DTE Defiance, LLC, formerly Defiance Energy, LLC, is an Ohio company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Defiance is a wholly owned subsidiary of EIUC.
 - c) DTE Heritage, LLC (“DTE Heritage”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Heritage is a wholly owned subsidiary of EIUC and is engaged in the ownership and operation of an internal electric distribution system of electricity.
 - d) DTE Indiana Harbor Holdings, LLC (“DTE Indiana Harbor”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Indiana Harbor is a wholly owned subsidiary of EIUC.
 - i. Indiana Harbor Coke Company LP (“Indiana Harbor Coke Company”) is a Delaware limited partnership with offices at 414 S. Main, Ann Arbor, Michigan 48104. Indiana Harbor Coke Company is 5% owned by Indiana Harbor Holdings, LLC.
 - e) DTE Lordstown, LLC (“Lordstown”), formerly Lordstown Energy, LLC, is an Ohio company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Lordstown is a wholly owned subsidiary of EIUC.
 - f) DTE Moraine, L.L.C. (“Moraine”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Moraine is a wholly owned subsidiary of EIUC and is engaged in the development and operation of a compressed air facility.
 - g) DTE Northwind, L.L.C. (“Northwind”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Northwind is a wholly owned subsidiary of EIUC and operates a chilled water plant.
 - h) DTE PCI Enterprises Company, LLC (“DTE PCI”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE PCI is a wholly owned subsidiary of EIUC and operates a pulverized coal facility.
 - i) DTE Pittsburgh, LLC (“Pittsburgh”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Pittsburgh is a wholly owned subsidiary of EIUC.
 - j) DTE Pontiac North, LLC (“Pontiac”), formerly DTE Wickliffe, LLC (“Wickliffe”), is a Michigan company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Pontiac is a wholly owned subsidiary of EIUC.

- k) DTE Sparrows Point, L.L.C. (“Sparrows Point”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Sparrows Point is a wholly owned subsidiary of EIUC and is engaged in the operation of a pulverized coal injection plant.
- l) DTE Tonawanda, LLC (“Tonawanda”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Tonawanda is a wholly owned subsidiary of EIUC and is engaged in wastewater treatment and supply of chilled water.
- m) EES Coke Battery, L.L.C. (“EES”) is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. EES is 99.5% owned by EIUC and .5% by CBC and is engaged in coke supply.
- n) EIUC Finance Corporation (“EIUC Finance”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. EIUC Finance is a wholly owned subsidiary of EIUC.
- o) Metro Energy, LLC is a Michigan company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Metro Energy, LLC is a wholly owned subsidiary of EIUC and provides energy related services.
- u. DTE PetCoke, LLC (“Pet Coke”), formerly DTE Utility Services, LLC, is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Pet Coke is wholly owned subsidiary of DTE ES, and is engaged in the supply of petroleum coke.
- v. DTE Pulp & Paper Holdings, Inc. (“DTE Pulp”), formerly DTE Mobile, LLC is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. DTE Pulp is a wholly owned subsidiary of DTE ES and is a holding company.
 - i. MESC Capital, LLC (“MESC Cap”), formerly DTE Capital, LLC is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. MESC Cap is 50% owned by DTE Pulp and is involved in financing and investing activities.
 - ii. DTE Open-Loop Biomass, LLC is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. It is wholly owned by DTE Pulp and Paper Holdings
- w. DTE Sparrows Point Operations, Inc. (“Sparrows Point Operations”) was a Michigan corporation that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. Sparrows Point Operations was a wholly owned subsidiary of DTE ES, and was engaged in the operation of pulverized coal injection facilities. Sparrows Point Operations merged into DTE ES Operations, LLC on December 5, 2007, with DTE ES Operations LLC as the surviving company.
- x. DTE Synfuels, L.L.C. (“Synfuels”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Synfuels is a wholly owned subsidiary of DTE ES and is a holding company for synfuel projects.
 - i. DTE Buckeye Operations, LLC (“Buckeye Operations”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Buckeye Operations is a wholly owned subsidiary of Synfuels and is engaged in synthetic fuel machine operations
 - ii. DTE IndyCoke Operations, LLC (“IndyCokeOper”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. IndyCokeOper is a wholly owned subsidiary of Synfuels and is engaged in synthetic fuel machine operations.

- iii. DTE Smith Branch Operations, LLC (“Smith Branch Operations”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Smith Branch Operations is a wholly owned subsidiary of Synfuels and is engaged in the operation of synthetic fuel facilities.
- iv. DTE Synfuel Operations, LLC (“Synfuel Operations”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Synfuel Operations is a wholly owned subsidiary of Synfuels and provides labor and management services to operate synthetic fuel manufacturing facilities
- v. DTE Synfuel Partners, LLC (“Synfuel Partners”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Synfuel Partners is a wholly owned subsidiary of Synfuels and is a holding company for numerous synthetic fuel manufacturing facilities.
 - 1. DTE Belews Creek, LLC (“Belews Creek”), formerly CRC No. 3, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Belews Creek is 1% owned by Synfuels Partners and is engaged in synfuel projects.
 - 2. DTE Buckeye, LLC (“Buckeye”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Buckeye is 1% owned by Synfuel Partners, and is engaged in synfuel projects. .
 - 3. DTE Clover, LLC (“Clover”), formerly CRC No. 6, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Clover is 5% owned by Synfuel Partners, and is engaged in synfuel projects.
 - 4. DTE IndyCoke, LLC (“IndyCoke”), formerly CRC No. 1, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. IndyCoke is 1% owned by Synfuel Partners, and is engaged in synfuel projects.
 - 5. DTE River Hill, L.L.C. (“Riverhill”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Riverhill is 46% owned by Synfuels and 5% owned by Synfuel Partners, and is engaged in synfuel projects.
 - 6. DTE Smith Branch, LLC (“Smith Branch”), formerly CRC No. 5, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Smith Branch is 1% owned by Synfuel Partners, and is engaged in synfuel projects.
 - a) DTE Pineville, LLC (“DTE Pine”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Pine is a wholly owned by DTE Smith Branch and is engaged in synfuel projects.
 - i. DTE Red Mountain, L.L.C. (“Red Mountain”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Red Mountain is 25.14% owned by DTE ES Holdings No. 1, 48.7% owned by DTE Pine, 2.57% owned by Synfuel Partners and 23.6% owned by Synfuels and is engaged in synfuel projects.
 - 7. DTE Utah Synfuels, LLC (“Utah Synfuels”), formerly DTE Kentucky, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Utah Synfuels is 1% owned by Synfuel Partners, and is engaged in synfuel projects.
- y. DTE Tonawanda Operations, LLC (“Tonawanda Operations”) was a Delaware company that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. Tonawanda Operations was a wholly owned subsidiary of DTE ES and was engaged in the operation of Tonawanda. Tonawanda

Operations merged into DTE ES Operations, LLC December 5, 2007, with DTE ES Operations LLC as the surviving entity.

- z. DTE Utility Services Holdings, LLC (“Utility Serv”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Utility Serv is a wholly owned subsidiary of DTE ES.
 - i. DTE Energy Center, LLC (“Energy Center”) is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. Energy Center is 50% owned by Utility Serv and is involved in providing utility and energy conservation services.
- aa. DTE Woodland, LLC (“Woodland”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Woodland is a wholly owned subsidiary of DTE ES.
 - i. Woodland Biomass Power Ltd. is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. This company is a wholly owned subsidiary of Woodland.
- bb. Mobile Energy Services Company, LLC (“Mobile Energy”) is an Alabama company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Mobile Energy is a wholly owned subsidiary of DTE ES and owns and operates the energy and recovery complex and related facilities located at the pulp and tissue mill in Mobile, Alabama.
- cc. PCI Enterprises Company, Inc. (“PCI”) was a Michigan corporation that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. PCI was a wholly owned subsidiary of DTE ES and operated a pulverized coal facility. It merged into DTE PCI Enterprises Company, LLC on June 25, 2007 with DTE PCI Enterprises Company, LLC as the surviving entity.
- dd. Power Energy Partners, LLC (“Power Energy Partners”) is a Delaware company that previously had offices at 414 S. Main, Ann Arbor, Michigan 48104. Power Energy Partners was a wholly owned subsidiary of DTE ES, and was a holding company. This company was sold on October 15, 2007.
 - i. Crete Energy Venture, LLC (“CEV”) is a Delaware company that previously had offices at 414 S. Main Street, Ann Arbor, Michigan 48104. CEV was 50% owned by Power Energy Partners, and was engaged in electricity generation. This company was sold on October 15, 2007.
 - ii. Crete Turbine Holdings, LLC (“CTH”) is a Delaware company that previously had offices at 414 S. Main Street, Ann Arbor, Michigan 48104. CTH was 50% owned by Power Energy Partners, and was engaged in equipment sales. This company was sold on October 15, 2007.
- 4. DTE Energy Trading, Inc. (“DTE Energy Trading”), formerly Huron Energy Services, Inc., is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. DTE Energy Trading is a wholly owned subsidiary of DTE ER. DTE Energy Trading is engaged in wholesale and retail energy marketing.
- 5. DTE Generation, Inc. (“DTE Generation”) is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Generation is a wholly owned subsidiary of DTE ER and is a holding company.
 - a. DTE River Rouge, No. 1, LLC (“DTE River”) is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE River is a wholly owned subsidiary of DTE Generation and is involved in a project at River Rouge Power Plant.

- C. DTE Energy Trust I (“DTE I”) is a Delaware statutory trust with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE I issued the 7.8% Trust Preferred Securities and trust common securities, purchased DTE Energy debt securities, fully and unconditionally guaranteed by DTE Energy Company.
- D. DTE Energy Trust II (“DTE II”) is a Delaware statutory trust with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE II may offer from time to time trust preferred securities.
- E. DTE Energy Trust III (“DTE III”) is a Delaware statutory trust with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE III may offer from time to time trust preferred securities.
- F. DTE Energy Ventures, Inc. (“DTE Ventures”), formerly Edison Development Corporation, is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Ventures is a wholly owned subsidiary of DTE and is engaged in business development.
 - 1. DTE Solar Company of California (“Solar”) is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Solar is a wholly owned subsidiary of DTE Ventures. Solar is engaged in solar photovoltaic leasing.
 - 2. Plug Power Inc. (“Plug”) is a New York corporation with offices at 468 Albany-Shaker Road, Latham, New York 12110. Plug is involved with fuel cell technology. DTE Ventures and DTE Energy hold a combined interest of 9.4% in Plug with DTE Ventures being the majority holder.
- G. DTE Enterprises, Inc. (“DTEE”) is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Except where otherwise indicated, DTEE owns, directly or indirectly, all of the outstanding common stock of MichCon Holdings, Inc., Citizens Gas Fuel Company (“Citizens”), and MCN Energy Enterprises LLC (“MCNEE”).
 - 1. Citizens Gas Fuel Company (“Citizens”), a Michigan corporation, is a public utility engaged in the distribution of natural gas in Michigan. Citizens’ principal executive offices are located at 127 N. Main Street, Adrian, Michigan 49221. Citizens is a wholly owned subsidiary of DTE Enterprises, Inc.
 - 2. MichCon Holdings, Inc., a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279, is the holding company for Michigan Consolidated Gas Company (“MichCon”), a Michigan corporation, and MichCon Enterprises, Inc.
 - a. MichCon is a public utility engaged in the distribution and transmission of natural gas in the state of Michigan. MichCon’s principal executive offices are located at 2000 2nd Avenue, Detroit, Michigan 48226-1279. MichCon conducts substantially all of its business in the state of Michigan and is subject to the jurisdiction of the Michigan Public Service Commission (“MPSC”) as to various phases of its operations, including gas sales rates, service, and accounting.
 - i. Blue Lake Holdings, Inc. is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Blue Lake Holdings, Inc is a wholly owned subsidiary of MichCon. It holds a 25% interest in Blue Lake Gas Storage Company.
 - 1. Blue Lake Gas Storage Company is a partnership that has converted a depleted natural gas field in northern Michigan into a 46 billion cubic feet (Bcf) natural gas storage field, which it now operates.
 - ii. MichCon Development Corporation is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. This is a wholly owned subsidiary of MichCon.
 - iii. MichCon Pipeline Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Through the subsidiaries below, it is engaged in pipeline and gathering projects in Michigan. MichCon Pipeline Company is wholly owned by MichCon.

1. DTE Terra Hayes Gathering Company is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226. It owns and operates the Terra Hayes Pipeline. It is wholly owned by MichCon Pipeline Company.
2. Jordan Valley Pipeline Company is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226. It owns and operates the Jordan Valley Pipeline. It is wholly owned by MichCon Pipeline Company.
3. Jordan Valley – Terra Hayes Pipelines, LLC was a Michigan company that previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226, was a holding company. It was dissolved May 17, 2007.
4. MichCon Gathering Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It owns and operates the Antrim Expansion Pipeline.
5. MichCon Lateral Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It owns and operates a 210 mile pipeline and 325 miles of gathering lines in northern Michigan.
6. Saginaw Bay Lateral Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is the sole general partner and owns 46% of Saginaw Bay Lateral Michigan Limited Partnership that owns and operates lateral pipelines interconnecting with the 68-mile pipeline described in Saginaw Bay Pipeline Company below.
 - a) Saginaw Bay Lateral Michigan Limited Partnership is a Michigan company. Saginaw Bay Lateral Company owns 46% of Saginaw Bay Lateral Michigan Limited Partner ship.
7. Saginaw Bay Pipeline Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It currently owns and operates a 68-mile pipeline that transports natural gas and natural gas liquids from reserves in east-central Michigan to natural gas processing plants in northern Michigan.
8. Thunder Bay Gathering Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It owns and operates a pipeline system, consisting of 44 miles of gathering lines situated in Alpena and Alcona Counties in northeast Michigan.
9. Tums/Olund Lake Pipeline Company is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226. It owns and operates the Tums/Olund Lake Pipeline. It is wholly owned by MichCon Pipeline Company.
10. Westside Pipeline Company is a Michigan corporation that previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It was merged into Westside Pipeline Company, LLC on June 26, 2007, with Westside Pipeline Company, LLC as the surviving company and it was sold on June 29, 2007.
 - a) Terra-Westside Processing Company is a Michigan company that previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226 and owned a CO2 processing plant located in northern Michigan. Westside Pipeline Company LLC owns an 85% interest in it. It was sold on June 29, 2007, along with Westside pipeline Company, LLC.

11. Westside Pipeline Company, LLC is a Michigan company was formed on June 25, 2007, and previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226. It was sold on June 29, 2007.
- b. MichCon Enterprises, Inc., a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. (a non-regulated affiliate) was formed to engage in non-regulated activities.
 - i. MichCon Fuel Services Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It markets natural gas as a vehicular fuel and markets energy to residential and commercial customers through a transportation brokerage pilot program. MichCon Fuel Services Company became inactive in 2001. MichCon Fuel Services Company is a wholly owned subsidiary of MichCon Enterprises, Inc.
3. MCN Energy Enterprises, LLC. ("MCNEE"), formerly MCN Investment Corporation, is the holding company for DTEE's various diversified energy subsidiaries. MCNEE, through its subsidiaries and joint ventures, provides gathering, processing and transmission services; engages in energy marketing activities and storage services; engages in gas and oil exploration, development and production; and is involved in other energy-related businesses. Except where otherwise indicated, the companies set forth below are wholly owned subsidiaries of MCNEE.
 - a. Atlas Gas & Oil Company, LLC is a Michigan company that previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Atlas Gas & Oil Company, LLC was a wholly owned subsidiary of MCNEE. It was the surviving entity of a merger with DTE Gas & Oil Company and was sold on June 29, 2007.
 - b. DTE Gas Resources, LLC ("DTE Gas Resources"), formerly DTE Gas Resources, Inc and DTE Exploration & Development, Inc. is a Michigan limited liability company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Gas Resources is a wholly owned subsidiary of MCNEE. It is engaged in natural gas and oil exploration, development and production, through the following subsidiaries.
 - i. Coleman Gathering Company is a Texas company with offices at 2000 2nd Avenue, Detroit, Michigan 48226. Coleman is a wholly owned subsidiary of DTE Gas Resources.
 - ii. DTE Yates Center, Inc. ("DTE Yates") was a Michigan corporation that previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Yates was involved in coal-bed methane activities, which have now been divested. It was dissolved on March 12, 2008.
 - iii. DTE Texas I, LLC ("TX I") was a Delaware corporation that previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. TX I was a wholly owned subsidiary of DTE Gas. It was dissolved on May 10, 2007.
 - iv. DTE Texas II, LLC ("TX II") was a Delaware corporation that previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. TX II was a wholly owned subsidiary of DTE Gas. It was dissolved on May 10, 2007.
 - c. DTE Gas Storage Company, formerly MCNIC Gas Storage Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It engages in the storage of natural gas and is wholly owned by MCNEE.
 - i. DTE Northeast Storage Company LLC is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. This company is wholly owned by DTE Gas Storage Company.

- ii. Shelby Storage LLC is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is used to procure storage, mineral and load rights for a storage field. Shelby Storage LLC is wholly owned by DTE Gas Storage Company
- iii. South Romeo Gas Storage Company, LLC (“South Romeo”) is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279 and is owned 50% by DTE Gas Storage Company. South Romeo holds a 33% interest in South Romeo Gas Storage Corporation. South Romeo.
 - 1. South Romeo Gas Storage Corporation is a Michigan corporation which was formed to facilitate the development of the Washington 29 Storage field. It is owned 33% by South Romeo Gas Storage Company, LLC.
- iv. Washington 10 Gas Holdings, Inc. is a Delaware corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226. It is a wholly owned subsidiary of DTE Gas Storage Company.
 - 1. Washington 10 Storage Corporation is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by Washington 10 Gas Holdings, Inc.
- v. Washington 10 Storage Partnership is a Michigan partnership with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. The partnership is owned 50% by DTE Gas Storage Company and 50% by W-10 Holdings, Inc. and the purpose of the partnership is to lease and operate the Washington 10 natural gas storage facility.
- vi. W-10 Holdings, Inc., is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It holds a 50% interest in Washington 10 Storage Partnership, a partnership that developed and operates the Washington 10 Storage Field, an 86.3 Bcf storage field in southeastern Michigan.
- d. DTE Gas Storage, Pipelines and Processing Company, formerly MCNIC Pipeline & Processing Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It owns interests in pipeline and processing projects directly and through the following subsidiaries and partnerships. It is wholly owned by MCNEE.
 - i. Bagley Processing Company is a Michigan general partnership with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It previously owned and operated a CO2 removal facility. DTE Gas Storage, Pipelines and Processing Company owns a 47% general partnership interest in Bagley Processing Company.
 - ii. DTE East Coast Pipeline Company, formerly MCNIC East Coast Pipeline Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company.
 - iii. DTE LLC Millennium Company, formerly MCNIC L.L.C. Millennium Company, is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company and is inactive.
 - iv. DTE Michigan Holdings, Inc., formerly MCNIC Michigan Holdings, Inc. is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company. It owns and operates CO2 removal facilities in northern Michigan.

1. DTE Thunder Bay Processing, LLC is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by DTE Michigan Holdings., Inc.
- v. DTE Millennium Company, formerly MCNIC Millennium Company, is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company. It owns a 26.25% interest in the Millennium Pipeline Company, L.L.C.
1. Millennium Pipeline Company, LLC is a Delaware company with offices at One Blue Hill Plaza, 7th Floor, P.O. Box 1565, Pearl River, New York 10965. It will own and operate the Millennium Pipeline system. DTE Millennium Company owns 26.25% of Millennium Pipeline Company, LLC.
- vi. DTE Vector Canada, Inc. formerly MCNIC Vector Canada, Inc. is a New Brunswick corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company. It holds a 39.6% limited partnership interest in Vector Pipeline Limited Partnership, an Alberta, Canada limited partnership which owns the Canadian portion of the Vector Pipeline.
1. Vector Pipeline Limited Partnership, is an Alberta Canada limited partnership with offices at 38750 Seven Mile Road, Suite 490, Livonia, Michigan 48152 owns the Canadian portion of the Vector Pipeline. DTE Vector Canada, Inc. owns 39.6% of Vector Pipeline Limited Partnership.
- vii. DTE Vector Canada II, Inc., formerly MCNIC Vector Canada II, Inc. is a New Brunswick corporation. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company. It holds a 40% interest in Vector Pipeline Limited, which owns a 1% general partnership interest in Vector Pipeline Limited Partnership., an Alberta, Canada limited partnership which owns the Canadian portion of the Vector Pipeline.
1. Vector Pipeline Limited is an Alberta Canada Corporation, with offices at 38705 Seven Mile Road, Suite 490, Livonia, Michigan 48152. It owns a 1% general partnership interest in Vector Pipeline Limited Partnership, an Alberta Canada limited partnership which owns the Canadian portion of the Vector Pipeline.
- viii. DTE Vector Company, formerly MCNIC Vector Company, is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company. It was formed to hold a 39.6% limited partnership interest in Vector Pipeline L.P., a Delaware Limited Partnership which owns and operates the Vector Pipeline.
1. Vector Pipeline L.P. is a Delaware limited partnership with offices at 38750 Seven Mile Road, Suite 490, Livonia, Michigan 48152. It owns and operates the Vector Pipeline.
- ix. DTE Vector II Company, formerly MCNIC Vector II Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company. It holds a 40% interest in Vector Pipeline LLC., which owns a 1% general partnership interest in Vector Pipeline L.P., a Delaware limited partnership which owns and operates the Vector Pipeline.
1. Vector Pipeline LLC, is a Delaware limited liability company with offices at 38750 Seven Mile Road, Suite 490, Livonia,, Michigan 48152. It owns a 1% general partnership interest in Vector Pipeline L.P., a Delaware limited partnership which owns and operates the Vector Pipeline.

- x. MCNIC Compression GP, Inc. is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279 and is inactive. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company.
- xi. MCNIC Mobile Bay Gathering Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279 and is inactive. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company.
- xii. MCNIC Offshore Pipeline & Processing Company is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279 and is inactive. It is wholly owned by DTE Gas Storage, Pipelines and Processing Company.
- e. DTE Gas & Oil Company ("DTE Gas & Oil") formerly MCN Oil & Gas Company is a Michigan corporation which previously had offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Gas & Oil was engaged in natural gas and oil exploration, development and production. It was merged into Atlas Gas & Oil Company, LLC, which was the surviving entity. Atlas Gas & Oil Company, LLC was sold on June 29, 2007.
- f. DTE Oil & Gas Group, Inc. is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It is wholly owned by MCNEE. It is engaged in natural gas and oil exploration, development and production through the following subsidiaries:
 - i. MCNIC Enhanced Production, Inc. is a wholly owned subsidiary of DTE Oil & Gas Group, Inc., which has a 75% interest in Otsego EOR, L.L.C. It is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279.
 - 1. Otsego EOR, LLC is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279 and is owned 75% by MCNIC Enhanced Production, Inc.
 - ii. MCNIC Oil & Gas Midcontinent, Inc., a wholly owned subsidiary of DTE Oil & Gas Group, Inc. It is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279.
 - iii. MCNIC Oil & Gas Properties, Inc., a wholly owned subsidiary of DTE Oil & Gas Group, Inc., is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279.
 - iv. Otsego Exploration Company, L.L.C., a wholly owned subsidiary of DTE Oil & Gas Group, Inc., is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279.
- g. MCN International Corporation is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. It was formed as a holding company for DTEE's international subsidiaries and is wholly owned by MCNEE.
 - i. MCNIC GP International Holdings of Grand Cayman, Cayman Islands is wholly owned by MCN International Corporation and is an inactive company
 - ii. MCNIC International Holdings of Grand Cayman, Cayman Islands is wholly owned by MCN International Corporation and is an inactive company
 - iii. MCNIC Nepal Limited of Grand Cayman, Cayman Island, was wholly owned by MCN International Corporation and owned 100% of the Class B Capital Stock of Panda Bhote Koshi, which gave MCNIC Nepal rights to an 85% distribution of Panda Bhote Koshi, a Cayman Island company that held a 100% interest in Panda of Nepal. Panda of Nepal held a

75% interest in Bhote Koshi Power Company Private Limited, which owned a 36 Megawatt ("MW") hydroelectric power project in Nepal. Bhote Koshi Power Company Private Limited was sold on March 24, 2006. Panda Bhote Koshi and Panda of Nepal were struck from the register (dissolved) on September 29, 2006. This company was stricken from the Grand Caymans Register, June 29, 2007.

- iv. MCNIC UAE Limited of Grand Cayman, Cayman Island is wholly owned by MCN International Corporation and was formed to hold a 39% interest in an United Arab Emirate fertilizer plant project. Subsequently, MCNIC UAE Limited converted its equity interest into a loan. The loan was sold in 2004, leaving MCNIC UAE with no remaining assets.
- H. DTE Services I, LLC ("DTE Serv") is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Serv is a single member L.L.C., which holds the lease for the jet used for corporate travel. The lease is through Corporate Eagle Capital, L.L.C. DTE Serv is a wholly owned subsidiary of DTE.
- I. Syndeco Realty Corporation ("Syndeco") is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Syndeco is a wholly owned subsidiary of DTE. Syndeco is engaged in real estate projects.
- 1. Copeley License, LLC ("Copeley") is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Syndeco holds 100% of this entity.
 - 2. Syndeco Meadowbrook, LLC ("Meadowbrook") is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Syndeco holds 50% of this entity, which owns property in Novi for future development.
 - 3. Syndeco Plaza L.L.C. ("Syndeco Plaza") is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Syndeco Plaza is a wholly owned subsidiary of Syndeco and is engaged real estate projects.
 - 4. Syndeco Plaza Unit Acquisition LLC ("Plaza Unit") is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Syndeco holds 100% of this entity.
- J. The Detroit Edison Company ("Detroit Edison") is incorporated in Michigan and is a Michigan public utility. It is engaged in the generation, purchase, distribution and sale of electric energy in Southeastern Michigan. It also owned and operated a steam heating system in Detroit, Michigan, which was sold in January, 2003. On January 1, 1996, Detroit Edison became a wholly owned subsidiary of the Company. Detroit Edison's address is 2000 2nd Avenue, Detroit, Michigan 48226-1279.
- 1. Detroit Edison Trust I ("DET I") is a Delaware statutory trust with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DET I may offer from time to time trust preferred securities.
 - 2. Detroit Edison Trust II ("DET II") is a Delaware statutory trust with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DET II may offer from time to time trust preferred securities.
 - 3. Detroit Edison Trust III ("DET III") is a Delaware statutory trust with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DET III may offer from time to time trust preferred securities.
 - 4. Midwest Energy Resources Company ("MERC") is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. MERC is a wholly owned subsidiary of Detroit Edison and is engaged in operating a coal-transshipment facility in Superior, Wisconsin.

5. St. Clair Energy Corporation ("St. Clair") is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. St. Clair is a wholly owned subsidiary of Detroit Edison and is engaged in fuel procurement.
 6. The Detroit Edison Securitization Funding, L.L.C. ("Securitization Funding") is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Securitization Funding is a wholly owned subsidiary of Detroit Edison and is a special purpose entity established to recover certain stranded costs, called Securitization Property by Michigan Statute.
 7. The Edison Illuminating Company of Detroit ("EIC") is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. EIC is a wholly owned subsidiary of Detroit Edison and holds real estate.
- K. Wolverine Energy Services, Inc. ("Wolverine") is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Wolverine is a wholly owned subsidiary of the Company and is a holding company.
1. DTE Edison America, Inc. ("Edison America") is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Edison America is a wholly owned subsidiary of Wolverine, which is licensed to market energy and energy related products.
 2. DTE Energy Solutions, Inc. ("Solutions") is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Solutions is a wholly owned subsidiary of Wolverine and is engaged in system based energy related products and services.
 - a. DTE Energy Solutions Canada, Ltd. ("Energy Solutions"), prior to May 8, 2002, was a joint venture between DTE Probyn Energy Solutions, Inc. and Probyn Company. This joint venture was organized June 23, 1998 under the Ontario Business Corporations Act. On May 8, 2002 Solutions acquired a 100% interest and changed the name to Energy Solutions. Energy Solutions previously had offices at 197 Glengarry Avenue, Toronto, Canada M5M 1E1. It was dissolved February 8, 2008.
 - b. DTE Engineering Services, Inc., ("DTE Engineering Services"), formerly UTS Systems, Inc., is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. DTE Engineering Services is a wholly owned subsidiary of Solutions. DTE Engineering Services is engaged in professional engineering services.
 - c. Global View Technologies, L.L.C. ("Global") is a Michigan company with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Solutions holds a 19% interest in Global.
 3. DTE Energy Technologies, Inc. ("Technologies") is a Michigan corporation with offices at 2000 2nd Avenue, Detroit, Michigan 48226-1279. Technologies is a wholly owned subsidiary of Wolverine and is engaged in energy solutions for industrial, commercial and small businesses.
 - a. Alliance Energy Companies, Ltd. ("Alliance") is a Minnesota corporation with offices at 1715 Lake Drive West, Chanhassen, Minnesota 55317-8580. Alliance is a wholly owned subsidiary of Technologies and is the holding company for the following entity.
 - i. DTE Energy Technologies-Canada, Inc., ("DTE ET Canada"), formerly Alliance Energy Systems Canada, Ltd., is an Ontario, Canada corporation, with offices at 2425 Matheson Boulevard East, Mississauga, Canada L4W 5K4. DTE ET Canada is a wholly owned subsidiary of Alliance and is engaged in selling electric generators in the Canadian market.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
CORPORATIONS CONTROLLED BY RESPONDENT					
<ol style="list-style-type: none"> 1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If Control ceased prior to end of year, give particulars (details) in a footnote. 2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved. 3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests. 4. 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 in column (a) provided the fiscal years for both the 10-K and this report are compatible. 					
DEFINITIONS					
<ol style="list-style-type: none"> 1. See the Uniform System of Accounts for a definition of control. 2. Direct control is that which is exercised without interposition of an intermediary. 3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control. 4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party. 					
Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)		
Blue Lake Holdings, Inc.	A 25% general partner in Blue Lake Gas Storage Company	100%			
MichCon Development Corporation	Real estate development.	100%			
MichCon Pipeline Company	Holding company parent holding 100% of the outstanding common stock of: DTE Terra Hayes Gathering Company Jordan Valley Pipeline Company MichCon Gathering Company MichCon Lateral Company Saginaw Bay Lateral Company Saginaw Bay Pipeline Company Thunder Bay Gathering Company Tums/Olund Lake Pipeline Company The following companies were previously held by MichCon Pipeline Company until date/action identified below: Jordan Valley-Terra Hayes Pipelines, LLC (Formed 03/27/07 and dissolved 05/17/07) Westside Pipeline Company (merged into Westside Pipeline Company, LLC 06/26/07 with Westside Pipeline Company, LLC as surviving entity and then sold on 06/29/07.) Westside Pipeline Company, LLC (Formed 06/25/07 and sold 06/29/07)	100%	(1)		
(1) See pages 102a - 102s for additional information.					

MICHIGAN CONSOLIDATED GAS COMPANY		An Original		December 31, 2007	
OFFICERS					
1. Report below the name, title and salary for the top five executive officers.					
2. Report in column (b) salaries and wages accrued during the year including deferred compensation					
3. In column (c) report any other compensation provided, such as bonuses, car allowance, stock options and rights, savings contribution, etc. and explain in a footnote what the amounts represent.					
4. If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.					
5. Upon request, the Company will provide the Commission with supplemental information on officers' and other employees' salaries.					
Line No.	Name and Title (a)	Base Wages (b)	Other Compensation (c) ⁽¹⁾	Total Compensation (d) ⁽²⁾	
1	Anthony F. Earley, Jr.	\$ 1,150,000	\$ 4,467,727	\$ 5,617,727	
2	Chairman of the Board and Chief Executive Officer of DTE Energy				
3	Gerard M. Anderson	\$ 765,385	\$ 1,978,802	\$ 2,744,187	
4	President and Chief Operating Officer of DTE Energy				
5	Robert J. Buckler	\$ 594,231	\$ 1,240,183	\$ 1,834,414	
6	Group President DTE Energy Distribution				
7	Bruce D. Peterson	\$ 436,154	\$ 751,496	\$ 1,187,650	
8	Senior Vice President and General Consul				
9					
10	David E. Meador	\$ 511,154	\$ 853,151	\$ 1,364,305	
11	Executive Vice President and Chief Financial Officer of DTE Energy				
12	⁽¹⁾ Includes bonuses and matching contributions to savings plans.				
13	⁽²⁾ Includes compensation for services provided to DTE Energy Company and subsidiary companies, including Michigan Consolidated Gas Company.				
14					
15					
16					
17					
18					

DIRECTORS

1. Report below the 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.
2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.

Name (and Title) of Director (a)	Principal Business Address (b)	Number of Directors' Meetings During Year (c)(1)	Fees During Year (d)
Anthony F. Earley, Jr. Director Chairman and Chief Executive Officer	2000 2nd Avenue Detroit, MI 48226-1279	0	0
Sandra Kay Ennis Director Corporate Secretary	2000 2nd Avenue Detroit, MI 48226-1279	0	0
David E. Meador Director Executive Vice President and Chief Financial Officer	2000 2nd Avenue Detroit, MI 48226-1279	0	0
Bruce D. Peterson Director	2000 2nd Avenue Detroit, MI 48226-1279	0	0

(1) MichCon Board of Directors held no scheduled meetings during 2007. As permitted by law, the Board acted on numerous matters by written consent.

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	DECEMBER 31, 2007
SECURITY HOLDERS AND VOTING POWERS		
<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 powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders. (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.</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 security. State whether voting rights are actual or contingent; if contingent, describe the contingency.</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.</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 dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.</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 style="margin-left: 40px;">Not Applicable</p>		
<p>2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such vote cast by proxy</p> <p style="margin-left: 40px;">Not Applicable</p>		
<p>3. Give the date and place of such meeting:</p> <p style="margin-left: 40px;">MichCon Board of Directors held no scheduled meetings during 2007. As permitted by law, the Board acted on numerous matters by written consent.</p>		

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL			DECEMBER 31, 2007		
SECURITY HOLDERS AND VOTING POWERS (Continued)					
Line No.		VOTING SECURITIES			
		Number of votes as of (date): December 31, 1998			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	10,300,000	10,300,000	0	
5	TOTAL number of security holders	1	1	0	
6	TOTAL votes of security holders listed below	10,300,000	10,300,000	0	
7					
8	MichCon Holdings, Inc.				
9	2000 2nd Avenue				
10	Detroit, MI 48226-1279	10,300,000	10,300,000	0	
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					
55					

IMPORTANT CHANGES DURING THE YEAR

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" or "not applicable" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

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.
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.
3. Purchase or sale of an operation 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.
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.
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.
6. Obligation 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.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceeding pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any 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.
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.
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.

1. None.
2. None.
3. None.

IMPORTANT CHANGES DURING THE YEAR

4. None.

5. None.

6. None.

7. None.

8. None.

9. None.

10. None.

11. None.

12. Important Changes

See Notes to Consolidated Financial Statements starting on page 123.1.

This page intentionally left blank.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
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	\$3,043,893,547	\$3,068,949,937	
3	Construction Work in Progress (107)	200-201	140,563,969	317,202,219	
4	TOTAL Utiltiy Plant (Enter Total of lines 2 & 3)		3,184,457,516	3,386,152,156	
5	(Less) Accum. Prov. for Depr. Amort., Depl. (108,111,115,119)	200-201	1,755,716,759	1,816,913,375	
6	Net Utility Plant (Enter Total of line 4 less 5)		1,428,740,757	1,569,238,781	
7	Nuclear Fuel (120.1 - 120.4, 120.6)	---	---	---	
8	(Less) Accum. Prov. for Amort. of Nuclear Fuel Assemblies (120.5)	---	---	---	
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		---	---	
10	Net Utility Plant (Enter Total of lines 6 and 9)		1,428,740,757	1,569,238,781	
11	Utility Plant Adjustments (116)	122-123	---	---	
12	Gas Stored Underground-Noncurrent (117)	220	33,591,614	32,199,614	
13	OTHER PROPERTY AND INVESTMENTS				
14	Nonutility Property (121)	221	2,290,163	2,011,978	
15	(Less) Accum. Prov. for Depr.and Amort.(122)	221	408,996	486,264	
16	Investments in Associated Companies (123)	222-223	---	---	
17	Investment in Subsidiary Companies (123.1)	224-225	84,926,643	94,761,540	
18	(For Cost of Account 123.1, See Footnote Page 224,line 42)				
19	Noncurrent Portion of Allowances	---			
20	Other Investments (124)	222-223,229	2,096,069	2,083,148	
21	Special Funds (125-128)	---	79,535,785	82,045,900	
22	TOTAL Other Property and Investments (Enter Total of lines 14 thru 21)		168,439,664	180,416,302	
23	CURRENT AND ACCRUED ASSETS				
24	Cash (131)	---	526,270	408,474	
25	Special Deposits (132-134)	---	---	---	
26	Working Funds (135)	---	---	---	
27	Temporary Cash Investments (136)	222-223	---	5,488,649	
28	Notes Receivable (141)	228A	933,150	545,406	
29	Customer Accounts Receivable (142)	228A	297,396,866	332,826,037	
30	Other Accounts Receivable (143)	228A	55,466,139	53,288,135	
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	228A	95,797,871	86,269,517	
32	Notes Receivable from Associated Companies (145)	228B	5,311,705	4,970,983	
33	Accounts Receivable from Assoc. Companies (146)	228B	88,418,292	55,844,374	
34	Fuel Stock (151)	228C	---	---	
35	Fuel Stock Expense Undistributed (152)	228C	---	---	
36	Residuals (Elec) and Extracted Products (Gas) (153)	228C	---	---	
37	Plant Material and Operating Supplies (154)	228C	15,677,088	16,962,154	
38	Merchandise (155)	228C	---	---	
39	Other Material and Supplies (156)	228C	---	---	
40	Nuclear Materials Held for Sale (157)	228C	---	---	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)					
Line No.	Title of Account (a)	Page No. (b)	Balance at Beginning of Year (d)	Balance at End of Year (d)	
41	Allowances (158.1 and 158.2)	---	---	---	
42	(Less) Noncurrent Portion of Allowances	---	---	---	
43	Stores Expenses Undistributed (163)	228C	862,319	2,891,211	
44	Gas Stored Underground - Current (164.1)	220	76,828,478	31,691,827	
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	220	---	---	
46	Prepayments (165)	226,230	10,626,990	7,196,937	
47	Advances for Gas (166-167)	229	---	---	
48	Interest and Dividends Receivable (171)	---	---	---	
49	Rents Receivable (172)	---	1,409,556	1,553,192	
50	Accrued Utility Revenues (173)	---	109,535,212	159,923,496	
51	Miscellaneous Current and Accrued Assets (174)	---	13,413,500	28,218,456	
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 51)	580,607,695		615,539,814	
53	DEFERRED DEBITS				
54	Unamortized Debt Expense (181)	---	5,218,337	4,051,938	
55	Extraordinary Property Losses (182.1)	230	---	---	
56	Unrecovered Plant & Regulatory Study Costs (182.2)	230	---	---	
57	Other Regulatory Assets	232	---	---	
58	Prelim. Survey & Invest. Charges (Electric)(183)	---	---	---	
59	Prelim. Survey & Invest. Charges (Gas) (183.1, 183.2)	231	---	---	
60	Clearing Accounts (184)	---	9,467	---	
61	Temporary Facilities (185)	---	---	---	
62	Miscellaneous Deferred Debits (186)	233	994,565,054	962,156,296	
63	Def. Losses from Disposition of Utility Plt. (187)	---	---	---	
64	Research, Devel. and Demonstration Expend. (188)	352-353	---	---	
65	Unamortized Loss on Reacquired Debt (189)	---	30,236,181	28,555,497	
66	Accumulated Deferred Income Taxes (190)	234-235	370,145,384	369,395,939	
67	Unrecovered Purchased Gas Costs (191)	---	---	---	
68	TOTAL Deferred Debits (Enter Total of lines 54 thru 67)		1,400,174,423	1,364,159,670	
69	TOTAL Assets and Other Debits (Enter Total of lines 10, 11, 12, 22 ,52, and 68)		\$3,611,554,153	\$3,761,554,181	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
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	\$10,300,000	\$10,300,000	
3	Preferred Stock Issued (204)	250-251	---	---	
4	Capital Stock Subscribed (202,205)	252	---	---	
5	Stock Liability for Conversion (203,206)	252	---	---	
6	Premium on Capital Stock (207)	252	---	---	
7	Other Paid-In Capital (208-211)	253	432,541,122	437,195,844	
8	Installments Received on Capital Stock (212)	252	---	---	
9	(Less) Discount on Capital Stock (213)	254	---	---	
10	(Less) Capital Stock Expense (214)	254	---	---	
11	Retained Earnings (215,215.1,216)	118-119	304,418,404	320,386,097	
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	25,827,053	35,659,030	
13	(Less) Reacquired Capital Stock (217)	250-251	---	---	
14	Accumulated Other Comprehensive Income (219)	122(a)(b)	(1,159,384)	(1,066,279)	
15	TOTAL Proprietary Capital (Enter Total of lines 2 thru 14)		771,927,196	802,474,692	
16	LONG-TERM DEBT				
17	Bonds (221)	256-257	745,000,000	715,000,000	
18	(Less) Reacquired Bonds (222)	256-257	---	---	
19	Advances from Associated Companies (223)	256-257	---	---	
20	Other Long-Term Debt (224)	256-257	---	---	
21	Unamortized Premium on Long-Term Debt (225)	258-259	1,078,125	1,428,859	
22	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	258-259	1,408,177	1,246,258	
23	TOTAL Long-Term Debt (Enter Total of lines 17 thru 22)		744,669,948	715,182,601	
24	OTHER NONCURRENT LIABILITIES				
25	Obligations Under Capital Leases - Noncurrent (227)	---	---	---	
26	Accumulated Provision for Property Insurance (228.1)	---	---	---	
27	Accumulated Provision for Injuries and Damages (228.2)	---	15,486,728	12,338,296	
28	Accumulated Provision for Pensions and Benefits (228.3)	---	---	---	
29	Accumulated Miscellaneous Operating Provisions (228.4)	---	---	---	
30	Asset Retirement Obligations (230)	---	99,588,521	104,387,018	
31	TOTAL Other Noncurrent Liabilities (Enter Total of lines 25 thru 30)		115,075,250	116,725,314	
32	CURRENT AND ACCRUED LIABILITIES				
33	Notes Payable (231)	260A	330,052,948	454,364,693	
34	Accounts Payable (232)	---	197,529,556	224,548,928	
35	Notes Payables to Associated Companies (233)	260B	59,228,143	62,202,958	
36	Accounts Payable to Associated Companies (234)	260B	20,724,578	53,759,362	
37	Customer Deposits (235)	---	16,680,266	16,230,746	
38	Taxes Accrued (236)	262-263	6,834,282	4,456,332	
39	Interest Accrued (237)	---	14,878,963	11,700,753	
40	Dividends Declared (238)	---	12,500,000	12,500,000	
41	Matured Long-Term Debt (239)	---	---	---	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (d)	Balance at End of Year (d)	
42	Matured Interest (240)	---	---	---	
43	Tax Collections Payable (241)	---	115,528	3,639,895	
44	Miscellaneous Current and Accrued Liabilities (242)	268	129,267,001	104,182,471	
45	Obligations Under Capital Leases-Current (243)	---	---	---	
46	Federal Income Taxes Accrued for Prior Years (244)	---	504,000	---	
47	Michigan Single Business Taxes Accrued for Prior Years (244.1)	---	---	---	
48	Federal Income Taxes Accrued for Prior Years-Adj. (245)	---	---	---	
49	Michigan Single Business Taxes Accrued for Prior Years-Adj. (245.1)	---	---	---	
50	TOTAL Current and Accrued Liabilities (Enter Total of lines 33 thru 49)		788,315,264	947,586,138	
51	DEFERRED CREDITS				
52	Customer Advances for Construction (252)	268	---	---	
53	Accumulated Deferred Investment Tax Credits (255)	266-267	14,803,739	13,039,857	
54	Deferred Gains from Disposition of Utility Plant (256)	---	---	---	
55	Other Deferred Credits (253)	269	529,156,530	462,221,867	
56	Other Regulatory Liabilities	278	39,473,211	82,416,822	
57	Unamortized Gain on Reacquired Debt (257)	260	---	---	
58	Accumulated Deferred Income Taxes (281-284)	272-277	608,133,015	621,906,890	
59	TOTAL Deferred Credits (Enter Total of lines 52 thru 58)		1,191,566,495	1,179,585,436	
60	Total Liabilities and Other Credits (Enter Total of lines 15, 23, 31, 50, and 59)		\$3,611,554,153	\$3,761,554,181	

STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,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 account 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's 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 resulting

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$1,808,128,273	\$1,789,395,431
3	Operating Expenses			
4	Operation Expenses (401)	320-325	1,506,089,509	1,486,680,830
5	Maintenance Expenses (402)	320-325	25,513,570	30,306,115
6	Depreciation Expense (403)	336-338	80,371,607	78,395,595
7	Amort. & Depl. of Utility Plant (404-405)	336-338	5,789,177	6,048,315
8	Amort. of Utility Plant Acq. Adj. (406)	336-338	-	-
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)	-	-	-
10	Amort. of Conversion Expenses (407)	-	-	-
11	Regulatory Debits (407.3)	-	-	-
12	(Less) Regulatory Credits (407.4)	-	-	-
13	Taxes Other Than Income Taxes (408.1)	262-263E	53,520,662	51,648,496
14	Income Taxes - Federal (409.1)	262-263E	8,220,244	41,374,125
15	- Other (409.1)	262-263E	81,567	(154,070)
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	46,828,418	46,678,524
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-277	35,594,812	71,994,514
18	Investment Tax Credit Adj. - Net (411.4)	266	(1,763,882)	(1,793,921)
19	(Less) Gains from Disp. of Utility Plant (411.6)		5,764,280	-
20	Losses from Disp. of Utility Plant (411.7)		-	-
21	(Less) Gains/Losses from Disposition of Allowances (411.8-411.9)		-	-
22	Accretion Expense (411.10)		5,938,157	5,463,561
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		1,689,229,936	1,672,653,056
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		\$118,898,338	\$116,742,375

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
STATEMENT OF INCOME FOR THE YEAR (Continued)					
<p>from settlement of any rate proceeding 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.</p> <p>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.</p> <p>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.</p> <p>9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.</p> <p>10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.</p>					
ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY	
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)
		\$1,808,128,273	\$1,789,395,431		
		1,506,089,509	1,486,680,830		
		25,513,570	30,306,115		
		80,371,607	78,395,595		
		5,789,177	6,048,315		
		-	-		
		-	-		
		-	-		
		-	-		
		-	-		
		53,520,662	51,648,496		
		8,220,244	41,374,125		
		81,567	(154,070)		
		46,828,418	46,678,524		
		35,594,812	71,994,514		
		(1,763,882)	(1,793,921)		
		5,764,280	-		
		-	-		
		-	-		
		5,938,157	5,463,561		
		1,689,229,936	1,672,653,056		
		\$118,898,338	\$116,742,375		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007	
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)	-	\$118,898,338	\$116,742,375
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)		2,079,470	2,123,347
30	(Less)Costs and Exp. of Merchandising, Jobbing & Contract Work (416)		2,539,916	1,531,557
31	Revenues From Nonutility Operations (417)		29,127	-
32	(Less) Expenses of Nonutility Operations (417.1)		-	-
33	Nonoperating Rental Income (418)		(858)	21,483
34	Equity in Earnings of Subsidiary Companies (418.1)	119	9,831,977	8,238,424
35	Interest and Dividend Income (419)		9,463,060	9,036,504
36	Allowance for Other Funds Used During Construction (419.1)		5,253,300	2,325,015
37	Miscellaneous Nonoperating Income (421)		1,318,490	200,716
38	Gain on Disposition of Property (421.1)			2,842,450
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		25,434,650	23,256,381
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)			2,635,338
42	Miscellaneous Amortization (425)	340	1,208,027	-
43	Miscellaneous Income Deductions (426.1-426.5)	340	1,606,993	(797,714)
44	TOTAL Other Income Deductions (Enter Total of lines 41 thru 43)		2,815,020	1,837,624
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263E	30,000	30,000
47	Income Taxes-Federal (409.2)	262-263E	3,049,333	1,987,153
48	Income Taxes-Other (409.2)	262-263E	-	-
49	Provision for Deferred Inc. Taxes (410.2)	234,272-277	-	-
50	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234,272-277	422,809	(58,044)
51	Investment Tax Credit Adj. - Net (411.5)		-	-
52	(Less) Investment Tax Credits (420)		-	-
53	TOTAL Taxes on Other Income & Deductions (Enter Total of 46 - 52)		2,656,524	2,075,197
54	Net Other Income and Deductions (Enter Total of lines 39, 44, 53)		19,963,106	19,343,560
55	INTEREST CHARGES			
56	Interest on Long-Term Debt (427)		44,775,738	47,446,564
57	Amort. of Debt Disc. and Expense (428)	258-259	1,328,318	763,070
58	Amortization of Loss on Reacquired Debt (428.1)		1,680,683	1,680,684
59	(Less) Amort. of Premium on Debt-Credit (429)	258-259	(350,734)	93,750
60	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		-	-
61	Interest on Debt to Assoc. Companies (430)	340	3,511,480	2,596,820
62	Other Interest Expense (431)	340	14,638,865	18,566,291
63	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		3,389,948	1,797,457
64	Net Interest Charges (Enter Total of 56 thru 63)		62,895,870	69,162,222
65	Income Before Extraordinary Items (Enter Total of lines 25, 54, and 64)		75,965,574	66,923,713
66	EXTRAORDINARY ITEMS			
67	Extraordinary Income (434)		-	91,182
68	(Less) Extraordinary Deductions (435)		-	-
69	Net Extraordinary Items (Enter Total of line 67 less line 68)		-	91,182
70	Income Taxes-Federal and Other (409.3)	262-263E	-	-
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)		-	91,182
72	Net Income (Enter Total of lines 65 and 71)		\$75,965,574	\$67,014,895

This page intentionally left blank.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
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 to the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on this page. In the event the deferred income tax expenses reported on pages 114-117 do not directly reconcile with the amounts found on this page, then provide the additional information requested in instruction #3, on a separate page.					
3. (a) Provide a detailed 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).					
Line No.		Electric Utility		Gas Utility	
1					
2	Debits to Account 410 from:				
3					
4	Account 190			\$8,632,398	
5	Account 281				
6	Account 282			9,484,779	
7	Account 283			28,711,241	
8	Account 284				
9	Account 244				
10	Total Account 410.1 (on pages 114-15 line 16)			\$46,828,418	
11	Total Account 410.2 (on pages 117 line 49)				
12					
13					
14	Credits to Account 411 from:				
15					
16	Account 190			\$11,545,344	
17	Account 281				
18	Account 282			6,801,574	
19	Account 283			17,247,894	
20	Account 284				
21	Reconciling Adjustments A/C 186-96				
22	Total Account 411.1 (on pages 114-15 line 17)			\$35,594,812	
23	Total Account 411.2 (on page 117 line 50)				
24					
25					
26	Net ITC Adjustment				
27					
28	ITC Utilized for the Year DR				
29	ITC Amortized for the Year CR			(1,763,882)	
30	ITC Adjustments:				
31	Adjust last year's estimate to actual per				
32	filed return				
33	Other (specify) Paysop Credit A/C 411-41				
34	Net Reconciling Adjustments Account 411.4*			(\$1,763,882)	
35	Net Reconciling Adjustments Account 411.5**				
36	Net Reconciling Adjustments Account 420***				
<p>* on pages 114-15 line 18</p> <p>** on page 117 line 51</p> <p>*** on page 117 line 52</p>					

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
STATEMENT OF RETAINED EARNINGS FOR THE YEAR			
<p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>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).</p> <p>3. State the purpose and amount for each reservation or appropriation of retained earnings.</p> <p>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.</p> <p>5. Show dividends for each class and series of capital stock. Show amounts of dividends per share.</p> <p>6. Show separately the state and federal income tax effect of items shown for Account 439, Adjustments to Retained Earnings.</p> <p>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.</p> <p>8. If any notes appearing in the report to stockholders are applicable to this statement, attach them at page 122.</p>			
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		\$304,418,404
2	Changes (Identify by prescribed retained earnings accounts)		0
3	Adjustments to Retained Earnings (Account 439)		
4	Credit: Effect of FIN 48		(165,795)
5	Credit: Miscellaneous adjustment		(109)
6	Credit:		
7	Credit:		
8	TOTAL Credits to Retained Earnings (Account 439)		(165,904)
9	Debit:		0
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (Account 439)		0
14	Balance Transferred from Income (Account 433 less Account 418.1)		66,133,597
15	Appropriations of Retained Earnings (Account 436)		
16			
17			
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		0
22	Dividends Declared - Preferred Stock (Account 437)		
23	Redeemable Cumulative Preferred Stock - \$2.05 - Series		0
24			
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)			
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
29	Dividends Declared - Common Stock (Account 438)		
30	Cash (Note)		50,000,000
31	Non-Cash		
32			
33	(Note) As a wholly owned subsidiary of MCN Corporation dividends		
34	were not declared on a per share basis.		
35	TOTAL Dividends Declared - Common Stock (Account 438)		50,000,000
36	Transfers from Acct. 216.1, Unappropriated Undistrib. Subsidiary Earnings		0
37	Balance - End of Year (Enter Total of lines 1 thru 36)		\$320,386,097
APPROPRIATED RETAINED EARNINGS (Account 215)			
State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated earnings during the year.			
38			
39			
40			
41			
42			
43	TOTAL Appropriated Retained Earnings (Account 215)		0
APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)			
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)		0
45	TOTAL Appropriated Retained Earnings (Accounts 215,215.1)		0
46	TOTAL Retained Earnings (Account 215,215.1,216)		0
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
47	Balance - Beginning of Year (Debit or Credit)		(\$25,827,053)
48	Equity in Earnings for Year (Credit) (Account 418.1)		(9,831,977)
49	(Less) Dividends Received (Debit)		
50	Other Changes (Explain) (below)		
51	Balance - End of Year (Enter Total of lines 47 thru 50)		(\$35,659,030)

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
STATEMENT OF CASH FLOWS			
<p>1. If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be attached to page 122. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.</p> <p>2. Under "Other" specify significant amounts and group others.</p> <p>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 page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.</p>			
Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Amounts (b)	
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 72 (c) on page 117)	\$75,965,574	
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	99,718,046	
5	Amortization of Cost to Achieve	1,208,027	
6			
7			
8	Deferred Income Taxes (Net)	14,357,420	
9	Investment Tax Credit Adjustment (Net)	(1,763,882)	
10	Net (Increase) Decrease in Receivables	(54,884,301)	
11	Net (Increase) Decrease in Inventory	45,136,651	
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	52,578,838	
14	Net (Increase) Decrease in Other Regulatory Assets	0	
15	Net Increase (Decrease) in Other Regulatory Liabilities	42,943,611	
16	(Less) Allowance for Other Funds Used During Construction	5,253,300	
17	(Less) Undistributed Earnings from Subsidiary Companies	9,834,897	
18	Other:		
19	Other Investments	106,026	
20	Other Current and Deferred Assets and Liabilities	(82,125,815)	
21	Loss/(Gain) of the Disposition of Property and Subsidiary Investments	(5,764,280)	
22	Debt Expense Amortization	3,359,736	
23			
24	Net Cash Provided by (Used in) Operating Activities:		
25	(Total of lines 2 thru 22)	\$175,747,454	
26			
27	Cash Flows from Investment Activities:		
28	Construction and Acquisition of Plant (including land):		
29	Gross Additions to Utility Plant (less nuclear fuel)	(227,006,392)	
30	Gross Additions to Nuclear Fuel		
31	Gross Additions to Common Utility Plant		
32	Gross Additions to Nonutility Plant	0	
33	(Less) Allowance for Other Funds Used During Construction	(5,253,300)	
34	Other:		
35	Net Property Retirements	(17,591)	
36	Removal Cost	(3,040,492)	
37	Cash Outflows for Plant (Total of lines 28 thru 36)	(224,811,175)	
38			
39	Acquisition of Other Noncurrent Assets (d)		
40	Proceeds from Disposal of Noncurrent Assets (d)	2,105,549	
41			
42	Investment in & Advances to Assoc. and Subsidiary Companies	0	
43	Contributions & Advances from Assoc. and Subsidiary Companies		
44	Disposition of Investments in (and Advances to)		
45	Associated and Subsidiary Companies		
46			
47	Purchase of Investment Securities (a)		
48	Proceeds from Sales of Investment Securities (a)		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
STATEMENT OF CASH FLOWS (Continued)			
4. Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. 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 costs on page 122.			
5. Codes used:			
(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.			
6. Enter on page 122 clarifications and explanations.			
Line No.	DESCRIPTION (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)	
49	Loans Made or Purchased		
50	Collections on Loans		
51			
52	Net (Increase) Decrease in Receivables	387,744	
53	Net (Increase) Decrease in Inventory		
54	Net (Increase) Decrease in Allowances Held for Speculation		
55	Net Increase (Decrease) in Payables and Accrued Expenses	0	
56	Other:		
57	Other		
58			
59			
60			
61	Net Cash Provided by (Used in) Investing Activities		
62	(Total of lines 36 thru 55)	(222,317,882)	
63			
64	Cash Flows from Financing Activities:		
65	Proceeds from Issuance of:		
66	Long-Term Debt (b)	0	
67	Preferred Stock		
68	Common Stock		
69	Other:		
70	Other		
71	Net Increase in Short-Term Debt (c)	131,941,281	
72	Other:		
73	Equity Investment	0	
74			
75	Cash Provided by Outside Sources (Total of lines 66 thru 73)	131,941,281	
76			
77	Payments for Retirement of:		
78	Long-Term Debt (b)	(30,000,000)	
79	Preferred Stock		
80	Common Stock		
81	Other:		
82	Other	0	
83	Net Decrease in Short-Term Debt (c)		
84	Dividends on Preferred Stock		
85	Dividends on Common Stock	(50,000,000)	
86	Net Cash Provided by (Used in) Financing Activities		
87	(Total of lines 75 thru 85)	51,941,281	
88			
89	Net Increase (Decrease) in Cash and Cash Equivalents		
90	(Total of lines 24, 61, 87)	\$5,370,853	
91			
92	Cash and Cash Equivalents at Beginning of Year	526,270	
93			
94	Cash and Cash Equivalents at End of Year	\$5,897,123	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME , AND HEDGING ACTIVITIES						
Line No.	Other Cash Flow Hedges (Specify) (f)	Other Cash Flow Hedges (Specify)* (g)	Totals for each category of items Account 219 (h)	Net Income (Carried Forward from Page 117, Line 72) (i)	Total Comprehensive Income (j)	
1		(1,252,488)	(1,262,014)			
2						
3		93,104	102,630			
4		93,104	102,630	67,014,895	67,117,525	
5		(1,159,384)	(1,159,384)			
6						
7		93,105	93,105			
8		93,105	93,105	75,965,574	\$76,058,679	
9		(1,066,279)	(1,066,279)			
	*Cash flow hedge related to debt issuance					

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 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 of 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 or 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 Systems 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.

A. Cash Flow Statement

1. Cash And Cash Equivalents (Lines 92 and 94)

	2007	2006
Cash (131)	\$408,474	\$526,270
Working Funds (135)	0	0
Temporary Cash Investments (136)	5,488,649	0
Total Cash and Cash Equivalents	<u>\$5,897,123</u>	<u>\$526,270</u>

Interest Paid (Net of amount capitalized)	\$66,104,293	\$67,625,087
Income Taxes Paid	\$9,771,599	\$41,010,229

3. Reconciliation of Capital Leases

	2007	2006
Leases Capitalized		
Property Under Capital Leases (101-10)	\$5,232,322	\$5,232,322
Accumulated Amortization of		
Capital Leases (101-11)	(5,232,322)	(5,232,322)
Total Leases Capitalized	<u>\$0</u>	<u>\$0</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

B. These 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 releases. Such requirements and published releases constitute a basis of accounting other than generally accepted accounting principles. The principal differences of this basis of accounting from generally accepted accounting principles include accounting for majority-owned subsidiaries on the equity basis, the classification of certain deferred income taxes and related regulatory assets and liabilities, and the exclusion of current maturities of long-term debt from current liabilities, the classification of non-legal removal costs, and accounting for the Performance Excellence Process Costs to Achieve (see below).

The "Notes to the Consolidated Financial Statements" from MichCon's 2007 Consolidated Financial Statements (as furnished to the United States Securities and Exchange Commission (SEC) on a form 8-K) are filed within this report on pages 123.1 through 123.27.

The consolidation policy discussed in Note 1, Significant Accounting Policies, on page 123.1 of the incorporated notes is not applicable for this report as MichCon's subsidiaries are accounted for using the equity method of accounting for the purpose of this report.

Accounting for the Performance Excellence Process (PEP) Cost to Achieve (CTA) Impact of September 12, 2006

In September 2006, the MPSC approved the settlement of Case No. U-14907, MichCon's Performance Excellence Process (PEP) accounting case. Per the order, incremental costs to achieve (CTA) for PEP savings can be deferred effective with 2006 expenses. However, we have not yet requested or received approval to recover the cost in rates. Pending the approval, CTA of \$23,270,648 for 2006 and \$9,451,720 for 2007 were included in account 930.2 Miscellaneous General Expense for the annual financial statements provided to the SEC. For Regulatory Reporting, Miscellaneous Deferred Debits account 186 was increased by \$8,745,177 and \$12,080,272 for 2007 and 2006, respectively. Regulatory Liability - Negative Pension account 253.41 was decreased by \$706,543 and \$11,190,376 for 2007 and 2006, respectively, to recognize the approval to defer incremental CTA. The corresponding tax impact was reported in Deferred Tax account 283.1 of \$3,308,102 and \$8,144,727 for 2007 and 2006, respectively. In 2007, we began the ten year amortization of 2006 CTA cost resulting in miscellaneous amortization expense of \$1,208,027 in account 425, with the corresponding tax impact reducing deferred taxes account 283.1 by \$422,810. As a result, Net Income increased \$5,358,401 and \$15,125,921 in 2007 and 2006, respectively.

Deferral of CTA Cost	2007	2006
Beginning of the year	\$ 23,270,648	
CTA deferral (186)	8,745,177	\$ 12,080,272
Negative Pension Liability (253.41)	706,543	11,190,376
Amortization	(1,208,027)	-
End of year	\$ 31,514,341	\$ 23,270,648

MICHIGAN CONSOLIDATED GAS COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1— SIGNIFICANT ACCOUNTING POLICIES

Corporate Structure

Michigan Consolidated Gas Company (MichCon) is a Michigan corporation organized in 1898. MichCon is an indirect, wholly-owned subsidiary of DTE Enterprises, Inc., and indirectly a wholly-owned subsidiary of DTE Energy Company. MichCon is a public utility subject to regulation by the Michigan Public Service Commission (MPSC). MichCon is engaged in the purchase, storage, transmission, distribution and sale of natural gas to approximately 1.3 million customers throughout Michigan. MichCon also has subsidiaries involved in the gathering and transmission of natural gas in northern Michigan.

References in this report to “we”, “us”, “our” or “Company” are to MichCon.

Principles of Consolidation

We consolidate all majority owned subsidiaries and investments in entities in which we have controlling influence. Non-majority owned investments are accounted for using the equity method when the Company is able to influence the operating policies of the investee. Non-majority owned investments include investments in limited liability companies, partnerships or joint ventures. When we do not influence the operating policies of an investee, the cost method is used. We eliminate all intercompany balances and transactions.

For entities that are considered variable interest entities, we apply the provisions of Financial Accounting Standards Board (FASB) Interpretation No. (FIN) 46-R, *Consolidation of Variable Interest Entities, an Interpretation of ARB No. 51*.

Basis of Presentation

The accompanying Consolidated Financial Statements are prepared using accounting principles generally accepted in the United States of America. These accounting principles require us to use estimates and assumptions that impact reported amounts of assets, liabilities, revenues, expenses and the disclosure of contingent assets and liabilities. Actual results may differ from our estimates.

We reclassified certain prior year balances to match the current year’s financial statement presentation.

Revenues

Revenues from the transportation and storage of natural gas are recognized as services are provided. We record revenues for gas services provided but unbilled at the end of each month. Our accrued revenues include a component for the cost of gas sold that is recoverable through the gas cost recovery (GCR) mechanism and certain other transactions that may create revenue refund obligations to GCR customers. MichCon presents its revenue net of any revenue refund obligations to GCR customers. Annual GCR proceedings before the MPSC permit MichCon to recover prudent and reasonable supply costs. Any over collection or under collection of costs, including interest, will be reflected in future rates. See Note 4.

Comprehensive Income (Loss)

Comprehensive income (loss) is the change in common shareholder’s equity during a period from transactions and events from non-owner sources, including net income. As shown in the following table, amounts recorded to other comprehensive income (loss) at December 31, 2007 include unrealized gains and losses from derivatives accounted for as cash flow hedges.

<u>(in Millions)</u>	<u>Net Unrealized Losses on Derivatives</u>	<u>Accumulated Other Comprehensive Loss</u>
Beginning balance	\$ (1)	\$ (1)
Current — period change	<u>—</u>	<u>—</u>
Ending balance	<u>\$ (1)</u>	<u>\$ (1)</u>

Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks and temporary investments purchased with remaining maturities of three months or less.

Inventories

We value materials and supplies at average cost.

Gas inventory is determined using the last-in, first-out (LIFO) method. At December 31, 2007, the replacement cost of gas remaining in storage exceeded the \$32 million LIFO cost by \$288 million. During 2007, MichCon liquidated 9.5 billion cubic feet of prior years' LIFO layers. The liquidation reduced 2007 cost of gas by approximately \$30 million, but had no impact on earnings as a result of the GCR mechanism. At December 31, 2006, the replacement cost of gas remaining in storage exceeded the \$77 million LIFO cost by \$236 million. During 2006, MichCon liquidated 5.1 billion cubic feet of prior years' LIFO layers. The liquidation reduced 2006 cost of gas by approximately \$1 million, but had no impact on earnings as a result of the GCR mechanism.

Property, Retirement and Maintenance, and Depreciation and Depletion

Summary of property by classification as of December 31:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>
Property, Plant and Equipment		
Distribution	\$ 2,392	\$ 2,175
Storage	273	245
Other	<u>924</u>	<u>971</u>
Total	<u>3,589</u>	<u>3,391</u>
Less Accumulated Depreciation		
Distribution	(970)	(926)
Storage	(100)	(108)
Other	<u>(523)</u>	<u>(505)</u>
Total	<u>(1,593)</u>	<u>(1,539)</u>
Net Property, Plant and Equipment	<u><u>\$ 1,996</u></u>	<u><u>\$ 1,852</u></u>

Property is stated at cost and includes construction-related labor, materials, overheads and an allowance for funds used during construction (AFUDC). AFUDC capitalized during 2007 and 2006 was approximately \$9 million and \$4 million, respectively. The cost of properties retired, less salvage value, is charged to accumulated depreciation. Expenditures for maintenance and repairs are charged to expense when incurred.

We base depreciation provisions on straight-line and units-of-production rates approved by the MPSC. The composite depreciation rate was 3.1 % in 2007, 2.8% in 2006, and 3.2% in 2005

The average estimated useful life for gas distribution and transmission property was 40 years and 37 years, respectively, at December 31, 2007.

Intangible assets relating to capitalized software are classified as Property, plant and equipment and the related amortization is included in Accumulated depreciation on the Consolidated Statements of Financial Position. We capitalize the costs associated with computer software we develop or obtain for use in our business. We amortize intangible assets on a straight-line basis over the expected period of benefit, primarily 15 years. Intangible assets amortization expense was \$6 million in each of the years 2007, 2006 and 2005. The gross carrying amount and accumulated amortization of intangible assets at December 31, 2007 were \$90 million and \$43 million, respectively. The gross carrying amount and accumulated amortization of intangible assets at December 31, 2006 were \$105 million and \$44 million, respectively. Amortization expense of intangible assets is estimated to be \$6 million annually for 2008 through 2012.

Asset Retirement Obligations

We record asset retirement obligations in accordance with Statement of Financial Accounting Standards (SFAS) No. 143, *Accounting for Asset Retirement Obligations* and Financial Accounting Standards Board Interpretation No. (FIN) 47, *Accounting for Conditional Asset Retirement Obligations, an interpretation of FASB Statement No. 143*. We have conditional retirement obligations for gas pipeline retirement costs. To a lesser extent, we have conditional retirement obligations at certain service centers, compressor and gate stations. The Company recognizes such obligations as liabilities at fair market value at the time the associated assets are placed in service. Fair value is measured using expected future cash outflows discounted at our credit-adjusted risk-free rate.

The adoptions of SFAS No. 143 and FIN 47 resulted primarily in timing differences in the recognition of legal asset retirement costs that we are currently recovering in rates. We defer such differences under SFAS No. 71, *Accounting for the Effects of Certain Types of Regulation*.

As a result of adopting FIN 47 on December 31, 2005, we recorded a plant asset of \$13 million with offsetting accumulated depreciation of \$4 million, and an asset retirement obligation liability of \$92 million. We also recorded a cumulative effect amount as a reduction to a regulatory liability of \$84 million.

No liability has been recorded with respect to lead-based paint, as the quantities of lead-based paint in our facilities are unknown. In addition, there is no incremental cost for demolitions of lead-based paint facilities vs. non-lead-based paint facilities and no regulations currently exist requiring any type of special disposal of items containing lead-based paint.

A reconciliation of the asset retirement obligation for 2007 follows:

<u>(in Millions)</u>	
Asset retirement obligations at January 1, 2007	\$ 103
Accretion	7
Liabilities settled	<u>(1)</u>
Asset retirement obligations at December 31, 2007	<u>\$ 109</u>

Long-Lived Assets

Our long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. If the carrying amount of the asset exceeds the expected future cash flows generated by the asset, an impairment loss is recognized resulting in the asset being written down to its estimated fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell.

Excise and Sales Taxes

We record the billing of excise and sales taxes as a receivable with an offsetting payable to the applicable taxing authority, with no impact on the Consolidated Statements of Operations.

Deferred Debt Costs

The costs related to the issuance of long-term debt are deferred and amortized over the life of each debt issue. In accordance with MPSC regulations, the unamortized discount, premium and expense related to debt redeemed with a refinancing are amortized over the life of the replacement issue.

Insured and Uninsured Risks

Our comprehensive insurance program provides coverage for various types of risks. Our insurance policies cover risk of loss from property damage, general liability, workers' compensation, auto liability and directors' and officers' liability. Under our risk management policy, we self-insure portions of certain risks up to specified limits, depending on the type of exposure. We have an actuarially determined estimate of our incurred but not reported liability prepared annually and adjust our reserves for self-insured risks as appropriate.

Investments in Debt and Equity Securities

We generally classify investments in debt and equity securities as trading and have recorded such investments at market value with unrealized gains or losses included in earnings. Our investments are reviewed for impairment each reporting period. If the assessment indicates that the impairment is other than temporary, a loss is recognized resulting in the investment being written down to its estimated fair value.

Asset (Gains) and Losses, net

In 2007, we sold base gas resulting in a gain of \$5 million and we sold land for a gain of \$1 million, partially offset by \$3 million for the disallowance of certain costs related to the acquisition of pipeline assets. In 2006, we sold certain investment rights related to storage field construction for a \$3 million pre-tax gain. This gain was offset by a \$3 million loss as a result of a reduction to MichCon's 2004 GCR underrecovery related to the accounting treatment of the injected base gas remaining in the New Haven storage field when it was sold in early 2004. In 2005, we received a gas rate order from the MPSC which resulted in disallowances of approximately \$42 million of costs related to a computer billing system and \$6 million of certain computer equipment and related depreciation.

See the following notes for other accounting policies impacting our financial statements:

Note	Title
2	New Accounting Pronouncements
4	Regulatory Matters
5	Income Taxes
9	Financial and Other Derivative Instruments
11	Retirement Benefits and Trusteed Assets

NOTE 2 – NEW ACCOUNTING PRONOUNCEMENTS

Fair Value Accounting

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. It emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Fair value measurement should be determined based on the assumptions that market participants would use in pricing an asset or liability. SFAS No. 157 is effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company adopted SFAS No. 157 effective January 1, 2008. The FASB deferred the effective date of SFAS No. 157 as it pertains to non-financial assets and liabilities to January 1, 2009. The adoption of SFAS No. 157 will not have a material impact to the January 1, 2008 balance of retained earnings.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities — Including an Amendment of FASB Statement No. 115*. This standard permits an entity to choose to measure many financial instruments and certain other items at fair value. The fair value option established by SFAS No. 159 permits all entities to choose to measure eligible items at fair value at specified election dates. An entity will report in earnings unrealized gains and losses on items, for which the fair value option has been elected, at each subsequent reporting date. The fair value option: (a) may be applied instrument by instrument, with a few exceptions, such as investments otherwise accounted for by the equity method; (b) is irrevocable (unless a new election date occurs); and (c) is applied only to entire instruments and not to portions of instruments. SFAS No. 159 is effective as of the beginning of an entity's first fiscal year that begins after November 15, 2007. The adoption of SFAS No. 159 is not expected to have a material impact to the Company's financial statements. At January 1, 2008, the Company has not elected to use the fair value option for financial assets and liabilities held at that date.

Business Combinations

In December 2007, the FASB issued SFAS No. 141(R), *Business Combinations*. The objective of this Statement is to improve the relevance, representational faithfulness, and comparability of the information that a reporting entity provides in its financial reports about a business combination and its effects. To accomplish that, this Statement establishes principles and requirements for how the acquirer:

- Recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree;
- Recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and
- Determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination.

SFAS No. 141(R) shall be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Earlier adoption is prohibited. The Company is currently assessing the effects of this statement, and has not yet determined its impact on its consolidated financial statements.

Noncontrolling Interests in Consolidated Financial Statements

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements — an Amendment of ARB No. 51*. The standard requires:

- The ownership interests in subsidiaries held by parties other than the parent be clearly identified, labeled, and presented in the consolidated statement of financial position within equity, but separate from the parent's equity;
- The amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income;
- Changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary be accounted for as equity transactions;
- When a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary be initially measured at fair value. The gain or loss on the deconsolidation of the subsidiary is measured using the fair value of any noncontrolling equity investment rather than the carrying amount of that retained investment; and
- Entities provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners.

SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. This Statement shall be applied prospectively as of the beginning of the fiscal year in which this Statement is initially applied, except for the presentation and disclosure requirements. The presentation and disclosure requirements shall be applied retrospectively for all periods presented. The Company is currently assessing the effects of this statement, and has not yet determined its impact on its consolidated financial statements.

Stock-Based Compensation

Effective January 1, 2006, our parent company, DTE Energy, adopted SFAS No. 123(R), *Share-Based Payment*, using the modified prospective transition method. We receive an allocation of costs associated with stock compensation and the related impact of cumulative accounting adjustments. Our allocations for 2007 and 2006 for stock-based compensation expense were approximately \$3 million and \$2 million, respectively. The cumulative effect of the adoption of SFAS 123(R) had an immaterial impact on our operation and maintenance expense. We have not restated any prior periods as a result of the adoption of SFAS 123(R).

NOTE 3 – RESTRUCTURING

Performance Excellence Process

In mid-2005, we initiated a company-wide review of our operations called the Performance Excellence Process. We began a series of focused improvement initiatives and expect this process will continue into 2008.

We have incurred costs to achieve (CTA) for employee severance and other costs, consisting primarily of project management and consultant support. We cannot defer CTA costs at this time because a recovery mechanism has not been established. We expect to seek a recovery mechanism in our next rate case in 2009.

Amounts expensed are recorded in the Operation and maintenance line on the Consolidated Statements of Operations. Costs incurred in 2007 and 2006 are as follows:

	<u>Employee</u>		<u>Severance</u>	<u>Other Costs</u>		<u>Total Cost</u>
	<u>Costs</u>					
<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Costs incurred	\$ 3	\$ 17	\$ 6	\$ 7	\$ 9	\$ 24

A liability for future CTA associated with the Performance Excellence Process has not been recognized because the Company has not met the recognition criteria of SFAS No. 146, *Accounting for Costs Associated with Exit or Disposal Activities*.

NOTE 4 – REGULATORY MATTERS

Regulation

We are subject to the regulatory jurisdiction of the MPSC, which issues orders pertaining to rates, recovery of certain costs, including the costs of regulatory assets, conditions of service, accounting and operating-related matters.

Regulatory Assets and Liabilities

We apply the provisions of SFAS No. 71, *Accounting for the Effects of Certain Types of Regulation*. SFAS No. 71 requires the recording of regulatory assets and liabilities for certain transactions that would have been treated as revenue and expense in non-regulated businesses. Continued applicability of SFAS No. 71 requires that rates be designed to recover specific costs of providing regulated services and be charged to and collected from customers. Future regulatory changes or changes in the competitive environment could result in the Company discontinuing the application of SFAS No. 71 for some or all of its business and require the write-off of the portion of any regulatory asset or liability that was no longer probable of recovery through regulated rates. Management believes that currently available facts support the continued application of SFAS No. 71.

The following are the balances of the regulatory assets and liabilities as of December 31:

(in Millions)

Assets

	<u>2007</u>	<u>2006</u>
Deferred environmental costs	\$ 39	\$ 38
Unamortized loss on reacquired debt	29	30
Recoverable pension and postretirement costs	116	260
Recoverable uncollectibles expense	66	45
Deferred income taxes – Michigan Business Tax	<u>47</u>	<u>—</u>
	297	373
Less amount included in current assets	<u>(25)</u>	<u>(11)</u>
	<u>\$ 272</u>	<u>\$ 362</u>

Liabilities

Asset removal costs	\$ 363	\$ 354
Refundable income taxes	104	114
Accrued GCR refund	70	81
Safety and training cost refund	—	3
Accrued pension	71	39
Deferred income taxes – Michigan Business Tax	<u>47</u>	<u>—</u>
	655	591
Less amount included in current liabilities and other liabilities	<u>(70)</u>	<u>(81)</u>
	<u>\$ 585</u>	<u>\$ 510</u>

ASSETS

- *Deferred environmental costs* — The MPSC approved the deferral and recovery of investigation and remediation costs associated with former MGP sites.
- *Unamortized loss on reacquired debt* — The unamortized discount, premium and expense related to debt redeemed with a refinancing are deferred, amortized and recovered over the life of the replacement issue.
- *Recoverable pension and postretirement costs* — The traditional rate setting process allows for the recovery of pension and postretirement costs as measured by generally accepted accounting principles.
- *Recoverable uncollectibles expense* — Receivable for the MPSC approved uncollectible expense true-up mechanism that tracks the difference in the fluctuation in uncollectible accounts and amounts recognized pursuant to the MPSC authorization.
- *Deferred income taxes — Michigan Business Tax (MBT)* - In July 2007, the MBT was enacted by the State of Michigan. State deferred tax liabilities were established, and offsetting regulatory assets were recorded as the impacts of the deferred tax liabilities will be reflected in rates.

LIABILITIES

- *Asset removal costs* — The amount collected from customers for the funding of future asset removal activities.
- *Refundable income taxes* — Income taxes refundable to MichCon's customers representing the difference in property-related deferred income taxes payable and amounts recognized pursuant to MPSC authorization.
- *Accrued GCR refund* — Liability for the temporary over-recovery of and a return on gas costs incurred by MichCon which are recoverable through the GCR mechanism.
- *Safety and training cost refund* — The MPSC ordered the refund of unspent costs which were included in the Company's rates.
- *Accrued pension* — Pension expense refundable to customers representing the difference created from volatility in the pension obligation and amounts recognized pursuant to MPSC authorization.
- *Deferred income taxes — Michigan Business Tax* — In July 2007, the MBT was enacted by the State of Michigan. State deferred tax assets were established, and offsetting regulatory liabilities were recorded as the impacts of the deferred tax assets will be reflected in rates.

Regulatory Accounting Treatment for Performance Excellence Process

In May 2006, we filed applications with the MPSC to allow deferral of costs associated with the implementation of the Performance Excellence Process, a company-wide cost-savings and performance improvement program. Implementation costs include project management, consultant support and employee severance expenses. We sought MPSC authorization to defer and amortize Performance Excellence Process implementation costs for accounting purposes to match the expected savings from the Performance Excellence Process program with the related CTA. We anticipate the Performance Excellence Process to continue into 2008. Our CTA is estimated to total between \$55 million and \$60 million. In September 2006, the MPSC issued an order approving a settlement agreement that allows commencing in 2006, to defer the incremental CTA. Further, the order provides for us to amortize the CTA deferrals over a ten-year period beginning with the year subsequent to the year the CTA was deferred. However, we cannot defer CTA costs at this time because a recovery mechanism has not been established. We expect to seek a recovery mechanism in our next rate case in 2009.

Uncollectible Expense True-Up Mechanism (UETM) and Report of Safety and Training-Related Expenditures

2005 UETM — In March 2006, MichCon filed an application with the MPSC for approval of its UETM for 2005. This is the first filing MichCon has made under the UETM, which was approved by the MPSC in April 2005 as part of MichCon's last general rate case. MichCon's 2005 base rates included \$37 million for anticipated uncollectible expenses. Actual 2005 uncollectible expenses totaled \$60 million. The true-up mechanism allows MichCon to recover ninety percent of uncollectibles that exceeded the \$37 million base. Under the formula prescribed by the MPSC, MichCon recorded an under-recovery of approximately \$11 million for uncollectible expenses from May 2005 (when the mechanism took effect) through the end of 2005. In December 2006, the MPSC issued an order authorizing MichCon to implement the UETM monthly surcharge for service rendered on and after January 1, 2007. At December 31, 2007, approximately \$3 million was outstanding.

As part of the March 2006 application with the MPSC, MichCon filed a review of its 2005 annual safety and training-related expenditures. MichCon reported that actual safety and training-related expenditures for the initial period exceeded the pro-rata amounts included in base rates and based on the under-recovered position, recommended no refund at this time. In the December 2006 order, the MPSC also approved MichCon's 2005 safety and training report.

2006 UETM — In March 2007, MichCon filed an application with the MPSC for approval of its UETM for 2006 requesting \$33 million of under-recovery plus applicable carrying costs of \$3 million. The March 2007 application included a report of MichCon's 2006 annual safety and training-related expenditures, which shows a \$2 million over-recovery. In August 2007, MichCon filed revised exhibits reflecting an agreement with the MPSC Staff to net the \$2 million over-recovery and associated interest related to the 2006 safety and training-related expenditures against the 2006 UETM under-recovery. An MPSC order was issued in December 2007 approving the collection of \$33 million requested in the August 2007 revised filing. MichCon is authorized to implement the new UETM monthly surcharge for service rendered on and after January 1, 2008.

2007 UETM — MichCon accrued approximately \$30 million of expenses under the UETM during 2007. An application will be filed in 2008 for approval of its 2007 UETM.

Gas Cost Recovery Proceedings

2005-2006 Plan Year — In June 2006, MichCon filed its GCR reconciliation for the 2005-2006 GCR year. The filing supported a total over-recovery, including interest through March 2006, of \$13 million. MPSC Staff and other interveners filed testimony regarding the reconciliation in which they recommended disallowances related to MichCon's implementation of its dollar cost averaging fixed price program. In January 2007, MichCon filed testimony rebutting these recommendations. On December 18, 2007, the MPSC issued an order adopting the adjustments proposed by the MPSC Staff resulting in an \$8 million disallowance. Expense related to the disallowance was reflected in the Consolidated Statements of Operations for the year ended December 31, 2007. The MPSC authorized MichCon to roll a net over-recovery, inclusive of interest, of \$20 million into its 2006-2007 GCR reconciliation. On December 27, 2007, MichCon filed an appeal of the case with the Michigan Court of Appeals. MichCon is unable to predict the outcome of the appeal.

2006-2007 Plan Year — In June 2007, MichCon filed its GCR reconciliation for the 2006-2007 GCR year. The filing supported a total under-recovery, including interest through March 2007, of \$18 million. An MPSC order in this case is expected in 2008.

2007-2008 Plan Year / Base Gas Sale Consolidated — In August 2006, MichCon filed an application with the MPSC requesting permission to sell base gas that would become accessible with storage facilities upgrades. In December 2006, MichCon filed its 2007-2008 GCR plan case proposing a maximum GCR factor of \$8.49 per Mcf. In August 2007, a settlement agreement in this proceeding was reached by all intervening parties that provides for a sharing with customers of the proceeds from the sale of base gas. In addition, the agreement provides for a rate case filing moratorium until January 1, 2009, unless certain unanticipated changes occur that impact income by more than \$5 million. The settlement agreement was approved by the MPSC on August 21, 2007. MichCon's gas storage enhancement projects, the main subject of the aforementioned settlement, will enable 17 billion cubic feet (Bcf) of

gas to become available for cycling. Under the settlement terms, MichCon delivered 13.4 Bcf of this gas to its customers through 2007 at a savings to market-priced supplies of approximately \$54 million. This settlement provides for MichCon to retain the proceeds from the sale of 3.6 Bcf of gas, which MichCon expects to sell in 2007 through 2009. In the fourth quarter of 2007, MichCon sold .75 Bcf of base gas and recognized a pre-tax gain of \$5 million for which cash proceeds were received in January 2008. By enabling MichCon to retain the profit from the sale of this gas, the settlement provides MichCon with the opportunity to earn an 11% return on equity with no customer rate increase for a period of five years from 2005 to 2010.

2008-2009 Plan Year — In December 2007, MichCon filed its GCR plan case for the 2008-2009 GCR Plan year. MichCon filed for a maximum GCR factor of \$8.36 per Mcf. An order in this case is expected during 2008.

Other

On September 6, 2007, the Court of Appeals of the State of Michigan published its decision with respect to an appeal by MichCon and others of certain provisions of a November 23, 2004 MPSC order, including reversing the MPSC's denial of recovery of merger control premium costs. In its published decision, the Court of Appeals held that MichCon is entitled to recover its allocated share of the merger control premium and remanded this matter to the MPSC for further proceedings to establish the precise amount and timing of this recovery. Other parties have filed requests for leave to appeal to the Michigan Supreme Court from the Court of Appeals September 6, 2007 decision. However, proceedings resulting from this remand cannot be initiated by the MPSC until appeals by other parties of the September 6, 2007 decision have been resolved by the Michigan Supreme Court. Any potential recovery mechanism cannot be effective until the conclusion of the next general rate case which by agreement of MichCon and the MPSC in a separate proceeding cannot begin before January 1, 2009, or at the conclusion of the ordered remand proceeding which has not yet been initiated by the MPSC. MichCon is unable to predict the financial or other outcome of any such legal or regulatory proceedings at this time.

We are unable to predict the outcome of the regulatory matters discussed herein. Resolution of these matters is dependent upon future MPSC orders and appeals, which may materially impact the financial position, results of operations and cash flows of the Company.

NOTE 5 – INCOME TAXES

Income Tax Summary

We are part of the consolidated federal income tax return of DTE Energy. Our federal income tax expense is determined on an individual company basis with no allocation of tax benefits or expenses from other affiliates of DTE Energy. We have an income tax payable of \$10 million at December 31, 2007, and \$4 million at December 31, 2006 due to DTE Energy.

Total income tax expense (benefit) varied from the statutory federal income tax rate for the following reasons:

<u>(Dollars in Millions)</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Income tax expense at 35% statutory rate	\$ 33	\$ 22	\$ —
Investment tax credit	(1)	(1)	(1)
Depreciation	(7)	(7)	(7)
Employee Stock Ownership Plan dividends	(1)	(1)	(1)
Medicare part D subsidy	(1)	(1)	(2)
Other, net	—	—	(3)
Total	<u>\$ 23</u>	<u>\$ 12</u>	<u>\$ (14)</u>
Effective federal income tax rate	24.5%	18.8%	(n/m)(1)%

(1) – Due to the amount of the pre-tax loss in 2005, the effective tax rate is not meaningful (n/m).

Components of income tax expense (benefit) were as follows:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Current federal and other income tax expense (benefit)	\$ 16	\$ 47	\$ (14)
Deferred federal and other income tax expense	7	(35)	—
Total	<u>\$ 23</u>	<u>\$ 12</u>	<u>\$ (14)</u>

Deferred tax assets and liabilities are recognized for the estimated future tax effect of temporary differences between the tax basis of assets or liabilities and the reported amounts in the financial statements. Deferred tax assets and liabilities are classified as current or noncurrent according to the classification of the related assets or liabilities.

Deferred tax assets and liabilities not related to assets or liabilities are classified according to the expected reversal date of the temporary differences.

Deferred income tax assets (liabilities) were comprised of the following at December 31:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>
Property, plant and equipment	\$ (114)	\$ (107)
Pension and benefits	(86)	(85)
Other comprehensive income (OCI)	1	1
Other, net	<u>20</u>	<u>31</u>
	<u>\$ (179)</u>	<u>\$ (160)</u>
Current deferred income tax assets (included in Current Assets – Other)	\$ 16	\$ 21
Long term deferred income tax liabilities	<u>(195)</u>	<u>(181)</u>
	<u>\$ (179)</u>	<u>\$ (160)</u>
Deferred income tax liabilities	\$ (595)	\$ (553)
Deferred income tax assets	<u>416</u>	<u>393</u>
	<u>\$ (179)</u>	<u>\$ (160)</u>

The above table excludes deferred tax liabilities associated with unamortized investment tax credits.

Uncertain Tax Positions

We adopted the provisions of FIN No. 48, *Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109* on January 1, 2007. This interpretation prescribes a more-likely-than-not recognition threshold and a measurement attribute for the financial statement reporting of tax positions taken or expected to be taken on a tax return. As a result of the implementation of FIN 48, we recognized an increase in liabilities that was accounted for as a reduction to the January 1, 2007 balance of retained earnings in an immaterial amount.

Unrecognized tax benefits at January 1, 2007 and December 31, 2007, and changes therein during 2007, were not material. Unrecognized tax benefits at January 1, 2007 and at December 31, 2007, if recognized, would not favorably impact our effective tax rate. We do not anticipate any significant changes in the unrecognized tax benefits during the next twelve months.

We recognize interest and penalties pertaining to income taxes in Interest expense and Other expenses, respectively, on our Consolidated Statements of Operations. We had no accrued interest and no accrued penalties pertaining to income taxes at January 1, 2007 and December 31, 2007. We had no interest expense in relation to income tax for the years ended December 31, 2007 and 2006.

The U.S. federal income tax returns for years 2004 and subsequent years remain subject to examination by the IRS for DTE Energy Company and its subsidiaries. The Company also files tax returns in various local tax jurisdictions with varying statutes of limitations.

Michigan Business Tax

On July 12, 2007, the Michigan Business Tax (MBT) was enacted by the State of Michigan to replace the Michigan Single Business Tax (MSBT) effective January 1, 2008. The MBT is comprised of an apportioned modified gross receipts tax of 0.8 percent and an apportioned business income tax of 4.95 percent. The MBT provides credits for Michigan business investment, compensation, and research and development. The MBT will be accounted for as an income tax.

In 2007, a state deferred tax liability of \$47 million was recognized by the Company for cumulative differences between book and tax assets and liabilities. Effective September 30, 2007, legislation was adopted by the State of Michigan creating a deduction for businesses that realize an increase in their deferred tax liability due to the enactment of the MBT. Therefore, a deferred tax asset of \$47 million was established related to the future deduction.

The deduction will be claimed during the period of 2015 through 2029. The recognition of the enactment did not have an impact on our income tax provision for 2007.

The \$47 million of deferred tax liabilities and assets recognized were offset by corresponding regulatory assets and liabilities in accordance with SFAS No. 71, *Accounting for the Effects of Certain Types of Regulation*, as the impacts of the deferred tax liabilities and assets recognized upon enactment and amendment of the MBT will be reflected in our rates.

NOTE 6 – LONG-TERM DEBT AND PREFERRED SECURITIES

Long-Term Debt

Our long-term debt outstanding and interest rates of debt outstanding at December 31 were:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>
First Mortgage Bonds, interest payable semi-annually		
7.21% series due 2007	\$ —	\$ 30
7.06% series due 2012	40	40
8.25% series due 2014	80	80
Remarketable securities, interest payable semi-annually		
6.45% series due 2038	75	75
Senior notes, interest payable semi-annually		
6.125% series due 2008	200	200
5.0% series due 2019	120	120
5.7% series due 2033	<u>200</u>	<u>200</u>
	<u>715</u>	<u>745</u>
Less amount due within one year	<u>(275)</u>	<u>(30)</u>
Total	<u>\$ 440</u>	<u>\$ 715</u>

Our remarketable securities and senior notes are secured by “fall-away mortgage” debt and, as such, are secured debt as long as our other first mortgage bonds are outstanding and become senior unsecured debt thereafter.

Substantially all of our net utility property is subject to the lien of our mortgage. Should we fail to timely pay our indebtedness under the mortgage, such failure may create cross defaults in the indebtedness of DTE Energy.

The following table shows the scheduled debt maturities and sinking fund requirements, excluding any unamortized discount or premium on debt:

<u>(in Millions)</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013 and thereafter</u>	<u>Total</u>
Amount to mature	\$ 275	\$ -	\$ -	\$ -	\$ 40	\$ 400	\$ 715

Debt Retirements and Redemptions

In May 2007, we retired at maturity \$30 million of First Mortgage Bonds bearing 7.21% interest.

Remarketable Securities

At December 31, 2007, \$75 million of MichCon notes were subject to periodic remarketings. The notes are subject to mandatory or optional tender on June 30, 2008. The Company directs the remarketing agents to remarket these

securities at the lowest interest rate necessary to produce a par bid. In the event that a remarketing fails, the Company would be required to purchase the securities.

Preferred and Preference Securities – Authorized and Unissued

At December 31, 2007, we had 7 million shares of preferred stock with a par value of \$1 per share and 4 million shares of preference stock with a par value of \$1 per share authorized, with no shares issued.

NOTE 7 – SHORT-TERM CREDIT ARRANGEMENTS AND BORROWINGS

In October 2005, we entered into a \$181 million, five-year unsecured revolving credit agreement and simultaneously amended our existing \$244 million, five-year facility entered into in October 2004. Our aggregate availability under the combined facilities is \$425 million. The five-year credit facilities are with a syndicate of banks and may be used for general corporate borrowings, but are intended to provide liquidity support for our commercial paper program. Borrowings under the facilities are available at prevailing short-term interest rates. The agreements require us to maintain a debt to total capitalization ratio of no more than 0.65 to 1. Should we have delinquent debt obligations of at least \$50 million to any creditor, such delinquency will be considered a default under our credit agreements.

In December of 2007, we initiated a \$100 million short-term unsecured bank loan in the fourth quarter of 2007. The purpose of this loan was to enhance liquidity and reduce reliance on the commercial paper market. The loans have covenants identical to those specified under our back-up credit facilities. We were in compliance with those covenants at December 31, 2007. We had \$100 million outstanding under these loans at December 31, 2007.

At December 31, 2007, we had outstanding commercial paper of \$354 million and other short-term borrowings of \$100 million. At December 31, 2006, we had outstanding commercial paper of \$330 million and other short-term borrowings from affiliates of \$12 million.

The weighted average interest rates for short-term borrowings were 5.4% at December 31, 2007 and 2006.

NOTE 8 – CAPITAL AND OPERATING LEASES

Lessee – We lease certain property under operating lease arrangements expiring at various dates through 2023. Some leases contain renewal options.

<u>(in Millions)</u>	<u>Operating Leases</u>
2008	\$ 1
2009	1
2010	1
2011	—
2012	—
Thereafter	<u>2</u>
Total minimum lease payments	<u>\$ 5</u>

Rental expense for operating leases was \$1 million in 2007, \$1 million in 2006, and \$2 million in 2005.

Lessor – We lease a portion of our pipeline system to the Vector Pipeline Partnership through a capital lease contract that expires in 2020, with renewal options extending for five years.

The components of the net investment in the capital lease at December 31, 2007 were as follows:

<u>(in Millions)</u>	
2008	\$ 9
2009	9
2010	9
2011	9
2012	9
Thereafter	<u>71</u>
Total minimum future lease receipts	116
Residual value of leased pipeline	40
Less unearned income	<u>(78)</u>
Net investment in direct financing lease	78
Less current portion	<u>(2)</u>
	<u>\$ 76</u>

NOTE 9 – FINANCIAL AND OTHER DERIVATIVE INSTRUMENTS

We comply with SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended and interpreted. Under SFAS No. 133, all derivatives are recognized on the Consolidated Statements of Financial Position at their fair value unless they qualify for certain scope exceptions, including normal purchases and normal sales exception. Further, derivatives that qualify and are designated for hedge accounting are classified as either hedges of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge), or as hedges of the fair value of a recognized asset or liability or of an unrecognized firm commitment (fair value hedge). For cash flow hedges, the portion of the derivative gain or loss that is effective in offsetting the change in the value of the underlying exposure is deferred in Accumulated other comprehensive income and later reclassified into earnings when the underlying transaction occurs. For fair value hedges, changes in fair values for both the derivative and the underlying hedged exposure are recognized in earnings each period. Gains and losses from the ineffective portion of any hedge are recognized in earnings immediately. For derivatives that do not qualify or are not designated for hedge accounting, changes in the fair value are recognized in earnings each period.

Our primary market risk exposure is associated with commodity prices, credit and interest rates. We have risk management policies to monitor and decrease market risks. We use derivative instruments to manage some of the exposure.

Commodity Price Risk

We have fixed-priced contracts for portions of our expected gas supply requirements through 2011. We may also sell forward storage and transportation capacity contracts. These gas supply, firm transportation and storage contracts are designated and qualify for the normal purchases and sales exemption and are therefore accounted for under the accrual method. Our commodity price risk is limited due to the GCR mechanism. See Note 1.

Credit Risk

We are exposed to credit risk if our customers or counterparties do not comply with their contractual obligations. We maintain credit policies that significantly minimize overall credit risk. These policies include an evaluation of potential customers' and counterparties' financial condition, credit rating, collateral requirements or other credit enhancements such as letters of credit or guarantees. We generally use standardized agreements that allow the netting of positive and negative transactions associated with a single counterparty.

The Company maintains a provision for credit losses based on factors surrounding the credit risk of its customers, historical trends, and other information. Based on the Company's credit policies and its December 31, 2007 provision for credit losses, the Company's exposure to counterparty nonperformance is not expected to result in material effects on the Company's financial statements.

Interest Rate Risk

We occasionally use treasury locks and other interest rate derivatives to hedge the risk associated with interest rate market volatility. In 2004, we entered into an interest rate derivative to limit our sensitivity to market interest rate risk associated with the issuance of long-term debt. Such instrument was designated as a cash flow hedge. We subsequently issued long-term debt and terminated the hedge at a cost that is included in accumulated other comprehensive loss. Amounts recorded in other comprehensive loss will be reclassified to interest expense as the related interest affects earnings through 2033.

Fair Value of Financial Instruments

The fair value of financial instruments is determined by using various market data and other valuation techniques. The table below shows the fair value relative to the carrying value for long-term debt securities. The carrying value of certain other financial instruments, such as notes payable, customer deposits and notes receivable approximate fair value and are not shown. At December 31, 2007, we had approximately \$120 million of securities insured by insurers. Since December 31, 2007, overall credit market conditions have resulted in credit rating downgrades and may result in future credit rating downgrades for these insurers. The Company does not expect the impact on interest rates or fair value to be material.

	2007		2006	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Long-Term Debt	\$711 million	\$715 million	\$747 million	\$745 million

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Environmental Matters

Contaminated Sites — Prior to the construction of major interstate natural gas pipelines, gas for heating and other uses was manufactured locally from processes involving coal, coke or oil. We own, or previously owned, 14 such former manufactured gas plant (MGP) sites. Investigations have revealed contamination related to the by-products of gas manufacturing at each site. In addition to the MGP sites, we are also in the process of cleaning up other contaminated sites. Cleanup activities associated with these sites will be conducted over the next several years.

The MPSC has established a cost deferral and rate recovery mechanism for investigation and remediation costs incurred at former MGP sites. Accordingly, we recognize a liability and corresponding regulatory asset for estimated investigation and remediation costs at former MGP sites. During 2007, we spent approximately \$2 million investigating and remediating these former MGP sites. We accrued an additional \$1 million in remediation liabilities to increase the reserve balance to \$33 million as of December 31, 2007, with a corresponding increase in the regulatory asset.

Any significant change in assumptions, such as remediation techniques, nature and extent of contamination and regulatory requirements, could impact the estimate of remedial action costs for the sites and affect the Company's financial position and cash flows. However, we anticipate the cost deferral and rate recovery mechanism approved by the MPSC will prevent environmental costs from having a material adverse impact on our results of operations.

Labor Contracts

There are several bargaining units for our represented employees. In October 2007, a new three-year agreement was ratified by our represented employees.

Purchase Commitments

As of December 31, 2007, we were party to numerous long-term purchase commitments relating to a variety of goods and services required for our business. These agreements primarily consist of long-term gas purchase and transportation agreements. We estimate that these commitments will be approximately \$1.4 billion through 2051. We

also estimate that 2008 capital expenditures will be approximately \$214 million. We have made certain commitments in connection with expected capital expenditures.

Bankruptcies

We sell gas and gas transportation and storage services to numerous companies operating in the steel, automotive, energy, retail and other industries. Certain of our customers have filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code. We regularly review contingent matters relating to these customers and our sale contracts and we record provisions for amounts considered at risk of probable loss. We believe our previously accrued amounts are adequate for probable losses. The final resolution of these matters is not expected to have a material effect on our consolidated financial statements.

Other Contingencies

We are involved in certain legal, regulatory, administrative and environmental proceedings before various courts, arbitration panels and governmental agencies concerning matters arising in the ordinary course of business. These proceedings include certain contract disputes, environmental reviews and investigations, audits, inquiries from various regulators, and pending judicial matters. We cannot predict the final disposition of such proceedings. We regularly review legal matters and record provisions for claims that are considered probable of loss. The resolution of pending proceedings is not expected to have a material effect on our operations or financial statements in the period they are resolved.

See Note 4 for a discussion of contingencies related to Regulatory Matters.

NOTE 11 – RETIREMENT BENEFITS AND TRUSTEED ASSETS

Adoption of SFAS No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans

In September 2006, the FASB issued SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans — an Amendment of FASB Statements No. 87, 88, 106, and 132(R)*. SFAS No. 158 requires companies to (1) recognize the over funded or under funded status of defined benefit pension and defined benefit other postretirement plans in its financial statements, (2) recognize as a component of other comprehensive income, net of tax, the actuarial gains or losses and the prior service costs or credits that arise during the period but are not immediately recognized as components of net periodic benefit cost, (3) recognize adjustments to other comprehensive income when the actuarial gains or losses, prior service costs or credits, and transition assets or obligations are recognized as components of net periodic benefit cost, (4) measure postretirement benefit plan assets and plan obligations as of the date of the employer's statement of financial position, and (5) disclose additional information in the notes to financial statements about certain effects on net periodic benefit cost in the upcoming fiscal year that arise from delayed recognition of the actuarial gains and losses and the prior service cost and credits.

The requirement to recognize the funded status of a postretirement benefit plan and the related disclosure requirements is effective for fiscal years ending after December 15, 2006. We adopted this requirement as of December 31, 2006. The requirement to measure plan assets and benefit obligations as of the date of the employer's fiscal year-end statement of financial position is effective for fiscal years ending after December 15, 2008. We plan to adopt this requirement as of December 31, 2008.

MichCon received approval from the MPSC to record the charge related to the additional liability as a regulatory asset since the traditional rate setting process allows for the recovery of pension and other postretirement plan costs. Retrospective application of the changes required by SFAS No. 158 is prohibited; therefore certain disclosures below are not comparable.

Measurement Date

All amounts and balances reported in the following tables as of December 31, 2007 and December 31, 2006 are based on measurement dates of November 30, 2007 and November 30, 2006, respectively.

Pension Plan Benefits

We sponsor a qualified defined benefit retirement plan for MichCon represented employees (the "MichCon Plan"). The Plan is noncontributory, covers substantially all represented employees and provides retirement benefits to these

MichCon employees based on the employee's years of benefit service, average final compensation and age at retirement. Currently this Plan meets the full funding requirements of the Internal Revenue Code. We did not make a contribution to the MichCon Plan in 2007.

MichCon also participates in a qualified defined benefit retirement plan for its non-represented employees. This Plan is sponsored by Detroit Edison and is for represented and non-represented employees of Detroit Edison. It is the DTE Energy Company Retirement Plan ("DTE Plan"). The DTE Plan is noncontributory, covers substantially all employees not covered by the MichCon Plan and provides traditional retirement benefits to employees based on the employee's years of benefit service, average final compensation and age at retirement. In addition, certain non-represented employees are covered under a cash balance provision that bases benefits on annual employer contributions and interest credits. Currently the DTE Plan meets the full funding requirements of the Internal Revenue Code. The DTE Plan is treated as a plan covering employees of various affiliates of DTE Energy from the affiliates' perspective. Accordingly, the liabilities and assets associated with the DTE Plan are not reflected in the tables below, and the associated prepaid pension asset of \$325 million and \$294 million at December 31, 2007 and December 31, 2006, respectively, are reflected as an amount due from affiliate. We are allocated income or expense each year as a result of our participation in the DTE Plan. The annual income for 2007, 2006, and 2005 was \$31 million, \$22 million, and \$26 million, respectively, and is not reflected in the following table.

In its April 2005 final rate order, the MPSC approved the deferral of the non-capitalized portion of our negative pension expense. In 2007 and 2006, we deferred \$32 million and \$27 million, respectively, as a regulatory liability.

Net pension cost (credit) includes the following components:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Service cost	\$ 7	\$ 7	\$ 5
Interest cost	16	16	15
Expected return on Plan assets	(31)	(30)	(28)
Amortization of:			
Net loss	2	2	1
Prior service cost	1	1	1
Special termination benefits	—	6	—
Net pension cost (credit)	<u>\$ (5)</u>	<u>\$ 2</u>	<u>\$ (6)</u>
	<u>—</u>	<u>—</u>	<u>—</u>

Special termination benefits in the above table represent cost associated with our Performance Excellence Process.

Retrospective application of the changes required by SFAS No. 158 is prohibited; therefore certain disclosures below are not comparable.

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>
Other changes in plan assets and benefit obligations recognized in regulatory assets		
Net actuarial (gain)	\$ (28)	\$ N/A
Amortization of net actuarial (gain)	(2)	N/A
Amortization of prior service cost	(1)	N/A
Total recognized in regulatory assets	<u>\$ (31)</u>	<u>\$ N/A</u>
Total recognized in net periodic pension cost and regulatory assets	<u>\$ (36)</u>	<u>\$ N/A</u>
Estimated amounts to be amortized from regulatory assets into net periodic benefit cost during next fiscal year		
Net actuarial loss	\$ —	\$ 2
Prior service cost	\$ 1	\$ 1

The above table represents disclosure required of SFAS No. 158 beginning in 2007.

The following table reconciles the obligations, assets and funded status of the plans as well as the amounts recognized as prepaid pension cost in the Consolidated Statements of Financial Position at December 31:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>
Accumulated benefit obligation, end of year	<u>\$ 248</u>	<u>\$ 266</u>
Change in projected benefit obligation		
Projected benefit obligation, beginning of year	\$ 299	\$ 275
Service cost	7	7
Interest cost	16	16
Actuarial loss	(23)	12
Benefits paid	(24)	(17)
Special termination benefits	—	6
Projected benefit obligation, end of year	<u>\$ 275</u>	<u>\$ 299</u>
Change in plan assets		
Plan assets at fair value, beginning of year	\$ 370	\$ 344
Actual return on Plan assets	36	43
Benefits paid	(24)	(17)
Plan assets at fair value, end of year	<u>\$ 382</u>	<u>\$ 370</u>
Funded status of the Plans, November 30	\$ 107	\$ 71
December adjustment	—	—
Funded status, December 31	<u>\$ 107</u>	<u>\$ 71</u>
Noncurrent assets	\$ 107	\$ 71
Amounts recognized in regulatory assets		
Net actuarial loss	\$ 20	\$ 50
Prior service cost	\$ 3	\$ 3

Assumptions used in determining the projected benefit obligation and net pension costs are listed below:

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Projected benefit obligation			
Discount rate	6.50%	5.70%	5.90%
Rate of compensation increase	4.00%	4.00%	4.00%
Net pension costs			
Discount rate	5.70%	5.90%	6.00%
Rate of compensation increase	4.00%	4.00%	4.00%
Expected long-term rate of return on Plan assets	8.75%	8.75%	9.00%

At December 31, 2007, the benefits expected to be paid in each of the next five years and in the aggregate for the five fiscal years thereafter are as follows:

<u>(in Millions)</u>	
2008	\$ 15
2009	15
2010	15
2011	15
2012	16
2013 — 2017	88
Total	<u>\$ 164</u>

We employ a consistent formal process in determining the long-term rate of return for various asset classes. Management reviews historic financial market risks and returns and long-term historic relationships between the asset classes of equities, fixed income and other assets, consistent with the widely accepted capital market principle that asset classes with higher volatility generate a greater return over the long-term. Current market factors such as

inflation, interest rates, asset class risks and asset class returns are evaluated and considered before long-term capital market assumptions are determined. The long-term portfolio return is also established employing a consistent formal process, with due consideration of diversification, active investment management and rebalancing. Peer data is reviewed to check for reasonableness.

We employ a total return investment approach whereby a mix of equities, fixed income and other investments are used to maximize the long-term return of plan assets consistent with prudent levels of risk. The intent of this strategy is to minimize plan expenses over the long term. Risk tolerance is established through consideration of future plan cash flows, plan funded status, and corporate financial considerations. The investment portfolio contains a diversified blend of equity, fixed income and other investments. Furthermore, equity investments are diversified across U.S. and non-U.S. stocks, growth and value investment styles, and large and small market capitalizations. Other assets such as private equity and absolute return funds are used judiciously to enhance long term returns while improving portfolio diversification. Derivatives may be used to gain market exposure in an efficient and timely manner; however, derivatives may not be used to leverage the portfolio beyond the market value of the underlying investments. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies, and quarterly investment portfolio reviews.

Our plan's weighted-average asset allocations and related targets by asset category at December 31 were as follows:

	<u>2007</u>	<u>2006</u>	<u>Target</u>
Equity securities	66%	68%	55%
Debt securities	19	23	20
Other	<u>15</u>	<u>9</u>	<u>25</u>
	<u>100%</u>	<u>100%</u>	<u>100%</u>

We also sponsor a defined contribution retirement savings plan for represented employees and participate in a defined contribution plan for non-represented employees. Participation in one of these plans is available to substantially all represented and non-represented employees. We match employee contributions up to certain predefined limits based upon eligible compensation, the employee's contribution rate and, in some cases, years of credited service. The cost of these plans was \$4 million in 2007 and \$5 million in 2006, and 2005.

Other Postretirement Benefits

We provide certain postretirement health care and life insurance benefits for retired employees who are eligible for these benefits. Separate qualified Voluntary Employees' Beneficiary Association (VEBA) trusts exist for represented and non-represented employees. Our policy is to fund certain trusts to meet our postretirement benefit obligations. In 2007, we made no cash contributions to our postretirement benefit plans. At the discretion of management, we may make up to a \$40 million contribution to our VEBA trusts in 2008.

Net postretirement cost includes the following components:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Service cost	\$ 14	\$ 14	\$ 11
Interest cost	28	26	24
Expected return on plan assets	(14)	(12)	(12)
Amortization of			
Net loss	10	9	7
Prior service cost	2	2	2
Net transition obligation	5	5	6
Special termination benefits	<u>—</u>	<u>2</u>	<u>—</u>
Net postretirement cost	<u>\$ 45</u>	<u>\$ 46</u>	<u>\$ 38</u>

Special termination benefits in the above table represent cost associated with our Performance Excellence Process.

Retrospective application of the changes required by SFAS No. 158 is prohibited; therefore certain disclosures below are not comparable.

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>
Other changes in plan assets and APBO recognized in regulatory assets		
Net actuarial (gain)	\$ (80)	\$ N/A
Amortization of net actuarial (gain)	(10)	N/A
Prior service cost	(16)	N/A
Amortization of prior service cost	(2)	N/A
Amortization of transition (asset)	(5)	N/A
Total recognized in regulatory assets	<u>\$ (113)</u>	<u>\$ N/A</u>
Total recognized in net periodic benefit cost and regulatory assets	<u>\$ (68)</u>	<u>\$ N/A</u>
Estimated amounts to be amortized from regulatory assets into net periodic benefit cost during next fiscal year		
Net actuarial loss	\$ 5	\$ 9
Prior service cost	\$ 1	\$ 2
Net transition obligation	\$ 3	\$ 5

The above table represents disclosure required of SFAS No. 158 beginning in 2007.

The following table reconciles the obligations, assets and funded status of the plans including amounts recorded as accrued postretirement cost in the Consolidated Statements of Financial Position at December 31:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>
Change in accumulated postretirement benefit obligation		
Accumulated postretirement benefit obligation, beginning of year	\$ 510	\$ 453
Service cost	15	14
Interest cost	28	26
Actuarial loss	(81)	38
Special termination benefits	—	2
Benefits paid and Medicare Part D	(25)	(23)
Plan amendments	(16)	—
Accumulated postretirement benefit obligation, end of year	<u>\$ 431</u>	<u>\$ 510</u>
Change in plan assets		
Plan assets at fair value, beginning of year	\$ 156	\$ 129
Company contribution	20	20
Actual return on plan assets	14	16
Benefits paid	(15)	(9)
Plan assets at fair value, end of year	<u>\$ 175</u>	<u>\$ 156</u>
Funded status of the plans, November 30	\$ (256)	\$ (354)
December adjustment	(12)	7
Funded status at fair value, December 31	<u>\$ (268)</u>	<u>\$ (347)</u>
Noncurrent liabilities	\$ (268)	\$ (347)
Amounts recognized in regulatory assets		
Net loss	\$ 67	\$ 157
Prior service cost	6	12
Net transition obligation	18	35

Assumptions used in determining the projected benefit obligation and net benefit cost are listed below:

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Projected benefit obligation			
Discount rate	6.50%	5.70%	5.90%
Net benefit costs			
Discount rate	5.70%	5.90%	6.00%
Expected long-term rate of return on plan assets	8.75%	8.75%	9.00%
Health care trend rate pre-65	8.00%	9.00%	9.00%
Health care trend rate post-65	7.00%	8.00%	8.00%
Ultimate health care trend rate	5.00%	5.00%	5.00%
Year in which ultimate reached	2011	2011	2011

A one-percentage-point increase in health care cost trend rates would have increased the total service cost and interest cost components of benefit costs by \$5 million and increased the accumulated benefit obligation by \$42 million at December 31, 2007. A one-percentage-point decrease in the health care cost trend rates would have decreased the total service cost and interest cost components of benefit costs by \$6 million and would have decreased the accumulated benefit obligation by \$60 million at December 31, 2007.

At December 31, 2007, the benefits expected to be paid, including prescription drug benefits, in each of the next five years and in the aggregate for the five fiscal years thereafter are as follows:

<u>(in Millions)</u>	
2008	\$ 30
2009	32
2010	32
2011	34
2012	34
2013 — 2017	<u>181</u>
Total	<u>\$ 343</u>

The process used in determining the long-term rate of return for assets and the investment approach for our other postretirement benefits plans is similar to those previously described for our pension plans.

Our plan's weighted-average asset allocations and related targets by asset category at December 31 were as follows:

	<u>2007</u>	<u>2006</u>	<u>Target</u>
Equity securities	67%	68%	55%
Debt securities	22	27	20
Other	<u>11</u>	<u>5</u>	<u>25</u>
	<u>100%</u>	<u>100%</u>	<u>100%</u>

In December 2003, the Medicare Act was signed into law which provides for a non-taxable federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least "actuarially equivalent" to the benefit established by law. The effects of the subsidy reduced net periodic postretirement benefit costs by \$9 million in 2007, \$2 million in 2006, and \$5 million in 2005.

At December 31, 2007, the gross amount of federal subsidies expected to be received in each of the next five years and in the aggregate for the five fiscal years thereafter was as follows:

<u>(in Millions)</u>	
2008	\$ 1
2009	1
2010	1
2011	2
2012	2
2013 — 2017	<u>8</u>
Total	<u>\$ 15</u>

Grantor Trust

We maintain a Grantor Trust that invests in life insurance contracts and income securities. Employees and retirees have no right, title or interest in the assets of the Grantor Trust, and we can revoke the trust subject to providing the MPSC with prior notification. We account for our investment at fair value with unrealized gains and losses recorded to earnings.

NOTE 12 – RELATED PARTY TRANSACTIONS

We have agreements with affiliated companies to provide transportation and storage services and for the purchase of natural gas. We have an agreement with a DTE Energy affiliate where we are charged for our use of their shared capital assets. Prior to March 31, 2007, under a service agreement with DTE Energy, various DTE Energy affiliates, including MichCon, provide corporate support services inclusive of various financial, auditing, tax, legal, treasury and cash management, human resources, information technology, and regulatory services, which were billed to DTE Energy corporate. As these functions essentially support the entire DTE Energy Company, total administrative and general expenses billed to DTE Energy corporate by MichCon and the other affiliates, along with certain interest and financing costs were then billed to various subsidiaries of DTE Energy, including MichCon. Subsequent to March 31, 2007, a new affiliate company was formed, DTE Energy Corporate Services, LLC, to accumulate the aforementioned corporate support services type expenses, which previously had been recorded on the various operating units of DTE Energy Company, including MichCon. These administrative and general expenses incurred by DTE Energy Corporate Services, LLC were then billed to various subsidiaries of DTE Energy, including MichCon. MichCon participates in a defined benefit retirement plan sponsored by another affiliate of DTE Energy.

The following is a summary of transactions with affiliated companies:

<u>(in Millions)</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues			
Transportation and storage services	\$ 4	\$ 9	\$ 11
Other services	2	4	5
Costs			
Gas purchases	—	—	—
Other services and interest	17	13	14
Corporate expenses	132	68	93
Other			
Dividends declared	50	50	50
Dividends paid	50	50	50

<u>(in Millions)</u>	<u>December 31,</u>	
	<u>2007</u>	<u>2006</u>
Assets		
Accounts receivable	\$ 41	\$ 82
Prepaid pension assets	325	294
Liabilities & Equity		
Accounts payable	33	13
Notes payable	—	12
Dividends payable	13	13

Our accounts receivable from affiliated companies and accounts payable to affiliated companies are payable upon demand and are generally settled in cash within a monthly business cycle.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
Line No.	Item (a)	Total (b)	Electric (c)
1	UTILITY PLANT		
2	In Service		
3	Plant in Service (Classified)	3,067,693,659	
4	Property Under Capital Leases	0	
5	Plant Purchased or Sold		
6	Completed Construction not Classified		
7	Experimental Plant Unclassified		
8	TOTAL (Enter Total of lines 3 thru 7)	3,067,693,659	
9	Leased to Others		
10	Held for Future Use	1,256,277	
11	Construction Work in Progress	317,202,219	
12	Acquisition Adjustments		
13	TOTAL Utility Plant (Enter Total of lines 8 - 12)	3,386,152,156	
14	(Less) Accum. Prov. for Depr., Amort., & Depl.	1,816,913,375	
15	Net Utility Plant(Enter Total of line 13 less 14)	1,569,238,781	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
17	In Service:		
18	Depreciation	1,816,038,071	
19	Amort. and Depl. of Producing Natural Gas Land and Land Rights		
20	Amort. of Underground Storage Land and Land Rights		
21	Amort. of Other Utility Plant		
22	TOTAL In Service (Enter Total lines 18 - 21)	1,816,038,071	
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	TOTAL Leased to Others (Enter Total lines 24 & 25)		
27	Held for Future Use		
28	Depreciation	875,304	
29	Amortization		
30	TOTAL Held for Future Use(Enter Total lines 28 & 29)	875,304	
31	Abandonment of Leases (Natural Gas)		
32	Amort. of Plant Acquisition Adj.		
33	TOTAL Accum. Prov. (Should agree with line 14 above) (Enter Total lines 22, 26, 30, 31 & 32)	1,816,913,375	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS						
FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)						
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.	
					1	
					2	
3,067,693,659					3	
0					4	
-					5	
-					6	
-					7	
3,067,693,659					8	
-					9	
1,256,277					10	
317,202,219					11	
-					12	
3,386,152,156					13	
1,816,913,375					14	
1,569,238,781					15	
					16	
					17	
1,816,038,071					18	
					19	
					20	
	-				21	
1,816,038,071					22	
					23	
					24	
					25	
					26	
					27	
875,304					28	
					29	
875,304					30	
					31	
					32	
1,816,913,375					33	

MICHIGAN CONSOLIDATED GAS COMPANY		A Resubmission		December 31, 2007	
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 account. 2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold; Account 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 provisions. Include also in column (d) reversals of tentative distributions of prior year unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns					
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
1		1. Intangible Plant			
2	301	Organization	8,235		
3	302	Franchises and Consents	2,419		
4	303	Miscellaneous Intangible Plant	94,143,125	2,989,907	
5		TOTAL Intangible Plant	94,153,778	2,989,907	
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	-	-	

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

(c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance 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 and credits distributed in column (f) to primary account classifications.

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 purchases 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
-	-	-	8,235	301	2
-	-	-	2,419	302	3
(7,583,579)	-	-	89,549,453	303	4
(7,583,579)	-	-	89,560,106		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

MICHIGAN CONSOLIDATED GAS COMPANY			A Resubmission	December 31, 2007
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (g)	Additions (c)
27		Natural Gas Production and Gathering Plant		
28	325.1	Producing Lands	3,838	
29	325.2	Producing Leaseholds	1,989	
30	325.3	Gas Rights	-	-
31	325.4	Rights-of-Way	529,024	
32	325.5	Other Land	3,000	
33	325.6	Other Land Rights	-	-
34	326	Gas Well Structures	-	-
35	327	Field Compressor Station Structures	30,051	-
36	328	Field Meas. and Reg. Sta. Structures	566,662	-
37	329	Other Structures	-	-
38	330	Producing Gas Wells - Well Construction	226,872	-
39	331	Producing Gas Wells - Well Equipment	121,148	-
40	332	Field Lines	9,402,993	0
41	333	Field Compressor Station Equipment	321,003	-
42	334	Field Meas. and Reg. Sta. Equipment	2,398,456	20,476
43	335	Drilling and Cleaning Equipment	-	-
44	336	Purification Equipment	35,414	-
45	337	Other Equipment	-	-
46	338	Unsuccessful Exploration & Devel. Costs	1,163,272	-
47		TOTAL Production and Gathering Plant	14,803,722	20,476
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 Meas. and Reg. Equipment	-	-
57	347	Other Equipment	-	-
58		TOTAL Products Extraction Plant	-	-
59		TOTAL Natural Gas Production Plant	14,803,722	20,476
60		SNG Production Plant (Submit Supplemental S	-	-
61		TOTAL Production Plant	14,803,722	20,476
62		3. Natural Gas Storage and Processing Plant		
63		Underground Storage Plant		
64	350.1	Land	8,492,472	

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
	-	-	3,838	325.1	28
	-	-	1,989	325.2	29
-	-	-	-	325.3	30
(4)	-	-	529,020	325.4	31
	-	-	3,000	325.5	32
-	-	-	-	325.6	33
-	-	-	-	326	34
-	-	-	30,051	327	35
-	-	-	566,662	328	36
-	-	-	-	329	37
-	-	-	226,872	330	38
-	-	-	121,148	331	39
-	-	-	9,402,993	332	40
(1)	-	-	321,003	333	41
(4)	-	-	2,418,928	334	42
-	-	-	-	335	43
-	-	-	35,414	336	44
-	-	-	-	337	45
-	-	-	1,163,272	338	46
(9)	-	-	14,824,189		47
					48
-	-	-	-	340.1	49
-	-	-	-	340.2	50
-	-	-	-	341	51
-	-	-	-	342	52
-	-	-	-	343	53
-	-	-	-	344	54
-	-	-	-	345	55
-	-	-	-	346	56
-	-	-	-	347	57
-	-	-	-	348	58
(9)	-	-	14,824,189		59
-	-	-	-		60
(9)	-	-	14,824,189		61
					62
					63
-	-	-	8,492,472	350.1	64

MICHIGAN CONSOLIDATED GAS COMPANY			A Resubmission	December 31, 2007
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (g)	Additions (c)
65	350.2	Rights-of-Way	56,167	
66	351	Structures and Improvements	13,338,013	1,242,787
67	352	Wells	69,862,191	23,838
68	352.1	Storage Leaseholds and Rights	1,127,815	-
69	352.2	Reservoirs	-	-
70	352.3	Non-Recoverable Natural Gas	(356,592)	-
71	353	Lines	23,521,909	1,194,744
72	354	Compress Station Equipment	73,173,553	3,664,176
73	355	Measuring and Reg. Equipment	9,897,678	84,598
74	356	Purification Equipment	12,122,638	1,771,160
75	357	Other Equipment	-	-
76	358	Gas in Underground Storage - Noncurrent	182,355	(21,880)
77		TOTAL Underground Storage Plant	211,418,199	7,959,423
78		Other Storage Plant		
79	360.1	Land	-	-
80	360.2	Land Rights	-	-
81	361	Structures and Improvements	-	-
82	362	Gas Holders	-	-
83	363	Purification Equipment	-	-
84	363.1	Liquefaction Equipment	-	-
85	363.2	Vaporizing Equipment	-	-
86	363.3	Compressor Equipment	-	-
87	363.4	Meas. and Reg. Equipment	-	-
88	363.5	Other Equipment	-	-
89		TOTAL Other Storage Plant	-	-
90		Base Load Liquefied Natural Gas Terminating and Processing Plant		
91	364.1	Land	-	-
92	364.1a	Land Rights	-	-
93	364.2	Structures and Improvements	-	-
94	364.3	LNG Processing Terminal Equipment	-	-
95	364.4	LNG Transportation Equipment	-	-
96	364.5	Measuring and Regulating Equipment	-	-
97	364.6	Compressor Station Equipment	-	-
98	364.7	Communications Equipment	-	-
99	364.8	Other Equipment	-	-
100		TOTAL Base Load LNG Terminating and Processing Plant	-	-
101				
102		TOTAL Nat. Gas Storage and Proc. Plant	211,418,199	7,959,423

MICHIGAN CONSOLIDATED GAS COMPANY			A Resubmission		December 31, 2007
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.
(113,437)	-	-	(57,270)	350.2	65
(84,384)	-	(862,568)	13,633,848	351	66
(1)	-	-	69,886,028	352	67
-	-	-	1,127,815	352.1	68
-	-	-	-	352.2	69
-	-	-	(356,592)	352.3	70
-	-	-	24,716,652	353	71
(29,332)	-	862,568	77,670,965	354	72
(22,882)	-	-	9,959,394	355	73
(97,589)	-	-	13,796,209	356	74
-	-	-	-	357	75
-	-	237,344	397,819	358	76
(347,625)	-	237,344	219,267,341		77
					78
-	-	-	-	360.1	79
-	-	-	-	360.2	80
-	-	-	-	361	81
-	-	-	-	362	82
-	-	-	-	363	83
-	-	-	-	363.1	84
-	-	-	-	363.2	85
-	-	-	-	363.3	86
-	-	-	-	363.4	87
-	-	-	-	363.5	88
-	-	-	-		89
					90
-	-	-	-	364.1	91
-	-	-	-		92
-	-	-	-	364.2	93
-	-	-	-	364.3	94
-	-	-	-	364.4	95
-	-	-	-	364.5	96
-	-	-	-	364.6	97
-	-	-	-	364.7	98
-	-	-	-	364.8	99
-	-	-	-		100
					101
(347,625)	-	237,344	219,267,341		102

MICHIGAN CONSOLIDATED GAS COMPANY			A Resubmission	December 31, 2007
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (g)	Additions (c)
103		4. Transmission Plant		
104	365.1	Land	1,148,927	
105	365.2	Land Rights	2,299,943	148,697
106	365.3	Rights-of-way	3,099,936	
107	366	Structures and Improvements	8,980,240	93,346
108	367	Mains	220,362,256	24,144,867
109	368	Compressor Station Equipment	57,614,889	58,426
110	369	Measuring and Reg. Station Equipment	22,331,008	1,302,400
111	370	Communication Equipment	-	-
112	371	Other Equipment	-	-
	372	Asset Retire Cost Transmission	226,731	(50,273)
113		TOTAL Transmission Plant	316,063,929	25,697,463
114		5. Distribution Plant		
115	374.1	Land	2,150,048	
116	374.2	Land Rights	917,620	
117	375	Structures and Improvements	11,886,929	13,918
118	376	Mains	969,249,406	6,687,773
119	377	Compressor Station Equipment	-	-
120	378	Meas. & Reg. Station Equip.-General	95,189,318	1,973,149
121	379	Meas. & Reg. Station Equip.-City Gate	38,022,403	776,952
122	380	Services	658,238,073	6,293,676
123	381	Meters	178,649,381	632,864
124	382	Meter Installations	140,756,382	556,970
125	383	House Regulators	-	-
126	384	House Reg. Installations	-	-
127	385	Industrial Meas. & Reg. Station Equip.	67,448,042	459,292
128	386	Other Prop. on Customer's Premises	-	-
129	387	Other Equipment	-	-
	388	Asset Retire Cost Distribution	12,627,979	(94,471)
130		TOTAL Distribution Plant	2,175,135,582	17,300,123
131		6. General Plant		
132	389.1	Land	1,725,827	-
133	389.2	Land Rights	-	-
134	390	Structures and Improvements	70,529,235	-
135	391	Office Furniture and Equipment	3,639,129	-
136	391.1	Computers & Computer Related Equipment	18,102,724	206,994
137	392	Transportation Equipment	54,354,003	338,962
138	393	Stores Equipment	828,537	-
139	394	Tools, Shop & Gargage Equipment	18,655,105	-
140	395	Laboratory Equipment	1,799,112	-

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.
					103
-	-	-	1,148,927	365.1	104
(117)	-	-	2,448,523	365.2	105
-	-	-	3,099,936	365.3	106
-	-	-	9,073,586	366	107
(1,166,261)	(9,800,000)	-	233,540,863	367	108
(2,407)	-	-	57,670,908	368	109
(45,989)	-	-	23,587,419	369	110
-	-	-	-	370	111
-	-	-	-	371	112
-	-	120,184	296,642		
(1,214,774)	(9,800,000)	120,184	330,866,802		113
					114
(2)	-	-	2,150,046	374.1	115
-	-	-	917,620	374.2	116
(3)	-	-	11,900,844	375	117
(260,690)	-	-	975,676,489	376	118
-	-	-	-	377	119
(10)	-	-	97,162,457	378	120
(10,573)	-	-	38,788,782	379	121
(675,354)	-	-	663,856,395	380	122
(2)	-	-	179,282,243	381	123
(113,020)	-	-	141,200,333	382	124
-	-	-	-	383	125
-	-	-	-	384	126
-	-	-	67,907,334	385	127
-	-	-	-	386	128
-	-	-	-	387	129
-	-	(357,528)	12,175,980	388	
(1,059,655)	-	(357,528)	2,191,018,522		130
					131
(37,288)	-	-	1,688,539	389.1	132
-	-	-	-	389.2	133
(7)	-	-	70,529,228	390	134
(430,075)	-	-	3,209,054	391	135
(4,161,096)	-	-	14,148,622	391.1	136
(3,696,502)	-	-	50,996,464	392	137
-	-	-	828,537	393	138
(748,212)	-	-	17,906,893	394	139
-	-	-	1,799,112	395	140

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

Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (g)	Additions (c)
141	396	Power Operated Equipment	10,130,161	877,356
142	397	Communication Equipment	46,943,809	177,424
143	398	Miscellaneous Equipment	4,354,416	-
144		Subtotal (Lines 132 thru 143)	231,062,059	1,600,736
145	399	Other Tangible Property	-	-
146		TOTAL General Plant	231,062,059	1,600,736
147		TOTAL (Account 101 and 106)	3,042,637,269	55,568,127
148	101.1	Property Under Capital Leases	-	-
149	102	Gas Plant Purchased (See Instr. 8)	-	-
150	(Less)	Gas Plant Sold (See Instr. 8)	-	-
	102			
151	103	Experimental Gas Plant Unclassified	-	-
152		TOTAL Gas Plant in Service	3,042,637,269	55,568,127

NOTE: Respondent does not have Manufactured Gas Production Plant facilities.

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.
(1,432,916)	-	-	9,574,601	396	141
-	-	-	47,121,233	397	142
-	-	-	4,354,416	398	143
(10,506,096)	-	-	222,156,699		144
-	-	-	-	399	145
(10,506,096)	-	-	222,156,699		146
(20,711,738)	(9,800,000)	-	3,067,693,659		147
-	-	-	-	101.1	148
-	-	-	-	102	149
-	-	-	-	(102)	150
-	-	-	-		
-	-	-	-	103	151
(20,711,738)	(9,800,000)	-	3,067,693,659		152

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL DECEMBER 31, 2007				
GAS PLANT HELD FOR FUTURE USE (Account 105)				
<p>1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.</p> <p>2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.</p>				
Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)			\$1,804
2	Compressor Station, Measuring Station, and City Gate	Primarily in October and November 1995	Ongoing usage with the majority of plant to be put into use in 2008	253,272
3	Station Structures and Improvements stored at			
4	Kalkaska Office and Warehouse, Kalkaska Township, Kalkaska County			
5		Primarily in October, November 1995 and February, December 1996 March 2001	During 2008	430,710
6				
7	Compressor Station and Measuring Station Equipment			
8	stored at Kalkaska Office and Warehouse, Kalkaska Township, Kalkaska County			
9		Primarily in March 2001	During 2008	163,268
10				
11				
12				
13	Compressor Station and Measuring Station Equipment			
14	stored at Big Rapids Office and Warehouse, Big Rapids, Mecosta County			
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45	TOTAL			\$849,054

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007
PRODUCTION PROPERTIES HELD FOR FUTURE USE (Account 105.1)				
<p>1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.</p> <p>2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.1.</p>				
Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)			\$407,224
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46	TOTAL			\$407,224

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)			
1. Report below descriptions and balances at end of year of projects in process of construction (107). 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts). 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	The following automatic and blanket work orders are used for routine construction and are closed to plant monthly.		
2			
3			
4	DISTRIBUTION PLANT (18 Items)	4,855,817	121,952,281
5	Cathodic Protection	4,581,669	
6	Main Renewals	15,933,157	
7	Public Improvements	8,163,788	
8	Purchase meters	3,022,391	
9	System Reliability	15,129,994	
10	Service Renewals	19,920,742	
11	New Market	16,460,593	
12	Service Alterations	3,538,839	
13			
14	GENERAL PLANT (0 Items)		
15	Vehicles- Various	6,713,875	
16	Vehicles	540,691	
17	Tools & Equipment	4,709,160	
18			
19	The following represents specific work orders and consists principally of charges to projects not completed as of December 31, 2007.		
20			
21			
21	INTANGIBLE PLANT: (0 Items)		2,068,815
22	MARS Application & Support Engineering	4,775,679	
23	CADD/MARS Computer Equip - Engineering	2,312,283	
24	Corrosion App & Conversion - Engineering	598,828	
25	IT Support - Detroit	8,706,980	
26			
27	UNDERGROUND STORAGE (27 Items)	2,592,902	53,678,476
28	GMVC Ring Gear Starter Conversion Belle River	991,058	
29	Compressor Station Upgrades- Milford	714,254	
30	Compressor Station Upgrades- Belle River	11,019,388	
31	Compression Clean Burn	2,610,938	
32	System Reliability - TSO Belle River	558,218	
33	New Wells - Taggart	1,548,486	
34	Storage Upgrade - West Columbus	543,552	
35	East Side Expansion - Storage	27,101,856	
36	Stimulation/Recomplete West Columbus	1,980,565	
37			
38	TRANSMISSION PLANT (46 Items)	3,782,108	59,186,963
39	System Reliability - Milford	3,037,822	
40	Trans Line Upgrades - Milford Transmission	3,091,906	
41	Trans Gate Station Upgrades - Central Trans	1,878,503	
42	Trans Gate Station Upgrades - CC Detroit	816,956	
43	Misc Line Lowering - Milford Transmission	2,407,671	
44	Smart Pigging - Central Transmission	1,376,104	
45	Pipeline Integrity - Pressure	822,172	
46	S.P. Transmission System Isolation	1,713,530	
47	East Side Expansion - Transmission	49,865,756	
48	Jamestown Transmission	40,278,534	
49	PEPL Lateral and Compression	2,412,087	
50			
51	DISTRIBUTION PLANT (0 Items)		
52	Jamestown Distribution	8,781,768	
53	Environmental Projects	2,452,231	
54	Communication and Control	1,038,357	
55	CWIP Unbilled Liability	1,971,386	
56	Natural Gas Fuel Stat	969,081	
57			
58	GENERAL PLANT (140 Items)	10,287,916	1,253,000
59	Gas Measurement System	1,527,249	
60	Phase II Allen Road Roof	674,049	
61	Bridgewater Renovation	1,154,231	
62	Lynch Garage Addition	714,819	
63	Redesign Parking Lot Allen Road	1,092,360	
64	Bridgewater Relocation	1,683,701	
65	Replace HVAC - Noble	2,692,179	
66			
67			
68			
69			
70	TOTAL	\$316,148,182	\$238,139,535

CONSTRUCTION OVERHEADS - GAS

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.
2. On page 218 furnish information concerning construction overheads.
3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.
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.

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	General Administration Capitalized	\$9,254,919	N/A
2	Supervision, Engineering and Transportation -		
3	Joint Expense	20,702,377	160,356,101
4	Pensions and Employee Benefits Capitalized	6,893,281	174,165,197
5	Allowance for Funds Used During Construction	16,859,364	164,199,114
6	Payroll Taxes	2,107,910	178,950,568
7	Actual vs. Standard Rate Difference	1,156,292	N/A
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34	Total	\$56,974,143	

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, if those differ from the overall rate of return authorized by the Michigan Public Service Commission.

General Administration Capitalized

Costs of certain administrative departments (i.e. Legal, Corporate Resources, Corporate Planning) are capitalized monthly based on annual estimates of how much work is applicable to construction work in progress. Amounts capitalized are initially debited to a blanket work order (Account 107). These charges are then transferred to construction work orders based on the current month's charges to these construction work orders.

Supervision, Engineering and Transportation - Joint Expense

Supervision, engineering and transportation costs of certain departments are distributed to operation and maintenance accounts and construction work orders on a pro rata basis to direct labor charges.

Pensions and Employees' Benefits Capitalized

Construction and retirement work orders are debited with costs of pensions and employees' benefits distributed on the basis of direct construction and retirement labor charges. The percentage applied to direct labor includes an additional component which represents amounts applicable to indirect labor.

Allowance for Funds Used During Construction (A.F.U.D.C.)

An allowance for funds used during construction is computed monthly by applying the A.F.U.D.C. rate to accumulated expenditures for specific major projects of all classes of property. The A.F.U.D.C. rate is equivalent to the most recently authorized overall rate of return as approved by the Michigan Public Service Commission. The composite A.F.U.D.C. rate for 2007 was 7.19% per annum.

Payroll Taxes

Construction and retirement work orders are debited with costs of payroll taxes (FICA, FUTA, MUTA) distributed on the basis of direct construction and retirement labor charges. The percentage applied to direct labor includes an additional component which represents amounts applicable to indirect labor.

Actual vs Standard Rate Difference

The mechanism used to reconcile standard to actual overhead rate.

Note: See Page 217 for amounts capitalized.

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION		December 31, 2007	
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Accounts 108 and 110)					
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 202-207, 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 cost 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	1,755,716,759	1,754,864,957	851,802	
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	80,157,958	80,134,456	23,502	
4	(403.1) Depreciation Expense	94,649	94,649		
5	(404 & 405) Amortization Expense Intangible Plant	5,908,177	5,908,177		
6	Transportation Expenses-Clearing	7,525,626	7,525,626		
7	Other Clearing Accounts				
8	Other Accounts (Specify): (411) Accretion Expense	5,938,157	5,938,157		
9	TOTAL Deprec. Prov. for Year (Enter total of lines 3 thru 8)	99,624,567	99,601,065	23,502	
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired	30,378,695	30,378,695		
12	Cost of Removal	3,408,521	3,408,521		
13	Salvage (Credit)	(368,030)	(368,030)		
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	33,419,186	33,419,186		
15	Other Debit or Credit Items (Describe): (2)	(5,008,764)	(5,008,764)	0	
16					
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	1,816,913,375	1,816,038,071	875,304	
Section B. Balances at End of Year According to Functional Classifications					
18	Production-Manufactured Gas				
19	Production and Gathering-Natural Gas	16,319,743	15,444,438	875,304	
20	Intangible Plant - Gas	42,602,002	42,602,002		
21	Underground Gas Storage	109,651,245	109,651,245		
22	Other Storage Plant (FAS 143/FIN 47)	0	0		
23	Retirement Work In Progress	(1,313,942)	(1,313,942)		
24	Transmission	201,289,561	201,289,561		
25	Distribution	1,296,031,548	1,296,031,548		
26	General	152,333,218	152,333,218		
27	TOTAL (Enter Total of lines 18 thru 26)	1,816,913,375	1,816,038,071	875,304	
Notes: (2) OTHER DEBIT AND CREDIT ITEMS CONSISTS OF THE FOLLOWING:					
<div style="display: flex; justify-content: space-between;"> <div>RESERVE ADJUSTMENT FOR FAS 143/FIN 47 ARO Costs</div> <div>(4,947,414)</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>DEPRECIATION ON NON-UTILITY PLANT</div> <div>(61,351)</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div></div> <div><u>(5,008,764)</u></div> </div>					

GAS STORED (ACCOUNT 117,164.1,164.2, AND 164.3)

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.
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.
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.
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.
5. Report pressure base of gas volumes as 14.65 psia at 60° F.

Line No.	Description (a)	Noncurrent (Account 117) (b)	Current (Account 164.1) (c)	LNG (Account 164.2) (d)	LNG (Account 164.3) (e)	Total (f)
1	Balance at Beginning of Year	\$33,591,614	\$76,828,478	0	0	\$110,420,092
2	Gas Delivered to Storage (contra Account)	0	258,021,468			258,021,468
3	Gas Withdrawn from Storage (contra Account)	(1,392,000)	(332,694,497)			(334,086,497)
4	Other Debits or Credits (Net)	0	29,536,378			29,536,378
5	Balance at End of Year	\$32,199,614	\$31,691,827	0	0	\$63,891,441
6	Mcf	62,451,805	43,651,937			106,103,742
7	Amount Per Mcf	\$0.51559	\$0.72601			\$0.60216

- 8 State basis of segregation of inventory between current and noncurrent portions:
Current gas is excess over base pressure gas established for each reservoir.

MichCon has put into place additional compression, and therefore, does not require as much Base Gas. In the current year, MichCon removed and sold 4.3 Bcf of Native Base Gas

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007
NONUTILITY PROPERTY (Account 121)				
1. Give a brief description and state the location of nonutility property included in Account 121. 2. Designate with an asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company. 3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year. 4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property. These items are separate and distinct from those allowed to be grouped under instruction No. 5. 5. Minor items (5% of the Balance at the End of the Year for Account 121) may be grouped. 6. Natural gas companies which have oil property should report such property by State, classified as to (a) oil lands and land rights, (b) oil wells, and (c) other oil property. Gasoline plants and other plants for the recovery from natural gas are classifiable as gas plant and should be reported as such and not shown as Nonutility Property.				
Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	(All Properties in Michigan)			
2				
3	Land	\$211,834	(\$17,678)	194,156
4	Storage Field Land and Land Rights	0	0	0
5	Edmore Field	761,557	0	761,557
6	Computer Equipment - MRCS	0	0	0
7	Leased Water Heaters	981,615	0	981,615
8	Minor Items	335,157	(260,507)	74,650
9		\$2,290,163	(\$278,185)	\$2,011,978
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)				
Report below the information called for concerning depreciation and amortization of nonutility property.				
Line No.	Item (a)	Amount (b)		
1	Balance, Beginning of Year	\$408,996		
2	Accruals for Year, Charged to			
3	(417) Income from Nonutility Operations			
4	(418) Nonoperating Rental Income			
5	Other Accounts (Specify):			
6	403-01 Deprec. Exp.	61,351		
7	403-11 Deprec. Exp. - Computer Equip. - MEMS			
8	403-11 Deprec. Exp. - Other Audit Equip. - MEMS			
9	TOTAL Accruals for Year (Enter Total of lines 3 thru 8)	61,351		
10	Net Charges for Plant Retired			
11	Book Cost of Plant Retired	0		
12	Cost of Removal	0		
13	Salvage (Credit)	0		
14	TOTAL Net Charges (Enter Total of lines 10 thru 13)	0		
15	Other Debit or Credit Items (Describe): Conversion Reconciliation	15,917		
16	Plant In Service	0		
17	Balance, End of Year (Enter Total of lines 1, 9, 14, and 16)	\$486,264		

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL		December 31, 2007	
INVESTMENTS (Accounts 123, 124, 136)			
<p>1. Report below Investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.</p> <p>2. Provide a subheading for each account and list thereunder the information called for:</p> <p>(a) Investment in Securities - List and describe each security owned giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments, state number of shares, class, and series of stock. Minor Investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.</p> <p>(b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or open account. Each note should be listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any</p>			
Line No.	Description of Investment (a)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (b)	Purchases or Additions During Year (c)
1	<u>Account 123</u>		
2			
3			
4	Total Account 123	\$ -	\$ -
5			
6			
7	<u>Account 124</u>		
8			
9	Detroit Investment Fund (Acquired 04-10-95)	\$ 2,096,069.00	\$ (12,921.00)
10			
11			
12	Total Account 124	\$ 2,096,069.00	\$ (12,921.00)
13			
14			
15			
16	<u>Account 136</u>		
17			
18	Comerica Securities (Business Sweep account)	\$ -	\$ 2,009,311.75
19			
20	JP Morgan Chase (Investment Sweep account)	\$ -	\$ 390,417,682.30
21			
22			
23			
24	Total Account 136	\$ -	\$ 392,426,994.05
25			
26			
27			
28			
29			
30			
31			

INVESTMENTS (Accounts 123, 124, 136) (Continued)

advances due from officers, directors, stockholders, or employess. Exclude amount reported on page 229.

3. For any securities, notes or accounts that were pledged designate with an asterisk such securities, notes, or accounts and in a footnote state the name of pledgee and purpose of the pledge.
4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.
6. In column (h) report for each Investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (g).

Sales or Other Dispositions During Year (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference. (f))	Revenues for Year (g)	Gain or (Loss) from Investment Disposed of (h)	Line No.
					1
					2
				\$ -	3
\$ -		\$ -	\$ -	\$ -	4
				\$ -	5
					6
					7
					8
\$ -	10 units	\$ 2,083,148.00	-	-	9
				-	10
\$ -		\$ 2,083,148.00	\$ -	\$ -	11
					12
					13
					14
					15
					16
					17
\$ 2,008,792.62		\$ 519.13	\$ 14,603.11		18
					19
\$ 384,929,552.53		\$ 5,488,129.77	\$ 193,247.91		20
					21
					22
					23
\$ 386,938,345		\$ 5,488,648.90	\$ 207,851.02	\$ -	24
					25
					26
					27
					28
					29
					30
					31

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 103700, 103710)					
1.	Report below investments in Account 103700, 103710 Investment in Subsidiary Companies.				
2	Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h). (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate. (b) Investment Advances - Report separately the amounts of loans or Investment Advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.				
3	Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 562000				
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	
1	MICHCON DEVELOPMENT CORPORATION				
2	COMMON STOCK	6-29-84			
3	(PAR VALUE \$1 PER SHARE, 1,000			1,000	
4	SHARES AT 12-31-98)				
5	ADDITIONAL PAID-IN CAPITAL			17,162,695	
6	EQUITY IN EARNINGS			(10,582,314)	
7	Total			6,581,381	
8	BLUE LAKE HOLDINGS, INC.				
9	COMMON STOCK	6-25-91			
10	(PAR VALUE \$.01 PER SHARE, 10			0	
11	SHARES AT 12/31/98)				
12	ADDITIONAL PAID-IN CAPITAL			7,490,192	
13	OTHER COMPREHENSIVE INCOME			0	
14	EQUITY IN EARNINGS			1,143,555	
15	Total			8,633,747	
16	MICHCON PIPELINE COMPANY				
17	COMMON STOCK	5-26-95			
18	(PAR VALUE \$.01 PER SHARE, 1000			10	
19	SHARES AT 12/31/98)				
20	ADDITIONAL PAID-IN CAPITAL			34,445,694	
21	EQUITY IN EARNINGS			35,265,811	
22	Total			69,711,515	
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52	Total Cost of Account 103700	59,102,511	Total	84,926,643	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 103700, 103710) (Continued)					
4. For any securities, notes, or accounts that were pledged, designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge. 5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number. 6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year. 7. In column (h), report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f). 8. Report on Line 52, column (a) the total cost of Account 103700					
Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or (Loss) from Investment Disposed of (h)	Line No.	
		1,000		1	
				2	
				3	
	0	17,162,695		4	
204,083		(10,378,231)		5	
204,083	0	6,785,464		6	
				7	
		0		8	
				9	
		7,490,192		10	
		0		11	
2,440,147		3,583,702		12	
2,440,147	0	11,073,894		13	
				14	
		10		15	
	2,920 (A)	34,448,614		16	
7,187,747		42,453,558		17	
7,187,747	2,920	76,902,181		18	
				19	
				20	
				21	
				22	
				23	
				24	
				25	
				26	
				27	
				28	
				29	
				30	
				31	
				32	
				33	
				34	
				35	
				36	
				37	
				38	
				39	
				40	
				41	
				42	
				43	
				44	
				45	
				46	
				47	
				48	
				49	
				50	
				51	
9,831,977	2,920	94,761,540		52	
(A) Represents additional capital contribution (to)/from MichCon.					

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET			
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)	933,150	545,406
2	Customer Accounts Receivable (Account 142)	297,396,866	332,826,037
3	Other Accounts Receivable (Account 143) (Disclose any capital stock subscriptions received)	55,466,139 (1)	53,288,135 (1)
4	Total	353,796,155	386,659,578
5	Less: Accumulated Provision for Uncollectible Accounts - Cr. (Accounts 144)	95,797,871	86,269,517
6	Total, Less Accumulated Provision for Uncollectible Accounts	\$257,998,284	\$300,390,061
7			
8			
9			
10			
11			
12	(1) Includes amount receivable from Employees	2,631	329,348
13			
14			

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR. (Account 144)						
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	94,366,298	\$30,195	\$0	\$1,401,378	\$95,797,871
2	Prov. for uncollectibles for year	65,040,771	432,886	0	688,386	66,162,043
3	Accounts written off	(80,368,562)	(1,320)	0	(1,522,405)	(81,892,287)
4	Coll. of accounts written off	6,182,529	0	0	19,361	6,201,890
5	Adjustments (explain):	0	0	0	0	0
6	Balance end of Year	\$85,221,036	\$461,761	\$0	586,720	\$86,269,517
7						
8						
9						
10						
11						

RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)

1. Report particulars of notes and accounts receivable from associated companies * at end of year.
2. 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.
3. 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.
4. If any note was received in satisfaction of an open account, state the period covered by such open account.
5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year.
6. 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 accounting 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)	Total for Year		Balance End of Year (e)	Interest For Year (f)
			Debits (c)	Credits (d)		
1	<u>Account 145</u>					
2	MichCon Pipeline Company	5,311,705	47,588,862	48,706,464	4,194,103	90,586
3	DTE Energy Company	-	890,954,151	890,196,703	757,448	268,161
4	Saginaw Bay Lateral Limited Partnership	-	4,938,855	4,919,423	19,432	188
5						
6						
7						
8						
9						
10						
11						
12						
13						
14	Total Account 145	\$5,311,705	\$943,481,868	\$943,822,590	\$4,970,983	\$358,935

Notes receivable from associated companies arise from the Inter-Company Loan Agreements.
 Purpose: To provide a line of credit to associated companies.
 Maturity Date: N/A
 Interest Rate: Annually modified fixed rate

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146) (Continued)						
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	<u>Account 146</u>					
2						
3	DTE Enterprises, Inc.	50,717	215,660	266,377	-	
4	MCN Energy Enterprises	57,372	285,895	237,355	105,912	
5	Citizens Gas Fuel Company	121,021	138,456	259,476	1	
6	MichCon Gathering Company	599,043	9,890,293	3,801,843	6,687,493	
7	MichCon Pipeline Company	37,136	219,669	126,040	130,765	
8	Jordan Valley Limited Partnership	29,595	590,595	598,622	21,568	
9	Saginaw Bay Pipeline Company	365,074	1,394,302	1,675,220	84,156	
10	Saginaw Bay Lateral Company	8,177	163,597	148,913	22,861	
11	Saginaw Bay Lateral Limited Partnership	3,476	88,895	67,237	25,134	
12	Westside Pipeline Company	11,368	287,661	290,398	8,631	
13	Washington 10 Holdings, Inc.	4,075,814	(0)	4,075,814	-	
14	DTE Gas Storage Company	119,566	4,851,525	4,536,362	434,729	23,613
15	Thunder Bay Gathering Company	17,058	800,735	730,502	87,291	
16	Blue Lake Holdings	129	419	386	162	
17	Detroit Edison Company	76,032,126	190,856,968	229,259,344	37,629,750	1,217
18	DTE Energy Company	6,331,400	394,705,116	400,479,566	556,950	
19	DTE Energy Trading, Inc.	155,499	8,965,213	3,426,667	5,694,045	
20	DTE Energy Ventures	12,009	27,833	35,322	4,520	
21	DTE Michigan Holdings, Inc.	40,029	126,874	155,567	11,336	562
22	Shelby Storage LLC	54,251	198,884	232,806	20,329	863
23	MichCon Lateral Company	130,557	2,581,967	2,506,535	205,989	
24	Washington 10 Storage Partnership	80,966	1,255,156	1,306,943	29,179	
25	DTE River Rouge No. 1, LLC	3,375	118,425	284,661	(162,861)	
26	DTE Energy Services, Inc.	17,000	8,754	25,726	28	
27	DTE Gas & Oil Company	65,512	421,543	487,055	-	
28	DTE Gas Storage Pipeline & Processing Co.	-	16	16	-	
29	MichCon Development Corporation	20	-	20	-	
30	South Romeo Gas Storage Company	-	411,662	371,396	40,266	
31	DTE Smith Branch Operations, LLC	-	5,430	-	5,430	
32	DTE East China, LLC	-	110,500	102,000	8,500	
33	DTE Coal Services, Inc.	-	6,478	6,452	26	
34	Terra-Westside Processing Co.	-	7,072	5,472	1,600	
35	Jordan Valley Pipeline Company	-	140,400	1,814	138,586	
36	DTE Terra Hayes Gathering Company	-	100,441	1,113	99,328	
37	(continued next page)					
38						
39						

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146) (Continued)						
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	Account 146 (continued)					
2	Tums/Olund Lake Pipeline Company	-	99,967	441	99,526	
3	Washington 10 Storage Corporation	-	262,879	165,007	97,872	
4	DTE Open-Loop Biomass LLC	-	3,499	-	3,499	
5	MCNIC Mobile Bay Gathering Company	-	631	-	631	
6	DTE Energy Corporate Services, LLC	-	26,599,466	22,848,324	3,751,142	
7	DTE Energy Resources, Inc.	-	217	217	-	
8	DTE Biomass Energy, Inc.	-	2,380	2,380	-	
9	DTE Energy Technologies, Inc.	-	15,439	15,439	-	
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37	Total Account 146	\$88,418,292	\$645,960,910	\$678,534,828	\$55,844,374	\$26,255
38						
39	Total of Accounts 145 and 146	\$93,729,996	\$1,589,442,779	\$1,622,357,418	\$60,815,357	\$385,190

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007
MATERIALS AND SUPPLIES				
<p>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.</p> <p>2. Give an explanation of important inventory adjustments during year (on a supplemental page) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.</p>				
Line No.	Account (a)	Balance Beginning of Year (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)	0	0	
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	15,677,088 (1)	16,962,154 (1)	
12	Merchandise (Account 155)			
13	Other Materials and Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157) (Not applicable to Gas Utilities)			
15	Stores Expense Undistributed (Account 163)	862,319	2,891,211	
16				
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	16,539,407	19,853,365	\$0
(1)	Plant Materials and Operating Supplies (Account 154)			
	Construction and Operating			
	Materials and Supplies:			
	Pipe-steel and plastic	1,056,815	923,553	
	Fittings, valves, regulators, meter connections	3,693,473	3,230,657	
	Automotive and gas plant equipment parts	1,384,850	2,066,294	
	Appliance parts and installation materials	1,254,452	1,924,655	
	Gas Odorant	0	0	
	Truck Stock and other base stock	4,392,375	4,625,284	
	Other Materials	2,135,543	2,373,816	
	Uniforms and hand tools	567,470	592,981	
	Stationary and office supply forms	15,260	57,801	
	Forms	137,823	22,166	
	Sub-Total	14,638,062	15,817,209	
	Materials and supplies in transit	0	0	
	Materials and supplies - Unassigned costs:			
	Freight on materials	472,285	508,865	
	Sales and use taxes	566,742	636,081	
	Sub-Total	1,039,027	1,144,945	
	Inventory adjustments in suspense	0	0	
	TOTAL Account 154	\$15,677,088	\$16,962,154	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007			
ADVANCES FOR GAS PRIOR TO INITIAL DELIVERIES OR COMMISSION CERTIFICATION (Accounts 124, 166 and 167)							
<p>1. Report below the information called for concerning all advances for gas, as defined in the text of Account 166, Advances for Gas Exploration, Development and Production, and 167, Other Advances for Gas, whether reported in Accounts 166, 167, or reclassified to Account 124, Other Investments. List Account 124 items first.</p> <p>2. In column (a), give the date the advance was made, the payee (designate associated companies with an asterisk) a brief statement of the purpose, (exploration, development, production, general loan, etc.) and the estimated date of repayment. Do not use the term indefinite in reporting estimated date of repayment. If advances are made to a payee in connection with different projects with different arrangements for repayments, use separate lines for reporting; otherwise all advances may be grouped by payee, subject to the requirements of instruction 3 below.</p> <p>3. If the beginning balance shown in column (c) does not agree with the prior year's ending balance, column (g), provide a detailed explanation in a footnote. Show all Advances made during the year in column (d) and all repayments or other credits in column (e). Report amounts shown in column (e) separately by account, as reported in column (f).</p>							
Line No.	Date of Advance, Payee, Purpose and Estimated Date of Repayment (a)	Account Number (124, 166 or 167) (b)	Balance at Beginning of Year (c)	Advances During Year (d)	Repayments or Other Credits During Year (e)	Accounts Charged (f)	Balance at End of Year (g)
1			0	0	0		0
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26			\$0	\$0	\$0		\$0
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007		
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	\$0				
2	Prepaid Rents	79,684				
3	Prepaid Taxes (262-263)	6,400,919				
4	Prepaid Interest	-				
5	Gas Prepayments (226-227)	-				
6	Miscellaneous Prepayments: (1)	716,334				
7	TOTAL	\$7,196,937				
Notes: (1) Miscellaneous Prepayments: Employees Insurance Deposits (Flex Spending Prefunding) Prepaid Sales Tax Prepaid Audit Fees Software Maintenance & Support Fees Prepaid MPSC Fee Other					Balance at End of Year (In Dollars) 78,271 - - 14,432 623,631 - 716,334	
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						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28	TOTAL	\$0	\$0		\$0	\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007		
PRELIMINARY SURVEY AND INVESTIGATION CHARGES (Account 183)						
1. Report below particulars (details) concerning the cost of plans, surveys, and investigations made for the purpose of determining the feasibility of projects under contemplation. 2. For gas companies, report separately amounts included in Account 183.1, Preliminary Natural Gas Survey and Investigation Charges, and Account 183.2, Other Preliminary Survey and Investigation Charges. 3. Minor items (less than \$250,000) may be grouped by classes.						
Line No.	Description and Purpose of Project (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3	<u>Account 183.1</u>					
4	Projects at year end	\$0	\$0		\$0	\$0
5						
6						
7						
8						
9						
10	<u>Account 183.2</u>					
11		0	0		0	0
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	Total	\$0	\$0		\$0	\$0

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007
OTHER REGULATORY ASSETS					
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 accounts).					
2. For regulatory assets 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 Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	Assets in Other Accounts				
2	Deferred Asset - GCR (Account 174)	24,757,643	485 & 431	24,757,643	0
3					
4	Deferred Environmental Testing/Clean-up Costs	3,112,359	253	1,935,171	38,993,459
5	(Account 186 and 253)				
6					
7	Unamortized Loss on Retirement of Debt (Account 189)		428	1,680,683	28,555,497
8					
9	Long Term UETM (Account 186)	34,529,088	485 & 431	26,601,793	41,738,972
10	Current Receivable UETM (Account 174)	22,478,639	Various	9,070,281	24,903,106
11					
12	Minimum Pension Liability (Account 182)	363,703,792	186 & 253	507,042,792	116,413,000
13	- Minimum Pension reflects the adoption of SFAS 158 during 2006				
14					
15	Deferred Income Tax (FAS 109) (Account 186)	46,606,000	254	0	46,606,000
16					
17	Total Regulatory Assets				\$297,210,034
18					
19	REGULATORY ACCOUNTING ADJUSTMENT				
20	Cost to Achieve per Rate Order - U-14909				
21	Misc Deferred Debits (Account 186)	8,745,177	930	1,208,027	19,617,421
22	Regulatory Liability - Negative Pension (Account 253)	706,543	930		11,896,919
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37	Items displayed on this page may also be included on other pages due to overlapping classifications.				
38					
39					
40					
41					
42	TOTAL	\$504,639,241		\$572,296,391	\$328,724,375

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.						
2. For any deferred debt being amortized, show period of amortization in column (a).						
3. Minor items (less than \$50,000) may be grouped by classes.						
Line No.	Description of Miscellaneous Deferred Debit	Balance at Beginning of Year	CREDITS			Balance at End of Year
			Debits	Account Charged	Amount	
	(a)	(b)	(c)	(d)	(e)	(f)
1	N/R - VECTOR PIPELINE LEASE	163,582,089	643,915	Various	9,787,551	154,438,453
2	PREPD PEN EXP AFTER 12/31/9	71,410,578	58,226,593	Various	22,783,161	106,854,010
3	GCC Deferred Asset-CMS	101,096,867	215,700,596	143	212,020,766	104,776,697
4	Intercompany Pension Costs	294,137,987	31,264,460		-	325,402,447
5	REG ASSET-ENVIRONMENTAL COSTS	44,758,134	1,182,685	253	1,621,836	44,318,983
6	DEFERRED LOST GAS ASSET	10,400,000	20,008,845	485	30,408,845	-
7	Fin Exp - LTD - Taxable	1,346,151	3,044,797	Various	3,422,590	968,358
8	LT RCVBL-EMPTY CONVERSION PYMT	1,058,701	2,819	Various	39,566	1,021,954
9	REGULATORY ASSET - FAS 87	259,752,000	103,546,333	253	246,885,333	116,413,000
10	NR - 500 Assoc LLC	463,013	-	Various	463,013	-
11	TRANSITION COSTS	60,000	-	Various	60,000	-
12	Deferred CTA Costs	12,080,272	8,745,177	930	1,208,027	19,617,422
13	DIT FAS 109 Reg Asset	-	46,606,000		-	46,606,000
14	UETM - Uncollectible Tracker	33,811,677	34,529,088	485	26,601,793	41,738,972
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	Misc Work In Progress					
45	Accounts Payable Invoice Clearing	591,047	-		591,047	-
46	Labor Distribution Clearing	-	-		-	-
47	Work in Process	16,538	-		16,538	-
48						
49	TOTAL	994,565,054	523,501,308		555,910,066	962,156,296

3. If more space is needed use separate pages as required.

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

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amount Debited Account 410.2 (e)	Amounts Credited Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
-	-		-	Rounding	(1)	\$31,224,732	10
-	-		-		-	111,198,901	11
-	-		-		(1)	36,691,973	12
-	-		-		-	55,104	13
-	-		-			5,121,772	14
0	0	See Below	3,662,389		0	185,103,457	15
\$0	\$0		\$3,662,389		(\$2)	\$369,395,939	16
							17
\$0	\$0		\$3,662,389		(\$2)	\$369,395,939	18
							19
							20
							21
							22

NOTES (Continued)

-	-					\$137,168,209	
-	-					205,467	
-	-				-	1,834,094	
-	-				-	976,251	
-	-				-	0	
-	-				-	7,936,529	
-	-				-	775,985	
-		286-RA	3,662,389		-	35,810,822	
-	-		-		-	138,638	
-	-		-		-	257,462	
\$0	\$0		\$3,662,389		\$0	\$185,103,457	

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2007				
CAPITAL STOCK (Accounts 201 and 204)				
<p>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 outlined in column (a) 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 reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>				
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	COMMON STOCK	15,100,000	\$1.00	-
2				
3	CUMULATIVE PREFERRED STOCK			
4	SERIES:			
5	REDEEMABLE \$2.05 SERIES	7,000,000	\$1.00	N/A
6				
7	CUMULATIVE PREFERENCE STOCK	4,000,000	\$1.00	N/A
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2007						
CAPITAL STOCK (Accounts 201 and 204) (Continued)						
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 allow 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 pledgee and purpose of pledge.						
OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent.)		HELD BY RESPONDENT				Line No.
		As Reacquired Stock (Account 217)		In Sinking and Other Funds		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
10,300,000	\$10,300,000	-	-	-	-	1
						2
						3
						4
-	-	-	-	-	-	5
						6
-	-	-	-	-	-	7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 and 205, 203 and 206, 207, 212)					
1. Show for each of the above accounts the amounts applying to each class and series of capital stock. 2. For Account 202, Common Stock Subscribed and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year. 3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of the year. 4. For Premium on Account 207, Capital Stock, designate with an asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.					
Line No.	Name of Account and Description of Item (a)	Number of Shares (b)	Amount (c)		
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36	Total	0	\$0		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
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) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.</p> <p>(b) Reduction in Par or Stated Value of Capital Stock (Account 209)-State amount and give brief explanation of the 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) Gain on Resale or Cancellation of Reacquired Capital Stock (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) Miscellaneous Paid-In Capital (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 209 REDUCTION IN PAR OR STATED VALUE OF COMMON STOCK</u>		
2			
3	BALANCE, DECEMBER 31, 2006	\$133,900,000	
4	NO TRANSACTIONS DURING 2007	-	
5			
6	BALANCE, DECEMBER 31, 2007	<u>\$133,900,000</u>	\$133,900,000
7			
8			
9	<u>ACCOUNT 210 GAIN ON RESALE OR CANCELLATION OF REACQUIRED CAPITAL STOCK</u>		
10			
11	BALANCE, DECEMBER 31, 2006	\$12,525	
12	NO TRANSACTIONS DURING 2007	-	
13			
14	BALANCE, DECEMBER 31, 2007	<u>\$12,525</u>	\$12,525
15			
16			
17			
18	<u>ACCOUNT 211 MISCELLANEOUS PAID-IN-CAPITAL</u>		
19			
20	BALANCE, DECEMBER 31, 2006	\$298,628,597	
21	CAPITAL CONTRIBUTION	<u>4,654,722</u>	
22			
23	BALANCE, DECEMBER 31, 2007	<u>\$303,283,319</u>	\$303,283,319
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38	Total		\$437,195,844

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
DISCOUNT ON CAPITAL STOCK (Account 213)			
1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. 2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged.			
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)	
1	None		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21	TOTAL	\$0	
CAPITAL STOCK EXPENSE (Account 214)			
1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. 2. If any change occurred during the year in the balance with respect to any class or series of stock attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.			
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)	
1	None		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21	TOTAL	\$0	

Name of Respondent	This Report Is: <input type="checkbox"/> (1) <input checked="" type="checkbox"/> An Original <input type="checkbox"/> (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Consolidated Gas Company			Dec. 31, 2007

**SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED
DURING THE YEAR**

- | | |
|--|---|
| <p>1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.</p> <p>2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.</p> <p>3. Include in the identification of each class and series of security, as appropriate, the interest or dividend</p> | <p>rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance or redemption price and name of the principal underwriting firm through which the security transactions were consummated.</p> <p>4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 16 of the Uniform System of Accounts, give references to the Commission authorization for the different accounting and state the accounting method.</p> <p>5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discounts, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.</p> |
|--|---|

Mortgage Bonds Retired

7.21% Bond Series C, due 2007

Payment in the amount of \$30,000,000 on the 7.21% 1997 bond series C, due 05-01-07, was made on May 1, 2007.

<u>Settlement Date</u>	<u>Coupon %</u>	<u>Maturity Date</u>	<u>Repurchase Amount</u>	<u>Premium On redemption</u>	<u>Unamortized Expenses</u>
5/1/2007	7.21%	5/1/2007	\$ - \$	- \$	-
			\$ - \$	- \$	-

- \$ - of Redemption Premium were charged to Account 189, Unamortized Loss on Reacquired Debt.
- \$ - of Unamortized Expenses were charged to Account 189, Unamortized Loss on Reacquired Debt.

Securities Issued

No new securities were issued during 2007.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007
LONG-TERM DEBT (Accounts 221, 222, 223, and 224)				
1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt. If information to meet the stock exchange reporting requirement outlined in column (a) 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 reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.				
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.				
3. 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.				
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.				
5. In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term				
Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amounts held by respondent) (d)
1	Account 221 - Bonds			
2	First Mortgage Bonds:			
3				
4	7.210% Series due 2007	05-20-97	05-01-07	30,000,000 ®
5	7.060% Series due 2012	05-20-97	05-01-12	40,000,000
6	8.250% Series due 2014	09-26-94	05-01-14	80,000,000
7	6.125% Snr Note due 2008	08-22-01	09-01-08	200,000,000
8	5.7% Snr Note due 2033	02-20-03	03-15-33	200,000,000
9	5% Snr Note due 2019	10-04-04	10-01-19	120,000,000
10				
11				
12				
13				
14				
15				
16				
17				
18	Other Bonds:			
19	6.450% MOPPRS Series due 2038	06-23-98	06-30-38	75,000,000
20				
21	Retired Debt in 2007 ®			(30,000,000) ®
22				
23	Total Account 221 Bonds			715,000,000
24				
25				
26	Account 224 - Other			
27	Life Insurance Loans and Other		various	0
28	Deferred Transition Adjustment			0
29	SWAP Mark to Market			0
30				
31	Total Account 224 Other			0
32				
33	TOTAL			\$715,000,000
34				
35	® Bonds were retired during 2007			
36				
37				
38				
39				
40				
41	Total			\$715,000,000

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
LONG-TERM DEBT (Accounts 221, 222, 223, and 224) (Continued)					
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.					
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.					
7. If the respondent has any long-term securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.					
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, Interest on Long-Term Debt, and Account 430, Interest on Debt to Associated Companies.					
9. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.					
Interest for Year		Held by Respondent		Redemption Price Per \$100 at End of Year	Line No.
Rate (In %)	Amount	Reacquired Bonds (Acct. 222)	Sinking and Other Funds		
(e)	(f)	(g)	(h)	(i)	
					1
					2
					3
7.21	721,000				4
7.06	2,824,000				5
8.25	6,600,000				6
6.125	12,250,000				7
5.7	11,396,804 (1)				8
5	6,146,434 (1)				9
					10
					11
					12
					13
					14
					15
					16
					17
					18
6.45	4,837,500				19
					20
					21
					22
	44,775,738		-		23
					24
					25
					26
various	0			-	27
					28
					29
					30
	0		-		31
					32
	44,775,738		-		33
					34
(1) Interest on these instruments is being reported					35
net of OCI cash flow hedge					36
					37
					38
					39
					40
	\$ 44,775,738	\$ -	\$ -		41

UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT
(Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, particulars (details) of expense, premium or discount applicable to each class and series of long-term debt.

2. Show premium amounts by enclosing the figures in parentheses.

3. In column (b) show the principal amount of bonds or other long-term debt originally issued.

4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	Amortization Period	
				Date From (d)	Date To (e)
1	UNAMORTIZED DEBT EXPENSE ON LONG-TERM DEBT				
2					
3	First Mortgage Bonds:				
4					
5	8 1/4% Series Due 2014	80,000,000	700,000	09-26-94	05-01-14
6	7.06% Series due 2012	40,000,000	434,119	05-20-97	05-01-12
7	7.21% Series due 2007	30,000,000	302,758	05-20-97	05-01-07
8	6.125% Snr Note due 2008	200,000,000	1,612,368	08-22-01	09-01-08
9	5.7% 2003A due 2033	200,000,000	1,794,965	02-20-03	03-15-33
10	5% 2004E Snr Note due 2019	120,000,000	2,324,610	10-04-04	09-30-19
11					
12					
13					
14	Other Bonds:				
15					
16	6.45 % MOPPRS Series due 2038	75,000,000	839,877	06-30-98	06-30-08
17					
18					
19	TOTAL ACCOUNT 181	\$745,000,000	\$8,008,697		
20					
21					
22	UNAMORTIZED PREMIUM ON OTHER BONDS				
23	6.45 % MOPPRS Series due 2038	75,000,000	(1,875,000)	06-30-98	06-30-13
24					
25	TOTAL ACCOUNT 225	\$75,000,000	(\$1,875,000)		
26					
27					
28	UNAMORTIZED DISCOUNT ON FIRST MORTGAGE BONDS				
29					
30	8 1/4% Series due 2014	80,000,000	680,000	09-26-94	05-01-14
31	6.45 % MOPPRS Series due 2038	75,000,000	23,250	06-30-98	06-30-08
32	6.125% Snr Note due 2008	200,000,000	368,000	08-22-01	09-01-08
33	5.7% 2003A due 2033	200,000,000	726,000	02-20-03	03-15-33
34	5.0% 2004e due 2019	120,000,000	487,200	10-04-04	09-30-19
35	TOTAL ACCOUNT 226	\$675,000,000	\$2,284,450		
36					
37					
38					
39					
40					

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226) (Continued)						
5. 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.						
6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.						
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.						
Balance at Beginning of Year (f)	Debits During Year (g)		Credits During Year (h)	Balance at End of Year (i)	Line No.	
					1	
					2	
					3	
					4	
251,223			(25,001)	226,222	5	
158,198			(32,343)	125,855	6	
10,312			(10,312)	(0)	7	
453,513			(273,799)	179,714	8	
1,649,879			(59,577)	1,590,302	9	
2,047,630			(159,550)	1,888,080	10	
					11	
					12	
					13	
					14	
					15	
647,582			(605,818)	41,764	16	
					17	
					18	
\$5,218,337	\$0		(\$1,166,400)	\$4,051,938	19	
					20	
					21	
					22	
(1,078,125)	94,966	A	(445,700)	(1,428,859)	23	
					24	
(\$1,078,125)	\$94,966		(\$445,700)	(\$1,428,859)	25	
					26	
					27	
					28	
					29	
254,638			(34,879)	219,759	30	
18,309			(17,151)	1,158	31	
87,619			(52,696)	34,923	32	
633,491			(24,925)	608,566	33	
414,120			(32,268)	381,852	34	
\$1,408,177	0		(\$161,919)	\$1,246,258	35	
					36	
					37	
A = Credit to Unamortized Bond Premium is due to an adjustment for the correction of amortizable life.						38
					39	
					40	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (ACCOUNTS 189, 257)						
<div>1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars (details) of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.</div> <div>2. In column (c) show the principal amount of bonds or other long-term debt reacquired.</div> <div>3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.</div> <div>4. Show loss amounts by enclosing the figures in parentheses.</div> <div>5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.</div>						
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal Amount of Debt Reacquired (c)	Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	<u>Account 189</u>					
2						
3	9 3/4% series due 2000 -					
4	Refunding 7.06%, 1997B due 2012 - A753	6/30/97	12,000,000	1,009,562	360,955	293,276
5						
6	8% series due 2002					
7	Refunding Rmkt Nt 6.45% 1998 MOPPRS 2038-A755	6/30/98	58,686,000	4,345,527	3,403,039	3,295,006
8						
9	BONDS 9 1/2 SER DUE 2021					
10	Refunding 2001 6 1/8% due 2008-A758	2001	40,000,000	2,769,810	667,428	266,971
11						
12	Refunding 5.7% 2003A due 2033 - A759	2003	172,174,000	25,916,511	22,793,168	21,924,856
13						
14	Refunding 5.0% 2004E due 2019 - A760	2004	107,327,000	3,523,365	3,011,591	2,775,388
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28			\$ 390,187,000	\$ 37,564,775	\$ 30,236,181	\$ 28,555,497
29	<u>Account 257</u>					
30	None					
31						
32						
33						
34						
35						
36						
37						
38	* MAPS - Mandatory Putable / remarketable Securities					
39	* MOPPRS - Mandatory Par Put Remarketed Securities					
40						
41						
42						
43						

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007		
NOTES PAYABLE (Account 231)						
1. Report the particulars indicated concerning notes payable at end of year. 2. Give particulars of collateral pledged, if any. 3. Furnish particulars for any formal or informal compensating balance agreements covering open lines of credit. 4. Any demand notes should be designated as such in column (d). 5. Minor amounts may be grouped by classes, showing the number of such amounts.						
Line No.	Payee (a)	Purpose for which issued (b)	Date of Note (c)	Date of Maturity (d)	Int. rate (e)	Balance end of year (f)
1	Various Lenders of Commercial Paper Debt	For Gas in Underground Storage and Other Working Capital	Various (1)	Various (1)	Various(1)	(\$354,364,693)
2						
3						
4	JP Morgan Credit Facility Debt	For Gas in Underground Storage and Other Working Capital	12/21/2007	3/20/2008	5.68188%	(\$100,000,000)
5						
6						
7						
8						
9						
10						
11	(1) MichCon continues to maintain its amended \$243.75 million 2004 five-year facility agreement and its \$181.25 million 2005 five-year agreement. The maturity dates of the 2004 and 2005 facility agreements remain at 2009 and 2010, respectively. The five-year credit facilities are both with a syndicate of banks and may be utilized for general corporate borrowings, but are primarily intended to provide liquidity support for commercial paper programs.					
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
TOTAL						(\$454,364,693)

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007		
PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)						
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 a 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.						
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	<u>Account 233</u>					
2	MichCon Development Corporation	\$ 7,366,468	\$ 7,463,775	\$ 7,854,666	\$ 7,757,359	\$ 390,870
3	Saginaw Bay Lateral Limited Partnership	22,088	22,088		-	462
4	Westside Pipeline Company	1,492,582	5,457,516	4,028,347	63,413	100,372
5	Saginaw Bay Lateral Company	1,305,013	1,465,773	1,646,571	1,485,811	71,052
6	Jordan Valley Limited Partnership	6,051,073	13,057,416	7,751,873	745,530	342,657
7	MichCon Gathering Company	18,843,889	26,816,201	31,970,770	23,998,458	973,353
8	Thunder Bay Gathering Company	740,958	1,333,085	3,141,353	2,549,226	61,139
9	Saginaw Bay Pipeline Company	5,134,322	5,495,171	5,910,697	5,549,848	260,686
10	MichCon Holdings, Inc.	4,594,100	4,654,721	60,621	-	60,621
11	DTE Energy Company	7,515,105	7,515,105	-	-	727,563
12	MichCon Lateral Company	5,472,384	7,785,838	9,732,871	7,419,417	313,264
13	Blue Lake Holdings, Inc.	690,162	1,511,179	5,168,335	4,347,318	107,716
14	Jordan Valley Pipeline Company	-	-	4,870,227	4,870,227	
15	DTE Terra Hayes Gathering Company	-	-	1,623,409	1,623,409	
16	Tums/Olund Lake Pipeline Company	-		1,792,942	1,792,942	
17						
18						
19	Total (Account 233)	\$ 59,228,143	\$ 82,577,868	\$ 85,552,682	\$ 62,202,958	\$ 3,409,755
20						
21	Note: Notes Payable to associated companies arise from the Inter-Company Loan Agreement.					
22	Purpose: To provide a line of credit from associated companies.					
23	Maturity Date: N/A					
24	Interest Rate: Annually modified fixed rate.					
25						
26						
27						
28						
29						
30						
31						
32						
33	Total					

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007		
PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234) (Continued)						
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	Account 234					
2	DTE Energy Company	\$ 15,365,180	\$ 442,227,693	\$ 437,841,177	\$ 10,978,664	
3	MichCon Gathering Company	2,128,410	2,481,542	13,109,285	12,756,153	
4	MichCon Pipeline Company	55,485	1,425,440	2,069,349	699,394	89,563
5	Saginaw Bay Pipeline Company	64,233	199,827	189,695	54,101	
6	DTE Enterprises, Inc.	20,753	47,847	27,094	-	
7	Detroit Edison Company	3,090,517	81,985,895	81,772,300	2,876,922	12,162
8	DTE Energy Resources, Inc.	-	156	218	62	
9	DTE Biomass Energy, Inc.	-	281	1,343	1,062	
10	DTE Energy Trading, Inc.	-	3,646,107	5,209,072	1,562,965	
11	DTE Energy Services, Inc.	-	8,737	8,765	28	
12	South Romeo Gas Storage Company	-	20,719	27,381	6,662	
13	DTE Smith Branch, LLC	-	-	536	536	
14	DTE Coal Services, Inc.	-	4,149	4,175	26	
15	Saginaw Bay Lateral Company	-	14,674	22,326	7,652	
16	Saginaw Bay Lateral Limited Partnership	-	10,297	18,439	8,142	
17	Westside Pipeline Company	-	67,964	76,027	8,063	
18	Jordan Valley Limited Partnership	-	173,044	143,774	(29,270)	
19	Thunder Bay Gathering Company	-	99,178	101,279	2,101	
20	MichCon Lateral Company	-	469,750	475,477	5,727	
21	Citizens Gas Fuel Company	-	26,801	26,803	2	
22	MCN Energy Enterprises, Inc.	-	194	225	31	
23	DTE Gas Storage, Pipeline & Processing Company	-	17	21	4	
24	DTE Michigan Holdings, Inc.	-	673	6,300	5,627	
25	DTE Gas Storage Company	-	404,153	413,970	9,817	
26	Shelby Storage LLC	-	18,635	25,953	7,318	
27	Jordan Valley Pipeline Company	-	-	10,204	10,204	
28	DTE Terra Hayes Gathering Company	-	-	5,011	5,011	
29	Washington 10 Storage Partnership	-	410,833	412,444	1,611	
30	Washington 10 Storage Corporation	-	-	37,389	37,389	
31	DTE Open-Loop Biomass LLC	-	-	1,160	1,160	
32	MCNIC Mobile Bay Gathering Company	-	-	631	631	
33	DTE Energy Corporate Services, LLC	-	189,907,327	214,642,826	24,735,499	
34	MichCon Development Corporation	-	20	0	(20)	
35	Turns/Olund Lake Pipeline Company	-	-	6,088	6,088	
36						
37						
38	Total (Account 234)	\$ 20,724,578	\$ 723,651,953	\$ 756,686,737	\$ 53,759,362	\$ 101,725
39						
40						
41	Total	\$ 79,952,721	\$ 806,229,821	\$ 842,239,419	\$ 115,962,320	\$ 3,511,480

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
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 a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however,			
Line No.		Total Amount	
1	Utility net operating income (page 114 line 24)		
2	Allocations: Allowance for funds used during construction		
3	Interest expense		
4	Other (specify)		
5	Net income for the year (page 117 line 72)	\$75,965,574	
6	Allocation of Net income for the year		
7	Add Federal income tax expenses	20,066,384	
8			
9	Total pre-tax income	96,031,958	
10			
11	Add: Taxable income not reported on books		
12	SEE PAGE 261-C	29,754,303	
13			
14			
15	Add: Deductions recorded on books not deducted from return		
16	SEE PAGE 261-C	79,100,005	
17			
18			
19	Subtract : Income recorded in books not included in return		
20	SEE PAGE 261-C	(83,671,059)	
21			
22			
23	Subtract: Deductions on return not charged against book income		
24	SEE PAGE 261-C	(56,650,159)	
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43	Federal taxable income for the year	\$64,565,048	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
RECONCILIATION OF REPORTED NET INCOME			
WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
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.			
3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2.			
4. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions.			
Utility	Other	Line No.	
		1	
		2	
		3	
		4	
		5	
61,617,761	14,347,813	6	
17,077,869	2,988,515	7	
		8	
78,695,630	17,336,328	9	
		10	
		11	
29,754,303	0	12	
		13	
		14	
		15	
77,891,977	1,208,028	16	
		17	
		18	
		19	
(73,839,082)	(9,831,977)	20	
		21	
		22	
		23	
(56,650,159)	0	24	
		25	
		26	
		27	
		28	
		29	
		30	
		31	
		32	
		33	
		34	
		35	
		36	
		37	
		38	
		39	
		40	
		41	
		42	
\$55,852,669	\$8,712,379	43	

MICHIGAN CONSOLIDATED GAS COMPANY A RESUBMISSION December 31, 2007		
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES		
Line No.		Total Amount
1	NOTES	
2	Line 12: Taxable Income Not Reported On Books:	
3	Lost Gas Deferral	\$10,554,148
4	Contribution in Aid of Construction	\$8,042,687
5	Bonus Accrual	\$7,679,468
6	Uniform Cost Cap-Avoided Interest	\$3,478,000
7		
8	Line 12 Subtotal	\$29,754,303
9		
10	Line 16: Deductions Recorded On Books Not Deducted From Return:	
11	Restructuring Charges	\$31,119,513
12	SFAS 106 Adjustment	\$30,977,904
13	Accretion Expense	\$5,938,157
14	Workmans Compensation	\$2,298,578
15	Loss on Required Debt	\$1,680,683
16	Vector Pipeline Lease	\$1,409,556
17	Vacation Pay Accruals	\$1,376,496
18	Other Miscellaneous	\$4,299,118
19		
20	Line 16 Subtotal	\$79,100,005
21		
22	Line 20: Income Recorded In Books Not Included In Return:	
23	Pension Plan Accrual	\$29,256,722
24	Uncollectible Tracker	\$21,335,656
25	AFUDC	\$8,643,248
26	Medicare Reimbursement	\$3,381,000
27	Grantor Trust	\$1,770,736
28	Equity Earnings in Subsidiaries	\$9,831,977
29	Costs to Achieve	\$9,451,720
30		
31	Line 20 Subtotal	\$83,671,059
32		
33	Line 24: Deductions On Return Not Charged Against Book Income:	
34	Tax Depreciation over Book Depreciation	\$18,345,014
35	Bad Debt Reserve	\$9,528,354
36	Reserve for Injuries and Damages	\$5,817,010
37	Supplemental Retirement Plan	\$3,280,586
38	ESOP Adjustment	\$6,134,108
39	Removal Costs	\$2,862,907
40	Other Miscellaneous	\$10,682,180
41		
42	Line 24 Subtotal	\$56,650,159

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			Line No.
Utility	Other		
			1
			2
\$10,554,148	\$0		3
8,042,687	0		4
7,679,468	0		5
3,478,000	0		6
			7
\$29,754,303	\$0		8
			9
			10
\$31,119,513	\$0		11
30,977,904	0		12
5,938,157	0		13
2,298,578	0		14
1,680,683	0		15
1,409,556	0		16
1,376,496	0		17
3,091,090	1,208,028		18
			19
\$77,891,977	\$1,208,028		20
			21
			22
\$29,256,722	\$0		23
21,335,656			24
8,643,248	0		25
3,381,000	0		26
1,770,736	0		27
	9,831,977		28
\$9,451,720	0		29
			30
\$73,839,082	\$9,831,977		31
			32
			33
\$18,345,014	\$0		34
9,528,354	0		35
5,817,010	0		36
3,280,586	0		37
6,134,108	0		38
2,862,907	0		39
10,682,180	0		40
			41
\$56,650,159	\$0		42

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
CALCULATION OF FEDERAL INCOME TAX			
Line No.		Total Amount	
1	Estimated Federal taxable income for the current year (page 261A)	\$64,565,048	
2			
3	Show Computation of estimated gross Federal income tax applicable to line 1:		
4	\$64,565,048 * 35 %	22,597,767	
5			
6			
7			
8	TOTAL	\$22,597,767	
9			
10	Allocation of estimated gross Federal income tax from line 11		
11	Investment tax credits estimated to be utilized for the year (page 264 col (c))		
12			
13	Adjustment of last years estimated Federal income tax to the filed return:		
14			
15	Last year's gross Federal income tax expense per the filed return	\$23,613,602	
16	Last year's estimated gross Federal income tax expense	35,143,500	
17	Increased (decreased) gross Federal income tax expense	(11,529,898)	
18			
19	Last year's investment tax credits utilized per the filed return	0	
20	Last year's investment tax credits estimated to be utilized	0	
21	Increased (decreased) investment tax credits utilized	0	
22			
23	Additional Adjustments (Specify)		
24	DTE Energy company stock options exercised	245,547	
25	R & D credit	(43,839)	
26			
27			
28			
29			
30			
31	Total Current Federal Income Tax	\$11,269,577	
32	Expense:		
33	409.1 (page 114, line 14)	\$8,220,244	
34	409.2 (page 117, line 47)	\$3,049,333	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
CALCULATION OF FEDERAL INCOME TAXES (continued)			Line No.
Utility	Other		
			1
			2
			3
			4
			5
			6
			7
			8
			9
\$19,548,434	\$3,049,333		10
			11
			12
			13
			14
\$23,613,602	0		15
\$35,143,500	0		16
(\$11,529,898)	\$0		17
			18
			19
			20
			21
			22
			23
245,547	0		24
(43,839)			25
			26
			27
			28
			29
			30
\$8,220,244	\$3,049,333		31
			32
\$8,220,244			33
	\$3,049,333		34

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL		December 31, 2007	
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 that the total tax for			
Line No.	Kind of Tax (See Instruction 5) (a)	Balance at Beginning of Year	
		Taxes Accrued (b)	Prepaid Taxes (c)
1	Federal Taxes		
2			
3	Federal Insurance Contributions	\$208,530	-
4	Federal Unemployment	1,986	-
5	Federal Income - Accrual	(187,995)	-
6	- Prepaid	-	-
7	Subtotal Federal Taxes	22,521	0
8			
9	State Taxes		
10			
11	Michigan Unemployment	4,379	-
12	Michigan Use	674,172	-
13	Michigan Severance	0	-
14	Michigan Single Business	3,806,549	-
15	M.P.S.C. Fee	-	\$712,287
16	Subtotal State Taxes	4,485,100	712,287
17			
18	Local		
19			
20	Property - Accrued		-
21	- Prepaid		4,645,597
22	City Utility Users	2,392,478	-
23	City Income	(65,817)	-
24	Subtotal Local Taxes	2,326,661	4,645,597
25			
26	Other Taxes		
27			
28	Corporate Allocated Payroll Tax	-	-
29	Other Tax Expense	-	-
30	Subtotal Other Taxes	0	0
31			
32			
33	Total A/C 236	\$6,834,282	\$5,357,884
34	Income Tax Prior Year - A/C 244, 245	\$0	-
35	Other Tax Prior Year - A/C 244.1, 245.1	\$504,000	
36			
37			

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

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) thru (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
\$9,060,244	\$9,108,773	-	\$160,001	-	3
124,917	124,549	-	2,354	-	4
11,435,372	9,771,599	-	1,475,778	-	5
		-	-	-	6
20,620,533	19,004,921	-	1,638,133	-	7
					8
					9
					10
316,409	325,358	-	(4,570)	-	11
3,060,198	4,034,133	-	(299,763)	-	12
1,830,854		-	1,830,854	-	13
5,164,621	7,488,051	-	1,483,119	-	14
2,429,768	2,341,115	-	-	\$623,634	15
12,801,850	14,188,657	-	3,009,640	623,634	16
					17
					18
					19
38,942,648	38,934,836	-	7,812	-	20
(1,755,323)		-	-	6,400,920	21
		(2,392,478)	0	-	22
81,567	215,000	-	(199,250)	-	23
37,268,892	39,149,836	(2,392,478)	(191,438)	6,400,920	24
					25
					26
					27
156,648	156,648	-	-	-	28
1,148,991	1,148,991	-	-	-	29
1,305,639	1,305,639	0	0	0	30
					31
					32
\$71,996,914	\$73,649,053	(\$2,392,478)	\$4,456,335	7,024,554	33
\$0	0	\$0	\$0	-	34
\$0	0	(504,000)	\$0		35
					36
					37

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)			
DISTRIBUTION OF TAXES CHARGED			
Line No.	Kind of Tax (See Instruction 5) (a)	Electric (Account 408.1 409.1) (b)	Gas (Account 408.1 409.1) (c)
1	Federal Taxes		
2			
3	Federal Insurance Contributions	\$ -	\$8,803,325
4	Federal Unemployment	-	125,525
5	Federal Income - Accrual	-	8,220,244
6	- Prepaid	-	
7	Subtotal Federal Taxes	0	17,149,094
8			
9	State Taxes		
10			
11	Michigan Unemployment	-	318,837
12	Michigan Use	-	63,984
13	Michigan Severance	-	
14	Michigan Single Business	-	5,164,621
15	M.P.S.C. Fee	-	1,717,484
16	Subtotal State Taxes	-	7,264,926
17			
18	Local		
19			
20	Property - Accrued	-	37,776,570
21	- Prepaid	-	(1,755,323)
22	City Utility Users	-	
23	City/State Income	-	81,567
24	Subtotal Local Taxes	0	36,102,814
25			
26	Other Taxes		
27			
28	Corporate Allocated Payroll Tax		156,648
29	Other Tax Expense		1,148,991
30	Subtotal Other Taxes	0	1,305,639
31			
32			
33	Total A/C 236	\$0	\$61,822,473
34	Income Tax Prior Year - A/C 244, 245	-	\$0
35	Other Tax Prior Year - A/C 244.1, 245.1	-	\$0
36			
37			

(Show utility department where applicable and account charged.)						Line No.
Other Utility Department (Account 408.1, 409.1) (d)	Other Income and Deductions (Account 408.2 409.2) (e)	Extraordinary Items (Account 409.3) (f)	Other Utility Opn. Income (Account 408.1, 409.1) (g)	Adj. to Ret. Earnings (Account 439) (h)	Other (i)	
-	-	-	-	-	\$ 256,919	1
-	-	-	-	-	(608)	2
-	3,049,333	-	-	-	165,795	3
-	-	-	-	-	-	4
0	3,049,333	0	0	0	422,106	5
-	-	-	-	-	-	6
-	-	-	-	-	(2,428)	7
-	-	-	-	-	2,996,214	8
-	-	-	-	-	1,830,854	9
-	-	-	-	-	712,284	10
-	-	-	-	-	5,536,924	11
-	30,000	-	-	-	1,136,078	12
-	-	-	-	-	-	13
-	-	-	-	-	-	14
0	30,000	0	0	0	1,136,078	15
-	-	-	-	-	-	16
-	-	-	-	-	-	17
-	-	-	-	-	-	18
0	0	0	0	0	0	19
\$0	\$3,079,333	\$0	\$0	\$0	\$7,095,108	20
-	-	-	-	-	\$0	21
-	-	-	-	-	\$0	22
-	-	-	-	-	-	23
-	-	-	-	-	-	24
-	-	-	-	-	-	25
-	-	-	-	-	-	26
-	-	-	-	-	-	27
-	-	-	-	-	-	28
-	-	-	-	-	-	29
-	-	-	-	-	-	30
-	-	-	-	-	-	31
-	-	-	-	-	-	32
-	-	-	-	-	-	33
-	-	-	-	-	-	34
-	-	-	-	-	-	35
-	-	-	-	-	-	36
-	-	-	-	-	-	37

DISTRIBUTION OF TAXES CHARGED

Line No.	Kind of Tax (See Instruction 5) (a)	Total Other (b)	Work-In-Progress (c)	Depreciation Reserve (d)
1	Federal Taxes			
2				
3	Federal Insurance Contributions	256,919		-
4	Federal Unemployment	(608)		-
5	Federal Income - Accrual	165,795		-
6	- Prepaid	-	-	-
7	Subtotal Federal Taxes	422,106	0	0
8				
9	State Taxes			
10				
11	Michigan Unemployment	(2,428)		-
12	Michigan Use	2,996,214	2,996,214	-
13	Michigan Severance	1,830,854		-
14	Michigan Single Business	-		-
15	M.P.S.C. Fee	712,284	-	-
16	Subtotal State Taxes	5,536,924	2,996,214	0
17				
18	Local			
19				
20	Property - Accrued	1,136,078	-	-
21	- Prepaid	-	-	-
22	City Utility Users	-	-	-
23	City Income	-	-	-
24	Subtotal Local Taxes	1,136,078	0	0
25				
26	Other Taxes			
27				
28	Corporate Allocated Payroll Tax			
29	Other Tax Expense			
30	Subtotal Other Taxes	0	0	0
31				
32				
33	Total A/C 236	\$7,095,108	\$2,996,214	\$0
34	Income Tax Prior Year - A/C 244, 245	\$0	-	-
35	Other Tax Prior Year - A/C 244.1, 245.1	\$0	-	-
36				
37				

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2007
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

(Show utility department where applicable and account charged)

General Work Orders (e)	Accounts Receivable (f)	Operation & Maintenance Expenses (g)	Transport. Expenses (h)	Materials & Supplies (i)	Deferred Credit & F.I.T. (j)	Misc. Current & Accrued Assets (k)	Line No.
							1
							2
-	-	-	-	-	-	256,919	3
-	-	-	-	-	-	(608)	4
-	-	-	-	-	-	165,795	5
-	-	-	-	-	-	-	6
0	0	0	0	0	0	422,106	7
							8
							9
-	-	-	-	-	-	(2,428)	10
-	-	-	-	-	-	-	11
-	-	1,830,854	-	-	-	-	12
-	-	-	-	-	-	-	13
-	-	712,284	-	-	-	-	14
-	-	-	-	-	-	-	15
0	0	2,543,138	0	0	0	(2,428)	16
							17
							18
	1,136,078	-	-	-	-	-	19
-	-	-	-	-	-	-	20
-	-	-	-	-	-	-	21
-	-	-	-	-	-	-	22
-	-	-	-	-	-	-	23
0	1,136,078	0	0	0	0	0	24
							25
							26
							27
							28
0	0	0	0	0	0	0	29
							30
							31
\$0	\$1,136,078	\$2,543,138	\$0	\$0	\$0	\$419,678	32
-	-	-	-	-	-	\$0	33
-	-	-	-	-	-	-	34
-	-	-	-	-	-	-	35
							36
							37

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)					
<p>1. Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and non-utility operations. Explain by footnote any correction adjustments to the account balance shown in column (g) . Include in column (j) the average period over which the tax credits are amortized.</p> <p>2. Fill in columns for all line items as appropriate.</p>					
Line No.	Account Subdivisions (a)	Subaccount Number (b)	Balance at Beginning of Year (c)	Deferred for Year	
				Account Number (d)	Amount (e)
1	Gas Utility				
2	PRE - 1970				
3	3%	255-10	\$164,332		
4	7%	255-10	171,497		
5	Subtotal Pre - 1970		335,829		
6					
7					
8					
9					
10					
11					
12	JDITC: POST - 1970				
13	4%	255-20	513,661		
14	6%	255-20			
15	7%	255-20	574,073		
16	4% & 6%	255-20			
17	8% & 10%	255-20	13,380,176		
18					
19	Subtotal POST - 1970		14,467,910		
20	Total		14,803,739		
21	Other				
22	3%				
23	4%				
24	7%				
25	8%				
26	10%				
27					
28					
29					
30					
31					
32	JDITC				
33					
34					
35	Total				
NOTES					

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)					
Allocations to Current Year's Income		Adjustments (h)	Balance at End of Year (i)	Average Period of Allocation to Income (j)	Line No.
Account No. (f)	Amount (g)				
					1
					2
411-42	(\$67,865)		\$96,467	41.57	3
411-42	(46,913)		124,584	37.43	4
	(114,778)		221,051		5
					6
					7
					8
					9
					10
					11
					12
411-42	(53,382)	-	460,279	39.21	13
411-42		-	-		14
411-42	(170,026)	-	404,047	35.69	15
411-42		-	-		16
411-42	(1,425,696)	-	11,954,480	34.55	17
					18
	(1,649,104)	-	12,818,806		19
	(\$1,763,882)	-	13,039,857		20
					21
					22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
					33
					34
					35
NOTES (Continued)					

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)			
1. Report the amount and description of other current and accrued liabilities at end of year.			
2. Minor items (Less than \$100,000) may be grouped under appropriate title.			
Line No.	Item (a)	Balance end of year (b)	
1	Over Collection of Gas Sales Revenue	69,812,280	
2	Accrued Vacation	13,127,123	
3	Gas Exchange / Imbalance Payable	5,547,605	
4	Current Portion - Environmental Remediation Reserves	5,018,139	
5	Employee Incentives	3,270,000	
6	Employee Benefit Plan Costs Incurred but not Reported	2,536,425	
7	Accrued Wages	2,195,392	
8	Tax Liability - Other	756,000	
9	Current Portion - Pension Benefits	628,000	
10	Employee Deductions	418,611	
11	Current Portion - Workers Compensation	308,674	
12	Accrued Absences	149,806	
13	Escheat Liability	138,843	
14	Mark to Market Loss	112,443	
15	Contingent Liability - Energy Loans	106,427	
16	Capacity Reserve Charges	56,703	
17			
18			
19			
20			
21			
22			
23			
24			
25	TOTAL	\$104,182,471	

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)		
Line No.	List Advances by Department (a)	Balance at End of Year (b)
31	GAS MAIN EXT DEP - SOUTHEAST	\$0
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45	TOTAL	\$0

OTHER DEFERRED CREDITS (Account 253)

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.
4. For any undelivered gas obligations to customers under take-or-pay clauses of sale agreements, show the total amount on this page and report particulars (details) called for by page 267. Show also on this page, but as a separate item, any advance billings or receipts for gas sales or service classified in Account 253 but not related to take-or-pay arrangements.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Postretirement Benefit Obligation	346,763,565	Various	204,091,800	125,239,098	267,910,863
2	Unearned Interest Revenue Vector	85,701,168	419	7,590,444	-	78,110,724
3	Regulated Liability - Pension Offset	28,189,620	Various	15,439,888	46,543,968	59,293,700
4	Environmental Remediation Expenses	35,792,275	Various	3,808,007	2,216,569	34,200,837
5	NonQualified Benefit Plans	19,663,794	Various	12,445,780	4,340,946	11,558,960
6	Environmental Insurance Recovery - (10 yr Amort.)	6,941,862	186	1,616,338	-	5,325,524
7	Regulated Liability - Safety Costs	2,508,184	Various	3,535,554	1,027,370	-
8	Unfunded Savings Plan	2,037,163	926	1,679,539	345,135	702,759
9	Gas Customer Choice Deposits	965,783	Various	8,835,246	10,299,720	2,430,257
10	Refund Pending Final Disposition	593,116	Various	602,741	642,940	633,315
11	Lost gas deferral	-	485	8,818,661	8,972,808	154,147
12	Deferred Gains on Sales of Assets	-		-	1,900,781	1,900,781
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	\$ 529,156,530		\$ 268,463,998	\$ 201,529,335	\$ 462,221,867

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
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 income and deductions. 3. Use separate pages as required.						
Line No.	Account Subdivisions (a)	Sub-Acc't. No. (b)	Balance at Beginning of Year (c)	CHANGES DURING YEAR		
				Amounts Debited to (Account 410.1) (d)	Amounts Credited to (Account 411.1) (e)	
1	Account 282					
2	Electric					
3	Gas Sec. 167 Acc Deprec.		\$208,993,674	\$9,484,779	\$6,801,574	
4	Other (Define)		0	0	0	
5	TOTAL (Enter total of lines 2 - 4)	282	208,993,674	9,484,779	6,801,574	
6	Other (Specify) Non-Utility					
7						
8						
9	TOTAL Account 282 (Enter total of lines 5 thru 8)		\$208,993,674	\$9,484,779	\$6,801,574	
10	Classification of Total					
11	Federal Income Tax		\$208,993,674	\$9,484,779	\$6,801,574	
12	State Income Tax					
13	Local Income Tax					
NOTES						
	ACCUMULATED D.F.I.T - LIBERALIZED					
	DEPRECIATION:					
	LINE 3 GAS - UTILITY					
	FASB 109 Plant Reg. Liability	285-RA	\$74,803,693		\$6,801,574	
	Liberalized Depr. - Pre 1981	282-10	(2,920,618)	0	0	
	Liberalized Depr. - Post 1980	282-20	135,042,328	8,867,423	0	
	Accumulated DFIT - Depreciation	282-50	2,068,271	617,356	0	
			208,993,674	9,484,779	6,801,574	
	LINE 4 GAS					
	SUBTOTAL - LINE 5 GAS		\$208,993,674	\$9,484,779	\$6,801,574	
	LINE 6					
	OTHER - NON UTILITY LIBERALIZED					
	DEPRECIATION					
	SUBTOTAL - LINE 6 OTHER		0	0	0	
	GRAND TOTAL ACCOUNT 282-XX		\$208,993,674	\$9,484,779	\$6,801,574	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007		
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)							
See Instructions Page 274							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (l)	Line No.
Amounts Debited (Account 410.2) (f)	Amounts Credited (Account 411.2) (g)	DEBITS		CREDITS			
		Acc't. (h)	Amount (i)	Acc't (j)	Amount (k)		
							1
							2
\$0			\$1		\$0	\$211,676,880	3
			0		0	0	4
0	0		1		0	211,676,880	5
							6
							7
							8
\$0	\$0		\$1		\$0	\$211,676,880	9
							10
\$0	\$0		\$1		\$0	\$211,676,880	11
							12
							13
NOTES (Continued)							
		Rounding	\$1			\$68,002,120	
						(2,920,618)	
						143,909,751	
						2,685,627	
0	0		1		0	211,676,880	
\$0	\$0		\$1		\$0	\$211,676,880	
	0						
	0						
0	0		0		0	0	
\$0	\$0		\$1		\$0	\$211,676,880	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
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. 3. Provide in the space below, the order authorizing the use of the account for each line item.						
Line No.	Account Subdivisions (a)	Sub-Acc't. No. (b)	Balance at Beginning of Year (c)	CHANGES DURING YEAR		
				Amounts Debited (Acc't.410.1) (d)	Amounts Credited (Acc't.411.1) (e)	
1	Account 283					
2	Electric					
3						
4						
5						
6	Other					
7	TOTAL Electric (Total of lines 2 thru 6)					
8	GAS					
9	Long Term Liabilities	(283-10)	\$15,635,733	\$13,916,491	\$2,509,036	
10	Property Taxes	(283-20)	17,153,765	660,424		
11	Misc. Deferrals	(283-QI)	271,959,897	13,884,326		
12						
13	ACRS/MACRS & Retirement Plant	(283-QL)	1,431,031		441,501	
14	MARS Project	(283-QG)	22,482,098	0	0	
15	Other		70,476,817	250,000	14,297,357	
16	TOTAL Gas (Total of lines 9 thru 15)		399,139,341	28,711,241	17,247,894	
17	Other (Specify)					
18						
19						
20						
21						
22	TOTAL (Account. 283) (Enter Total of lines 7, 16, & 17)		\$399,139,341	\$28,711,241	\$17,247,894	
23	Classification of TOTAL					
24	Federal Income Tax		\$396,704,341	\$28,461,241	\$17,247,894	
25	State Income Tax					
26	Local Income Tax		\$2,435,000	\$250,000	\$0	

NOTES

Other Gas (Line 15)					
GCR Undercollections	(283-80)	\$2,646,264			\$0
FAS 133 MTM	(283-00)	(624,284)			39,355
State & Local Taxes	(283-QM)	2,435,000	250,000		0
FAS 96 Excessive Deferrals	(253-PB)	598,843			0
VEBA	(283-QJ)	65,420,994			14,258,002
Total Other Gas		\$70,476,817	\$250,000		\$14,297,357

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION		December 31, 2007			
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)							
Include amounts relating to insignificant items listed under Other.							
4. Fill in all columns for all line items as appropriate.							
5. Use separate pages as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (l)	Line No.
Amounts Debited (Acc't.410.2) (f)	Amounts Credited (Acc't.411.2) (g)	DEBITS		CREDITS			
		Acc't (h)	Amount (i)	Acc't (j)	Amount (k)		
							1
							2
							3
							4
							5
							6
							7
							8
\$0	\$422,809					26,620,379	9
0	0					17,814,189	10
0						285,844,223	11
					0		12
0	0					989,530	13
0	0					22,482,098	14
0	0		46,605,998	See Below	46,555,867	56,479,591	15
0	422,809	0	46,605,998	0	46,555,867	410,230,010	16
							17
							18
							19
							20
							21
\$0	\$422,809		\$46,605,998		\$46,555,867	\$410,230,010	22
							23
\$0	\$422,809		(\$2)		(\$50,133)	\$407,545,010	
			\$46,606,000		\$46,606,000	0	
\$0	\$0					\$2,685,000	
In 2007 a state deferred tax asset & liability of \$46.6 million was recognized for cumulative differences between book and tax assets and liabilities due to the enactment of the Michigan Business Tax (MBT) on July 12, 2007.							
\$0	\$0					\$2,646,264	
0	0			427-00	(50,133)	(613,506)	
0	0		46,606,000		46,606,000	2,685,000	
0	0					598,843	
0	0	Rounding	(2)			51,162,990	
\$0	\$0		\$46,605,998		\$46,555,867	\$56,479,591	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
OTHER REGULATORY LIABILITIES					
1. Report 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 accounts).					
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	Other Regulatory Liabilities (254)	186		\$46,606,000	\$46,606,000
2					
3	SFAS 109 Plant Regulatory Liability (286)	190	4,578,052	\$915,663	<u>\$35,810,822</u>
4					
5	Total Regulatory Liabilities				<u>\$82,416,822</u>
6					
7	<u>Regulatory Liabilities in Other Accounts</u>				
8	SFAS 109 Plant Excess Deferred Federal Income	411	8,501,968	1,700,394	\$68,002,119
9					
10	Overcollected Gas Sales Revenue (242)	485 & 431	\$95,179,992	84,276,189	\$69,812,280
11					
12	Safety and training cost refund (229)	485 & 431	\$3,535,554	1,027,370	\$0
13					
14	Accrued Negative Pension Offset (253)	926	\$14,733,344	46,543,968	\$71,190,620
15					
16	Asset Retirement Obligations (254)	108		9,239,410	<u>\$362,788,566</u>
17					
18	Total Regulatory Liabilities in Other Accounts				<u>\$571,793,586</u>
19					
20	Total Regulatory Assets				<u>\$654,210,408</u>
21					
22					
23	REGULATORY ACCOUNTING ADJUSTMENT				
24	Refunds Payable (253)	431	602,741	641,780	\$633,315
25					
26	Unamortized Investment Tax Credits (255)	411	2,204,850	440,968	\$13,039,857
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37	Items displayed on this page may also be included on other pages due to overlapping classifications.				
38					
39					
	TOTAL		\$129,336,501	\$144,785,741	\$667,883,579

This page intentionally left blank.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
GAS OPERATING REVENUES (Account 400)					
1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.					
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.					
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 for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.					
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.					
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	1,110,215,013	1,207,527,175		
3	481 Commercial & Industrial Sales				
4	Small (or Comm.) (See Instr. 6)	321,451,989	366,380,735		
5	Large (or Ind.) (See Instr. 6)	13,127,345	13,493,107		
6	482 Other Sales to Public Authorities	0	0		
7	484 Gas Customer Choice Revenue (2)	17,650,202	4,970,756		
8	TOTAL Sales to Ultimate Consumers	1,462,444,549	1,592,371,773		
9	483 Sales for Resale	0	0		
10	TOTAL Nat. Gas Service Revenues	1,462,444,549	1,592,371,773		
11	Revenues from Manufactured Gas	0	0		
12	TOTAL Gas Service Revenues	\$1,462,444,549	\$1,592,371,773		
13	OTHER OPERATING REVENUES				
14	485 Intracompany Transfer	0	0		
15	487 Forfeited Discounts	\$17,045,125	\$12,756,273		
16	488 Misc. Service Revenues	30,307,600	28,441,362		
17	489 Rev. from Trans. of Gas of Others	197,100,497	187,236,078		
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	115,831	39,976		
22	494 Interdepartmental Rents	1,500,000	2,200,000		
23	495 Other Gas Revenues	67,879,393	45,595,358		
24	TOTAL Other Operating Revenues	313,948,445	276,269,047		
25	TOTAL Gas Operating Revenues	1,776,392,995	1,868,640,820		
26	(Less) 485 Provision for Rate Refunds				
	Provision for Gas Sales Refunds	(42,289,426)	83,416,779		
	Lost Gas Deferred (1)	10,554,148	(4,171,390)		
	Total Provision for Rate Refunds	(31,735,279)	79,245,389		
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	\$1,808,128,273	\$1,789,395,431		
28	Sales by Communities (Incl. Main Line Sales to Resid. and Comm. Custrs.)	\$1,431,667,002			
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	13,127,345			
30	Sales for Resale	0			
31	Other Sales to Pub. Auth. (Local Dist. Only)	0			
32	Gas Customer Choice Revenue	17,650,202			
33	TOTAL (Same as Line 10, Columns (b) and (d))	\$1,462,444,549			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
GAS OPERATING REVENUES (Account 400) (Continued)					
5. If increases or decreases from previous year (columns (c), (e) and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote. 6. Commercial and Industrial Sales, 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 page 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
109,193,454	101,711,072	1,020,141	1,039,761		2
					3
32,137,998	31,107,369	73,757	76,153		4
1,361,408	1,210,353	459	460		5
0	0	0	0		6
1,697,448	486,761	0	0		7
144,390,308	134,515,555	1,094,357	1,116,374		8
0	0	0	0		9
144,390,308	134,515,555	1,094,357	1,116,374		10
					11
				NOTES	12
					13
					14
					15
					16
					17
					18
					19
				(1) In order to reduce volatility in monthly lost gas expense, month to month deferrals are used.	20
					21
					22
					23
				(2) Gas sales related to reconciliation of Gas Customer Choice Program.	24
					25
					26
					27
					28
141,331,452					29
1,361,408					30
0					31
0					32
1,697,448					33
144,390,308					

CUSTOMER CHOICE GAS OPERATING REVENUES (ACCOUNT 400)

1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.

2. Natural Gas means either natural gas unmixed or any mixture of natural and manufactured gas.

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 were separate meter readings are added for billing purposes, one customer should be counted for each group of

meters added. The average number of customers means the average of twelve figures at the close of each month.

4. Report quantities of natural gas sold in Mcf (14.73 psia at 60 degrees F). If billings are on therm basis, give the Btu contents of the gas sold and the sales converted to Mcf.

5. If increases or decreases from previous year (columns (c), (e) and (g)), are not derived from previously reported

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES		
2	489 Residential Sales	41,569,443	36,224,871
3	489 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	22,090,245	17,576,657
5	Large (or Ind.) (See Instr. 6)	570,336	507,894
6	TOTAL Sales to Ultimate Customers	64,230,024	54,309,422
7			
8	OTHER OPERATING REVENUES		
9			
10	489 Other Choice Revenues	999,352	687,510
11			
12	TOTAL Other Operating Revenues	65,229,376	54,996,932
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)	63,659,688	
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	570,336	
30	Year End Reconciliation		
31	Other Choice Revenue	999,352	
32			
33	TOTAL (Same as Line 7, Columns (b) and (d))	65,229,376	

CUSTOMER CHOICE GAS OPERATING REVENUES (ACCOUNT 400) (Continued)

figures, explain any inconsistencies in a footnote.

6. Commercial and Industrial Sales, 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
16,338,048	13,811,936	139,827	126,705	2
				3
9,221,172	7,096,589	17,213	16,336	4
280,908	248,832	90	95	5
25,840,128	21,157,357	157,130	143,136	6
				7
				8
				9
				10
NOTES				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
25,559,220				28
280,908				29
840,893				30
				31
				32
26,681,021				33

Name of Respondent Michigan Consolidated Gas Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2007
--	--	--------------------------------	---------------------------------

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.

Thousands of Cubic Feet or Therms 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 uses 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, apartment houses (but not individual tenants therein), garages, churches, warehouses, etc.

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 Street 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 therefore 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 CONSOLIDATED GAS COMPANY				AN ORIGINAL		December 31 , 2007	
625-A. SALES DATA FOR THE YEAR							
(For the State of Michigan)							
Line No.	Class of Service	Average Number of Customers per month	Gas Sold Mcf*	Revenue (Show to nearest dollar)	A V E R A G E S		
					Mcf* per Customer	Revenue Per Customer	Revenue per Mcf*
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	AB. Residential service						
2	A. Residential service	20,753	1,207,778	\$13,330,416	58.20	\$642.34	\$11.04
3	B. Residential space heating service	999,388	108,586,240	1,096,884,597	108.65	1,097.56	10.10
4	CD. Commercial service						
5	C. Commercial service, except space heating	3,859	1,882,329	18,750,483	487.78	4,858.90	9.96
6	D. Commercial space heating	69,898	30,432,428	302,701,506	435.38	4,330.62	9.95
7	E. Industrial service	459	1,368,896	13,127,345	2,982.34	28,599.88	9.59
8	F. Public Street & highway lighting	0	0	0	N/M	0	N/M
9	G. Other Sales to Public Authorities						
10	H. Gas Customer Choice (1)	0	1,706,784	16,847,645			9.87
11	I. Other sales						
12	A-I. Total sales to ultimate customers	1,094,357	145,184,455	1,461,641,992	132.67	\$1,335.62	\$10.07
13	J. Sales to other gas utilities for resale	0	0	0	N/M	N/M	0.00
14	A-J. TOTAL SALES OF GAS	1,094,357	145,184,455	\$1,461,641,992	132.67	\$1,335.62	\$10.07
15	K. Other gas revenues			\$313,948,455			
16	A-K. TOTAL GAS OPERATING REVENUE			\$1,775,590,447			

* Report Mcf on a pressure base of 14.65 psia dry and a temperature base of 60°F. Give two decimals.

(1) Gas Customer Choice revenue and volumes associated with reconciliation.

NOTE: Revenue; columns d, f and g are net of prior period refunds and revenue deferred under certain surcharge programs (see page 305C).

625-B. SALES DATA BY RATE SCHEDULES FOR THE YEAR

- Report below the distribution of customers, sales and revenue for the year by individual rate schedules. (See definitions on first page of this section).
- 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.
- Column (b).--Give the type of service to which the rate schedule is applicable, i.e., cooking, space heating, commercial heating, commercial cooking, etc.
- Column (c).--Using the classification shown in Schedule 625A, column (a), indicate the class or classes of customers served under each rate schedule, e.g., (A) for Residential Service, (B) Heating Service, etc.
- 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 625A, page 305B.
- 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 625A. 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 625A.
- 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	Total Integrated Natural Gas System:					
2	Rate GS-1	General Service	C,D&E	74,169	31,230,215	\$313,637,952
3	Rate A	Res. & Res. Heat use	A&B	982,293	98,036,570	1,004,023,614
4	Rate 2A	Res. & Res. Heat use	A&B	6,794	5,152,705	49,075,223
5	Rate AS	Res. & Res. Heat use	A&B	31,054	3,690,008	35,016,506
6	No. 3A	Res. heating	B	0	0	0
7	Rate GS-2	Comm. & Ind. use	C, D&E	15	665,114	6,912,736
8	No. 7	Fuel for Ind. use	F	0	0	0
9	No. 8	Comm. & Ind. use	C&E	0	0	0
10	No. 9	Comm. & Ind. use	C&E	0	0	0
11	Rate S	Comm. Heating - Schools	D	33	513,101	4,769,339
12						
13	Customer Refunds					0
14	Surcharges:	Area Expansion Program				0
15		MichCon Conservation Co.				0
16						
17	Gas Customer Choice		A,B,C,D,E		1,706,784	16,847,645
18	Total Unbilled				4,189,957	31,358,977
19						
20	Total Company			1,094,358	145,184,454	\$1,461,641,992

* Volume reported at 14.65 psia dry and a temperature base of 60° F.

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.
- 2 Column (a): List all rates 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, etc.
- 4 Column (c): Using the classification shown on Page 305B, 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.
- 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.
- 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	Choice Customers on Integrated Natural Gas System:					
2	Rate GS-1	General Service	C,D&E	17,268	9,027,958	\$21,705,480
3	Rate A	Res. & Res. Heat use	A&B	131,432	13,805,924	36,492,460
4	Rate 2A	Res. & Res. Heat use	A&B	982	1,005,894	1,933,932
5	Rate AS	Res. & Res. Heat use	A&B	7,413	898,930	1,922,950
6	Rate GS-2	Comm. & Ind. use	C, D&E	3	97,526	169,410
7	Rate S	Comm. Heating - Schools	D	33	281,332	501,518
8						
9	Program Year-End Reconciliation				845,518	
10						
11	Choice Unbilled				864,685	1,504,275
12						
13						
14						
15						
16						
17						
18						
19						
20	Total Company			157,131	26,827,766	\$64,230,024
* Volume reported at 14.65 psia dry and a temperature base of 60° F.						

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
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)	Mcf of Gas Sold (Approx. B.T.U. per Cu. Ft.) Mcf @ 14.73 (d)	
1	*DTE Energy Trad.	MichCon Citygate	411-60	737,053	
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19				737,053	
20					
21					
22					
23					
24					
25					
26	* Affiliated company				
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
OFF-SYSTEM SALES - NATURAL GAS (Continued)					
Revenue for Year (See Instr. 5) (e)	Average Revenue Per Mcf (In cents) (f)	Peak Day Delivery to Customers			Line No.
		Date (g)	Mcf		
			Noncoin- cidental (h)	Coin- cidental (i)	
\$5,038,125	6.84 ¢				1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
					17
\$5,038,125	6.84 ¢				18
					19
					20
					21
					22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
					33
					34
					35
					36
					37
					38
					39
					40
					41
					42

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
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 transported or compressed is other than natural gas.</p> <p>3. 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. Also specify the Commission order or regulation authorizing such transaction.</p>			
Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk) (a)	Distance Transported (In miles) (b)	
1	Transportation of Gas		
2	Intrastate Transportation		
3	CMS Gas Transmission (6)	Various	
4	* DTE Energy Trading Corporation (3)	13 Miles	
5	Dominion Midwest (3)	Various	
6	Atlas Oil & Gas (3)	Various	
7	Petroleum Development (3)	Various	
8	Samson (3)	Various	
9	Sempra (2)	Various	
10	Enserco (2)	Various	
11	MGU (4)	Various	
12	Semco (4)	Various	
13	Various Other Intermediate Transportation (3) & (8)	Various	
14			
15			
16	Various End Users - Volumes Greater Than 1,000,000 Mcf	Various	
17	Various End Users - Volumes Less Than 1,000,000 Mcf	Various	
18	Pilot Transportation /Gas Customer Choice	Various	
19	PTS supplier revenue - adjustments + billing fees		
20	Total Intrastate Transportation		
21			
22			
23	Interstate Transportation		
24	CIMA (5)	Various	
25	ANR Pipeline Company (1) & (7)	142 Miles	
26	* DTE Energy Trading Corporation (5)	Various	
27	BP Canada (5)	Various	
28	Cargill (5)	Various	
29	Constellation Power (5)	Various	
30	Coral Gas (5)	Various	
31	Enbridge (5)	Various	
32	PPM Energy (5)	Various	
33	Encana (5) & (8)	Various	
34	Panhandle (5)	Various	
35	Tenaska (5)	Various	
36	United Energy Trading (5)	Various	
37	Integrys (5) & (8)	Various	
38	Various Interstate Transportation (5)	Various	
39	Title Transfer Charges		
40			
41			
42			
43	ANR Link		
44	Consumers Gas (2)	Various	
45			
46	Exelon		
47			
48			
TOTAL			

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007
REVENUE FROM TRANSPORTATION OF GAS OF OTHERS-NATURAL GAS (Account 489)(Continued)					
4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system.					
5. Enter Mcf at 14.65 psia at 60°F.					
6. 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), 284.223(b) and 284.224. Details for each transportation are reported in separate annual reports required under Part 284 of the Commission's regulation."					
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.
					1
					2
2,066,792	1,981,822	\$222,668	11.24 ¢		3
2,908,619	2,908,624	\$427,553	14.70 ¢		4
2,745,233	2,745,233	\$403,547	14.70		5
2,770,180	2,770,185	\$513,827	18.55		6
1,444,794	1,444,794	\$212,380	14.70		7
2,272,230	2,272,230	\$333,995	14.70		8
1,586,361	1,587,247	\$231,665	14.60		9
2,134,305	2,134,305	\$266,635	12.49		10
2,844,782	2,855,707	\$267,887	9.38		11
1,180,538	1,173,501	\$49,425	4.21		12
6,262,612	6,182,044	\$3,722,914	60.22		13
					14
					15
58,444,564	60,497,203	\$30,198,046	49.92		16
44,193,749	44,468,499	\$45,263,443	101.79		17
26,864,993	26,827,766	\$64,230,024	239.42		18
		\$1,049,844			19
157,719,752	159,849,160	\$147,393,855	92.21		20
					21
					22
					23
10,784,115	10,784,271	\$731,422	6.78 (8)		24
104,455,158	104,455,158	\$17,382,326	16.64 (8)	ST92-1997/ST93-4518	25
7,236,707	7,236,625	\$780,980	10.79		26
1,865,023	1,865,023	\$816,920	43.80		27
2,402,013	2,402,311	\$1,172,286	48.80		28
9,569,570	9,572,612	\$1,161,460	12.13		29
2,210,539	2,210,535	\$1,555,146	70.35 (8)		30
2,202,615	2,285,640	\$174,860	7.65 (8)		31
5,186,462	5,186,462	\$1,817,769	35.05 (8)		32
1,830,171	1,365,813	\$394,571	28.89		33
15,264,058	15,264,058	\$1,449,614	9.50		34
4,147,569	4,147,569	\$479,473	11.56		35
9,095,291	9,141,343	\$924,332	10.11		36
13,473,868	13,467,678	\$9,331,058	69.28 (8)		37
2,627,523	3,126,336	\$5,361,708	171.50 (8)		38
		\$1,457,169			39
					40
					41
					42
					43
1,987,191	1,987,191	\$265,548	13.36 (8)		44
					45
5,540,387	6,135,959	\$4,450,000	72.52		46
					47
					48
357,598,012	360,483,744	\$197,100,497			

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2007
REVENUE FROM TRANSPORTATION OF GAS OF OTHERS-NATURAL GAS (Account 489)(Continued)		
<p>(1) Point of Receipt: Volumes of gas received from ANR Pipeline Company at their Willow Run Meter Station, Ypsilanti Township, Washtenaw County Michigan.</p> <p>(1) Point of Delivery: Volumes of gas delivered to ANR Pipeline Company at their W.G. Woolfolk Compressor Station, Austin Township, Mecosta County, Michigan.</p> <p>(2) Point of Receipt: Volumes of gas received at Willow, Belle River, or Kalkaska.</p> <p>(2) Point of Delivery: Volumes of gas delivered at Union - Dawn</p> <p>(3) Point of Receipt: Volumes of gas received at various locations on the Alpena transmission line</p> <p>(3) Point of Delivery: Volumes of gas delivered to Willow, E. Caledonia or Mentor.</p> <p>(4) Point of Receipt: Volumes of gas received at Willow</p> <p>(4) Point of Delivery: Volumes of gas delivered to the Washington Township</p> <p>(5) Point of Receipt: Volumes of gas received from ANR, Great Lakes, Consumers Energy, Shell Oil Company, and PEPL at their various ANR, Belle River, Northville, Kalkaska, and Rouge facilities respectively.</p> <p>(5) Point of Delivery: Volumes of gas delivered to Michigan Gas Utilities, Union Gas, Ltd., Great Lakes, or PEPL at their various ANR, Grand Haven, St. Clair, Belle River and Rouge facilities, respectively.</p> <p>(6) Point of Receipt: Volumes of gas received at various locations on the Alpena transmission line.</p> <p>(6) Point of Delivery: Volumes of gas delivered to West Branch/ Saginaw Bay.</p> <p>(7) Point of Receipt: Volumes of gas received from ANR Pipeline Company at their W.G. Woolfolk Compressor Station, Austin Township, Mecosta County, Michigan. (See Page 313C - F.E.R.C. Tariff Schedule ST93-4518)</p> <p>(7) Point of Delivery: Volumes of gas delivered to the interconnection between ANR Pipeline Company and Michigan Consolidated in Kalkaska County, Michigan. (See Page 313C - F.E.R.C. Tariff Schedule ST93-4518)</p> <p>(8) Includes demand charges that may or may not have volumes associated with the charge.</p> <p>* Affiliated company</p>		

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION		December 31, 2007	
GAS OPERATION AND MAINTENANCE EXPENSES					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line	Account	Amount for	Amount for		
No.	(a)	Current Year	Current Year		
		2007	2006		
1	1. PRODUCTION EXPENSES				
2	A. Manufactured Gas Production				
3	Manufactured Gas Production (Submit Supplemental Statement) (1)				
4	B. Natural Gas Production				
5	B1. Natural Gas Production and Gathering				
6	Operation				
7	750 Operation Supervision and Engineering	\$55	\$5,504		
8	751 Production Maps and Records				
9	752 Gas Wells Expenses	12	1,110		
10	753 Field Lines Expenses				
11	754 Field Compressor Station Expenses	8,428	518		
12	755 Field Compressor Station Fuel and Power				
13	756 Field Measuring and Regulating Station Exps.				
14	757 Purification Expenses	145	3,350		
15	758 Gas Well Royalties				
16	759 Other Expenses	36,524	89,974		
17	760 Rents				
18	TOTAL Operation (Enter Total lines 7 thru 17)	45,163	100,457		
19	Maintenance				
20	761 Maintenance Supervision and Engineering	0	0		
21	762 Maintenance of Structures and Improvements				
22	763 Maintenance of Producing Gas Wells	70,471	5,323		
23	764 Maintenance of Field Lines				
24	765 Maintenance of Field Compressor Station Equip.				
25	766 Maintenance of Field Meas. & Reg. Sta. Equip.				
26	767 Maintenance of Purification Equipment	0	3		
27	768 Maintenance of Drilling and Cleaning Equipment				
28	769 Maintenance of Other Equipment	0	7,219		
29	TOTAL Maintenance (Enter Total of lines 20 - 28)	70,471	12,545		
30	TOTAL Natural Gas Production and Gathering (Enter Total of lines 18 and 29)	115,634	113,002		
31	B2. Products Extraction				
32	Operation				
33	770 Operation Supervision and Engineering				
34	771 Operation Labor				
35	772 Gas Shrinkage				
36	773 Fuel				
37	774 Power				
38	775 Materials				
39	776 Operation Supplies and Expenses				
40	777 Gas Processed by Others				
41	778 Royalties on Products Extracted				
42	779 Marketing Expenses				
43	780 Products Purchases for Resale				
44	781 Variation in Products Inventory				
45	(Less) 782 Extracted Products Used by the Utility-Cr.				
46	783 Rents				
47	TOTAL Operation (Enter Total of lines 33 thru 46)	0	0		

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2007	
GAS OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year 2007	Amount for Current Year 2006	
	B2. Products Extraction (Continued)			
48	Maintenance			
49	784 Maintenance Supervision and Engineering			
50	785 Maintenance of Structures and Improvements			
51	786 Maintenance of Extraction and Refining Equip.			
52	787 Maintenance of Pipe Lines			
53	788 Maintenance of Extracted Products Storage Equip.			
54	789 Maintenance of Compressor Equipment			
55	790 Maintenance of Gas Measuring and Reg. Equipment			
56	791 Maintenance of Other Equipment			
57	TOTAL Maintenance (Enter Total of lines 49 - 56)			
58	TOTAL Products Extraction (Enter Total of lines 47 and 57)	0	0	
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals			
62	796 Nonproductive Well Drilling			
63	797 Abandoned Leases			
64	798 Other Exploration			
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	0	545,497	
68	801 Natural Gas Field Line Purchases	0	1,180,466	
69	802 Natural Gas Gasoline Plant Outlet Purchases			
70	803 Natural Gas Transmission Line Purchases			
71	803.1 Off-System Gas Purchases (Note: Includes 803.2)	996,196,888	1,003,052,205	
72	804 Natural Gas City Gate Purchases	110,846,428	83,486,854	
73	804.1 Liquefied Natural Gas Purchases			
74	805 Other Gas Purchases			
75	(Less) 805.1 Purchased Gas Cost Adjustments			
76	(Less) 805.2 Incremental Gas Cost Adjustments			
77	TOTAL Purchased Gas (Enter Total of lines 67 - 76)	1,107,043,316	1,088,265,023	
78	806 Exchange Gas	(7,018,256)	14,221,423	
79	Purchased Gas Expenses			
80	807.1 Well Expenses - Purchased Gas			
81	807.2 Operation of Purchased Gas Measuring Stations			
82	807.3 Maintenance of Purchased Gas Measuring Stations			
83	807.4 Purchased Gas Calculations Expenses			
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	302,681,029	395,633,168	
87	(Less) 808.2 Gas Delivered to Storage - Credit	258,021,455	353,753,877	
88	809.1 Withdrawals of Liquefied Natural Gas for Processing - Debit			
89	(Less) 809.2 Deliveries of Natural Gas for Processing - Credit			
90	(Less) Gas Used in Utility Operations - Credit			
91	810 Gas Used for Compressor Station Fuel - Credit	8,592,411	7,513,417	
92	811 Gas Used for Products Extraction - Credit			
93	812 Gas Used for Other Utility Operations - Credit	5,218,740	6,165,954	
94	TOTAL Gas Used in Utility Operations - Credit (Enter Total of lines 91 thru 93)	13,811,152	13,679,371	
95	813 Other Gas Supply Expenses			
95a	813.1 Synthetic Gas Supply Expenses			
95b	813.2 Gas Cost Recovery Expenses-Royalties			
96	TOTAL Other Gas Supply Expenses (Enter Total of lines 77, 78, 85, 86 thru 89, 94, 95)	1,130,873,482	1,130,686,366	
97	TOTAL Production Expenses (Enter Total of lines 30, 58, 65, and 96)	1,130,989,116	1,130,799,368	

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2007	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2007	Amount for Current Year 2006	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering	136,599	411,742	
102	815 Maps and Records			
103	816 Wells Expenses	305,666	441,683	
104	817 Lines Expense	324,419	578,414	
105	818 Compressor Station Expenses	1,653,594	2,783,312	
106	819 Compressor Station Fuel and Power	5,953,782	4,884,304	
107	820 Measuring and Regulating Station Expenses	322,505	7,556	
108	821 Purification Expenses			
109	822 Exploration and Development			
110	823 Gas Losses	1,460,731	1,571,084	
111	824 Other Expenses	34,311	4,130	
112	825 Storage Well Royalties	118,228	501,913	
113	826 Rents			
114	TOTAL Operation (Enter Total of lines 101 - 113)	10,309,835	11,184,139	
115	Maintenance			
116	830 Maintenance Supervision and Engineering	477,740	456,004	
117	831 Maintenance of Structures and Improvements	295	0	
118	832 Maintenance of Reservoirs and Wells	464,039	48,982	
119	833 Maintenance of Lines	153,385	6,440	
120	834 Maintenance of Compressor Station Equipment	1,994,351	1,737,195	
121	835 Maintenance of Measuring and Regulating Station Equipment			
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment	47,755	10,804	
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)	3,137,566	2,259,424	
125	TOTAL Underground Storage Expenses (Enter Total of lines 114 and 124)	13,447,401	13,443,563	
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation Supervision and Engineering			
129	841 Operation Labor and Expenses			
130	842 Rents			
131	842.1 Fuel			
132	842.2 Power			
133	842.3 Gas Losses			
134	TOTAL Operation (Enter Total of lines 128 - 133)	0	0	
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering			
137	843.2 Maintenance of Structures and Improvements			
138	843.3 Maintenance of Gas Holders			
139	843.4 Maintenance of Purification Equipment			
140	843.5 Maintenance of Liquefaction Equipment			
141	843.6 Maintenance of Vaporizing Equipment			
142	843.7 Maintenance of Compressor Equipment			
143	843.8 Maintenance of Measuring & Regulating Equip.			
144	843.9 Maintenance of Other Equipment			
145	TOTAL Maintenance (Enter Total of lines 136 thru 144)	0	0	
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)	0	0	

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2007	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2007	Amount for Current Year 2006	
147	C. Liquefied Natural Gas Terminaling and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering			
150	844.2 LNG Processing Terminal Labor and Expenses			
151	844.3 Liquefaction Processing Labor and Expenses			
152	844.4 Liquefaction Transportation Labor and Expenses			
153	844.5 Measuring and Regulating Labor and Expenses			
154	844.6 Compressor Station Labor and Expenses			
155	844.7 Communication System Expenses			
156	844.8 System Control and Load Dispatching			
157	845.1 Fuel			
158	845.2 Power			
159	845.3 Rents			
160	845.4 Demurrage Charges			
161	(Less) 845.5 Wharfage Receipts - Credit			
162	845.6 Processing Liquefied or Vaporized Gas by Others			
163	846.1 Gas Losses			
164	846.2 Other Expenses			
165	TOTAL Operation (Enter Total of lines 149 - 164)	0	0	
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering			
168	847.2 Maintenance of Structures and Improvements			
169	847.3 Maintenance of LNG Processing Terminal Equip.			
170	847.4 Maintenance of LNG Transportation Equipment			
171	847.5 Maintenance of Measuring and Regulating Equip.			
172	847.6 Maintenance of Compressor Station Equipment			
173	847.7 Maintenance of Communication Equipment			
174	847.8 Maintenance of Other Equipment			
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)			
176	TOTAL Liquefied Natural Gas Terminaling and Processing Expenses (Lines 165 & 175)			
177	TOTAL Natural Gas Storage (Enter Total of lines 125, 146, and 176)	13,447,401	13,443,563	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering	3,018,937	918,705	
181	851 System Control and Load Dispatching	1,440,910	146,727	
182	852 Communication System Expenses			
183	853 Compressor Station Labor and Expenses	671,795	956,527	
184	854 Gas for Compressor Station Fuel	2,209,672	2,389,077	
185	855 Other Fuel and Power for Compressor Stations			
186	856 Mains Expenses	1,103,281	2,376,411	
187	857 Measuring and Regulating Station Expenses	750,782	512,793	
188	858 Transmission and Compression of Gas by Others	7,810,074	7,960,968	
189	859 Other Expenses	6,275,869	5,505,554	
190	860 Rents			
191	TOTAL Operation (Enter Total of lines 180 - 190)	23,281,321	20,766,763	

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2007	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2007	Amount for Current Year 2006	
	3. TRANSMISSION EXPENSES (Continued)			
192	Maintenance			
193	861 Maintenance Supervision and Engineering	0	19	
194	862 Maintenance of Structures and Improvements	52,814	183,773	
195	863 Maintenance of Mains	1,116,376	1,177,909	
196	864 Maintenance of Compressor Station Equipment	338,414	516,192	
197	865 Maintenance of Measuring & Reg. Station Equip.	91,743	714,059	
198	866 Maintenance of Communication Equipment	4,717,796	3,670,725	
199	867 Maintenance of Other Equipment	106,802	358,062	
200	TOTAL Maintenance (Enter Total lines 193 - 199)	6,423,945	6,620,738	
201	TOTAL Transmission Expenses (Enter Total of lines 191 and 200)	29,705,266	27,387,501	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering	47,317	347,406	
205	871 Distribution Load Dispatching			
206	872 Compressor Station Labor and Expenses	47,863	206,703	
207	873 Compressor Station Fuel and Power			
208	874 Mains and Services Expenses	13,988,395	12,780,525	
209	875 Measuring & Regulating Station Exps.-General	1,917,687	873,432	
210	876 Measuring & Regulating Station Exps.-Industrial			
211	877 Measuring & Regulating Station Exps.-City Gate Check Station	2,024,640	2,497,428	
212	878 Meter and House Regulator Expenses	16,035,220	16,324,567	
213	879 Customer Installations Expenses	15,201,463	16,938,929	
214	880 Other Expenses	20,285,337	21,068,222	
215	881 Rents			
216	TOTAL Operation (Enter Total of lines 204 - 215)	69,547,921	71,037,213	
217	Maintenance			
218	885 Maintenance Supervision and Engineering			
219	886 Maintenance of Structures and Improvements	5,235	1,775	
220	887 Maintenance of Mains	5,778,959	6,626,992	
221	888 Maintenance of Compressor Station Equipment	0	0	
222	889 Maintenance - Meas & Reg Sta. Equip.-General	2,302,890	2,266,207	
223	890 Maintenance - Meas & Reg Sta. Equip.-Industrial			
224	891 Maintenance - Meas & Reg Sta. Equip.-City Gate Check Station	1,034,996	449,647	
225	892 Maintenance of Services	2,010,251	3,298,297	
226	893 Maintenance of Meters and House Regulators	4,927,400	6,774,667	
227	894 Maintenance of Other Equipment	280,721	1,049,713	
228	TOTAL Maintenance (Enter Total of lines 218 - 227)	16,340,451	20,467,297	
229	TOTAL Distribution Expenses (Enter Total of lines 216 and 228)	85,888,372	91,504,510	
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision	2,907,758	5,538	
233	902 Meter Reading Expenses	11,192,099	10,658,614	
234	903 Customer Records and Collection Expenses	30,493,374	28,920,626	
235	904 Uncollectible Accounts	69,662,762	73,730,364	
236	905 Miscellaneous Customer Accounts Expenses	132,232	332,321	
237	TOTAL Customer Accounts Expenses (Enter Total of lines 232 thru 236)	114,388,225	113,647,463	

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2007
GAS OPERATION AND MAINTENANCE EXPENSES			
Line No.	Account (a)	Amount for Current Year 2007	Amount for Current Year 2006
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
239	Operation		
240	907 Supervision	93,965	0
241	908 Customer Assistance Expenses	830,546	805,979
242	909 Informational and Instructional Expenses	159,836	328,842
243	910 Miscellaneous Customer Service and Info. Exps.	193,169	696,315
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)	1,277,516	1,831,136
245	7. SALES EXPENSES		
246	Operation		
247	911 Supervision	660	333
248	912 Demonstrating and Selling Expenses	8,156,957	7,453,037
249	913 Advertising Expenses	94	20,432
250	916 Miscellaneous Sales Expenses	92,032	291,696
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)	8,249,744	7,765,498
252	8. ADMINISTRATIVE AND GENERAL EXPENSES		
253	Operation		
254	920 Administrative and General Salaries	34,990,029	29,380,977
255	921 Office Supplies and Expenses	13,805,811	20,931,680
256	(Less) 922 Administrative Expenses Transferred-Cr.	5,044,017	4,735,805
257	923 Outside Services Employed	25,608,351	18,700,118
258	924 Property Insurance	2,574,675	1,495,602
259	925 Injuries and Damages	5,124,129	3,784,462
260	926 Employee Pensions and Benefits	57,927,104	58,573,414
261	927 Franchise Requirements		
262	928 Regulatory Commission Expenses	524,572	470,515
263	(Less) 929 Duplicate Charges - Cr.		
264	930.1 General Advertising Expenses	1,614,607	
265	930.2 Miscellaneous General Expenses (Note 1)	(4,973,595)	(8,229,885)
266	931 Rents	15,199,373	9,290,718
267	TOTAL Operation (Enter Total of lines 254 - 266)	147,351,039	129,661,795
268	Maintenance		
269	935 Maintenance of General Plant	306,399	946,110
270	TOTAL Administrative and General Expenses (Enter Total of lines 267 and 269)	147,657,438	130,607,906
271	TOTAL Gas O. and M. Expenses (Lines 97, 177, 201, 229, 237, 244, 251 and 270)	\$1,531,603,079	\$1,516,986,945
<p>Note 1: Implementation costs related to MichCon's performance excellence process (PEP) have been deferred in account 930.2, pursuant to Order Approving Settlement Agreement dated September 12, 2006 in Case No. U-14909. The deferred amounts were \$9,451,720 in 2007 and \$23,270,648 in 2006.</p>			
NUMBER OF GAS DEPARTMENT EMPLOYEES			
<p>1. The data on number of employees should be reported for the payroll period ending nearest to December 31, or any payroll period ending 60 days before or after December, 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 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)	12-31-07	
2	Total Regular Full-Time Employees	1,397	
3	Total Part-Time and Temporary Employees	72	
4	Total Employees	1,469	

MICHIGAN CONSOLIDATED GAS COMPANY				AN ORIGINAL		December 31, 2007	
EXPLORATION AND DEVELOPMENT EXPENSES (Accounts 795, 796, 798) (Except Abandoned Leases, Account 797)							
1. Report below exploration and development costs for the year, exclusive of Account 797, Abandoned Leases, according to the prescribed accounts shown by the column headings. 2. Provide subheadings and subtotals for exploration and development costs for each State. 3. Explain in a footnote any differences between amounts reported in column (f) and the amount shown on page 231, Preliminary Survey and Investigation Charges, for clearance to Account 798 during the year from Account 183.1, Preliminary Natural Gas Survey and Investigation Charges.							
Line No.	Field (a)	County (b)	Delay Rentals (Account 795) (c)	Nonproductive Well Drilling (Account 796) Number of Wells (d)	Amount (e)	Other Exploration Costs (Account 798) (f)	Total (g)
1							
2	NONE		NONE	NONE		NONE	
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27	Total			0	0	0	0
ABANDONED LEASES (Account 797)							
1. Report below particulars (details) concerning the provision for the year to cover probable loss on abandonment of natural gas leases included in Account 105, Gas Plant Held for Future Use which have never been productive. 2. Explain the basis of determining the year's provision and state whether the basis is the same as that used for the preceding year. If the year's total provision is comprised of separate determinations with respect to certain groups or classes of leases, show separately the determinations for each such group or class. If the provision was so determined that component amounts may be identified by territories, fields, or counties, show the component amounts identified as such.							
Line No.	Item (a)						Amount (b)
1							
2	NONE						NONE
3							
4							
5							
6							
7							
8							
9							
10	Total						0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas)					
1. Report below particulars (details) concerning the gas volumes and related dollar amounts of natural gas exchange transactions during the year. Minor transactions (less than 100,000 Mcf) may be grouped. 2. Also give the particulars (details) called for concerning each natural gas exchange where consideration was received or paid in performance of gas exchange services.					
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Exchange Gas Received			
		Point of Receipt (City, state, etc.) (b)	Mcf (c)	Debit (Credit) Account 242 (d)	
1	Consumers Energy Company			(1)	
2	Transportation	Received by Displacement	199,304	0	
3					
4	ANR Pipeline Company				
5	Spot Purchases - Post Rate Order 636	Received by Cashout	0	0	
6	Interconnect Balancing Agreement	Received by Displacement	1,837,488	0	
7					
8	Great Lakes Transmission Company	Received by Displacement			
9	Transportation (Ethane)		469,183	(736,884)	
10	Transportation		122,594	637,160	
11					
12	Union Gas	Received by Displacement	82,858	102,968	
13					
14	Panhandle	Received by Displacement	742,374	(257,105)	
15					
16	MGAT / Wet Header *	Received by Displacement	2,013,885	(1,830,473)	
17					
18	Vector Pipeline	Received by Displacement	3,408,142	876,944	
19					
20	DTE Gas Storage Company *	Received by Displacement	4,690,216	1,056,888	
21					
22	Other Gas Utilities	Received by Displacement	774,723	610,129	
23					
24	MichCon Gathering *	Received by Displacement	546,776	5,162,032	
25					
26					
27					
28					
29					
30	Respondent records net exchange gas transactions monthly to account 242 or				
31	174 and account 806.				
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45	Total		14,887,543	\$5,621,659	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)					
3. List individually net transactions occurring during the year for each rate schedule.					
4. Indicate points of receipt and delivery of gas so that they may be readily identified on a map of the respondent's pipeline system.					
Exchange Gas Delivered			Excess Mcf Received or (Delivered) (h)	Debit (Credit) Account 806 (i)	Line No.
Point of Delivery (City, state, etc.) (e)	Mcf (f)	Debit (Credit) Account 174 (g)			
		(1)			1
Delivered by Displacement	(218,700)	147,749	(19,396)	(147,749)	2
					3
					4
Delivered by Cashout	0	0	0	0	5
Delivered by Displacement	(1,818,429)	(186,349)	19,059	186,349	6
					7
Delivered by Displacement					8
	(368,686)	0	100,497	736,884	9
	(214,632)	99,967	(92,038)	(737,127)	10
					11
Delivered by Displacement	(116,955)	165,959	(34,097)	(268,927)	12
					13
Delivered by Displacement	(709,302)	0	33,072	257,105	14
					15
Delivered by Displacement	(1,704,461)	(599,488)	309,424	2,429,961	16
					17
Delivered by Displacement	(3,577,230)	468,100	(169,088)	(1,345,044)	18
					19
Delivered by Displacement	(4,916,077)	736,188	(225,861)	(1,793,076)	20
					21
Delivered by Displacement	(920,633)	564,471	(145,910)	(1,174,600)	22
					23
Delivered by Displacement	(1,185,969)	0	(639,193)	(5,162,032)	24
					25
					26
					27
					28
					29
					30
					31
					32
					33
					34
					35
					36
					37
					38
					39
					40
					41
					42
					43
					44
	(15,751,074)	\$1,396,597	(863,531)	(\$7,018,256)	45

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007		
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)						
5. Furnish any additional explanations needed to further explain the accounting for exchange gas transactions. 6. Report the pressure base of measurement of gas volumes at 14.73 psia at 60°F.						
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Charges Paid or Payable by Respondent		Revenues Received or Receivable by Respondent		FERC Tariff Rate Schedule Identifi- cation (n)
		Amount (j)	Account (k)	Amount (l)	Account (m)	
1						
2	N/A					
3						
4						
5	N/A					
6	N/A					
7						
8						
9	N/A					
10	N/A					
11						
12	N/A					
13						
14	N/A					
15						
16	N/A					
17						
18	N/A					
19						
20	N/A					
21						
22	N/A					
23						
24	N/A					
25						
26						
27						
28	Imbalance fees on off-system transpor-			3,613	489	
29	-tation agreements.					
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	Total	\$0		\$3,613		

MICHIGAN CONSOLIDATED GAS COMPANY			A RESUBMISSION			December 31, 2007	
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.							
2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.							
3. If the reported Mcf for any use is an estimated quantity, state such fact in a footnote.							
4. If any natural gas was used by the respondent for which a charge 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).							
5. Report pressure base of measurement of gas volumes at 14.73 psia at 60°F.							
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-Credit	819, 854	1,120,618	\$8,592,411	766.76 ¢		
2	811 Gas Used for Products Extraction-Credit		0	0	0.00		
3	812 Gas Used for Other Utility Operations-Credit (Report sep. for each prin. use. Group minor uses.)						
4	Oper. of Dist. Service Bldgs.	874, 877, 930.2	90,370	694,587	768.60		
5	Oper. of Undgr. Stg. Wells	816	51,936	399,318	768.86		
6	Undgr. Stor. Gas Losses	823	191,150	1,459,726	763.65		
7	Undgr. Storage Well Royalties	825	14,958	106,721	713.45		
8	Transmission Compression - others	858	161,617	1,253,783	775.77		
9	Oper. of City Gate Stations	877	164,444	1,271,260	773.06		
10	Other Operation Expenses	830, 857	4,218	33,345	790.55		
11							
12							
13	Total account 812		678,694	5,218,740	768.94		
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	Total		1,799,313	\$13,811,152	767.58 ¢	0	\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (ACCOUNT 858)			
<p>1. Report below particulars (details) concerning gas transported or compressed for respondent by others equalling more than 1,000,000 Mcf (Bcf) and amounts of payments for such services during the year. Minor items (less than 1,000,000 Mcf) must be grouped.</p> <p>2. In column (a) give name of companies to which payments were made, points of delivery and receipt of gas, names of companies to which gas was delivered and</p>			
Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk)	Distance Transported (in miles)	
	(a)	(b)	
1	ANR Pipeline Company (1)		
2			
3	Great Lakes Gas Transmission (2)		
4			
5	Trunkline Gas Company (3)		
6			
7	Panhandle Eastern Pipeline (4)		
8			
9	Vector Pipeline (5)		
10			
11	Transcanada Pipeline Company (6)		
12			
13	Saginaw Bay (7)		
14			
15			
16	(1) Expenses represent:		
17	a.) Transmission from ANR's Woolfolk Receipt Point to Grand Rapids.		
18	b.) Transmission from the Columbus Meter Station to the Niagara		
19	Interconnection.		
20			
21	(2) Transmission from various points on Great Lake's system to various MichCon points.		
22			
23	(3) Transmission from various points on Trunkline's system to Panhandle Eastern's system.		
24			
25	(4) Transmission from various points on Panhandle Eastern's system to River Rouge.		
26			
27	(5) Transmission from various points on Vector Pipeline's system to Various MichCon points.		
28			
29	(6) Transmission from Transcanada's pipeline system to various points on Vector's system.		
30			
31	(7) Transmission of gas between West Branch (Alpena system) and Kalkaska		
32			
33	(8) Mcf of gas rec'd and delivered:		
34	Volumes are moved primarily on a fixed fee basis so volumes are not tracked.		
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46	TOTAL	0	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (ACCOUNT 858) (Continued)					
<p>from which received. Points of delivery and receipt should be so designated that they can be identified readily on map of respondent's pipeline system.</p> <p>3. If the Mcf of gas received differs from the Mcf delivered, explain in a footnote the reason for difference, i.e., uncompleted deliveries, allowance for transmission loss, etc.</p>					
Mcf of Gas Delivered (14.73 psia at 60°F) (c)	Mcf of Gas Received (14.73 psia at 60°F) (d)	Amount of Payment (in dollars) (e)	Amount per Mcf of Gas Received (in cents) (f)	Line No.	
(8)	(8)	\$6,832,336	¢	1	
				2	
(8)	(8)	9,376	¢	3	
				4	
(8)	(8)	0	¢	5	
				6	
(8)	(8)	617	¢	7	
				8	
(8)	(8)	10,485	¢	9	
				10	
(8)	(8)	(564)	¢	11	
				12	
(8)	(8)	1,017,997	¢	13	
				14	
				15	
				16	
				17	
				18	
				19	
				20	
				21	
				22	
				23	
				24	
				25	
				26	
				27	
				28	
				29	
				30	
				31	
				32	
				33	
				34	
				35	
				36	
				37	
				38	
				39	
				40	
				41	
				42	
				43	
				44	
				45	
0	0	\$7,870,246	¢	46	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
LEASE RENTALS CHARGED			
<p>1. For purposes of this schedule a "lease" is defined as a contract or other agreement by which one party (lessor) conveys an intangible right or land or other tangible property and equipment to another (lessee) for a specified period of one year or more for rent.</p> <p>2. Report below, for leases with annual charges of \$25,000 or more, but less than \$250,000 the data called for in columns a, b (descriptions only), f, g and j.</p> <p>3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.</p> <p>4. The annual charges referred to in instruction 1 and 2 include the basic lease payment and other payments to or in behalf of the lessor such as taxes, depreciation, assumed interest or dividends on the lease. Securities, cost of property replacements** and other expenditures with respect to leased property except the expenses paid by lessee are to be itemized in column f below.</p> <p>5. Leases of construction equipment in connection with construction work in progress are not required to be reported herein. Continuous, master or open-end leases for EDP or office equipment, automobile fleets and other equipment that is short-lived and replaced under terms of the lease or for pole rentals shall report only the data called for in columns a, b (description), f, g and j, unless the lessee has the option to purchase the property.</p> <p>6 In column (a) report the name of the lessor. List lessors which are associated companies * (describing association) first, followed by non-associated lessors. * See</p>			
A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)	
621 ASSOCIATES LLC	MECHANICAL MAILING	(P) 11/30/2008	
LAUREN BOWLER	7 MILE BUSINESS OFFICE	(P) 11/30/2009	
CENTERPOINTE DEV. CO. LLC	EASTBROOK OFFICE	(P) 6/30/2008	
DDRC of MICHIGAN, LLC	E. 8 MILE BUSINESS OFFICE	(P) 7/31/2009	
FIRST BAPTIST	PARKING - 7 MILE OFFICE	(P) 3/31/2011	
R&B DAVIS ENTERPRISES, LLC.	WAREHOUSE/OFFICE LEASE/GRAYLING	(P) 6/6/2010	
GREEN ALLEN, LTD.	CENTRAL STOREHOUSE	(P) 3/31/2011	
SOUTHWEST MICHIGAN INDUSTRIAL INVESTORS	GRAND RAPIDS CALL CENTER A 10 year triple net lease for 40,000 s.f., with a 5 year buy out. 6.50 per s.f. plus 2.5% annual increase.	(P) 12/31/2015	

** See Gas Plant Instruction 6 & Operating Expense Instruction 3 of the Uniform System of Accounts

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007			
LEASE RENTALS CHARGED (continued)							
<p>definition on page 226 (B).</p> <p>7 In column (b) for each leasing arrangement, report in order, classified by transmission line, distribution system or other operating unit or system, followed by any other leasing arrangements not covered under the preceding classifications: Description of the property, whether lease is a sale and leaseback, whether lessee has option to purchase and conditions of the purchase, whether lease is cancellable by either party and the cancellation conditions, state the tax treatment used, the accounting treatment of the lease payments (levelized charges to expense or other treatment), the basis of any charges apportioned between the lessor and lessee, and the responsibility of the respondent for operation and maintenance expenses and replacement of property. The above information is to be reported with initiation of the lease and thereafter when changed or every five years, which ever comes first.</p> <p>8 Report in column (d), as of the date of the current lease term, the original cost of the property leased, estimated if not known, or the fair market value of the property if greater than original cost and indicate as shown. If leased property is part of a large unit, such as part of a building, indicate without associating any cost or value with it.</p> <p>9 Report in column (k) below the estimated remaining annual charges under the current term of the lease. Do not apply a present value to the estimate. Assume that cancellable leases will not be cancelled when estimating the remaining charges.</p>							
A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES							
Original Cost (O) or	Expenses to be	AMOUNT OF RENT - CURRENT YEAR					Remaining Annual
Fair Market Value (D) or Property (D)	Paid by Lessee Itemize (e)	Current Year		Accumulated to Date		Account Charged (j)	Charges Under Lease Est. If Not Known (k)
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		60,000				515000	55,000
		63,436				515000	121,587
		105,840				515000	52,920
		99,000				515000	156,750
		32,415				515000	105,348
		32,000				515,000	80,000
		242,400				515000	787,800
(0) 3,821,796	Lease Payment	347,436				515000	4,093,561

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
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	813-20 Royalty Expense on Produced Gas		\$0
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			
50	Total		\$0

MICHIGAN CONSOLIDATED GAS COMPANY		A Resubmission	December 31, 2007
MISCELLANEOUS GENERAL EXPENSES (ACCOUNT 930.2) (GAS)			
			Amount (b)
1	Industry Association Dues		\$570,785
2	DTE Holding Company A&G Cost Allocation		702,310
3	Alternative Fuels Vehicle Program		22,895
4	Recoverable Environmental Clean-up Costs		845,154
5	Nonoccupational Medical and Dental expense		0
6	Misc. Other		(69,181)
7			
8	DTE 2 Post Go Live		1,820,399
9			
10	Director Severance and Other VSIP Related Cost		585,764
11			
12	Deferral of Cost to Achieve (U-14909)		(9,451,720)
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			
50			
51			
52			
53	Total		(\$4,973,595)

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
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 charges in the intervals 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 manner in which column (b) balances are obtained. If</p>					
Section A. Summary of Depreciation, Depletion, and Amortization Charges					
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Cost (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	
1	Intangible plant				
2	Production plant, manufactured gas				
3	Production and gathering plant, natural gas	144,488			
4	Products extraction plant				
5	Underground gas storage plant	5,831,714	8,086		
6	Other storage plant				
7	Base load LNG terminating and processing plant				
8	Transmission plant	9,500,485	2,023		
9	Distribution plant	56,809,658	84,540		
10	General plant	7,990,614			
11	Common plant-gas				
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
25	Total	80,276,958	94,649	0	

MPSC FORM P-522 (Ed. 1-89)

Page 336

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT					
(Accounts 403, 404.1, 404.2, 404.3, 405)					
(Except Amortization of Acquisition Adjustments) (Continued)					
<p>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>					
Amortization of Other Limited-term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405) (f)	Total (b to f) (g)	Functional Classification (a)	Line No.	
20	5,789,157	5,789,177	Intangible plant	1	
			Production plant, manufactured	2	
			gas		
			Production and gathering plant,	3	
		144,488	natural gas		
			Products extraction plant	4	
		5,839,800	Underground gas storage plant	5	
			Other storage plant	6	
			Base load LNG terminating and	7	
			processing plant		
		9,502,508	Transmission plant	8	
		56,894,198	Distribution plant	9	
		7,990,614	General plant	10	
			Common plant-gas	11	
				12	
				13	
				14	
				15	
				16	
				17	
				18	
				19	
				20	
				21	
				22	
				23	
20	5,789,157	86,160,784	Total	25	

MPSC FORM P-522 (Ed. 1-89)

Page 337

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (CONTINUED)

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Depreciation Plant Base (Thousands) (b)	Applied Depr. Rate(s) (Percent) (c)
1	Production and Gathering Plant		
2	Offshore		
3	Onshore (2)	12,876	1.12%
4	Underground Gas Storage Plant	211,548	2.76%
5	Transmission Plant		
6	Offshore		
7	Onshore	326,014	2.71%
8	General Plant (3)	162,375	4.98%
9	Distribution Plant	2,165,325	2.89%
10			

Notes to Depreciation, Depletion and Amortization of Gas Plant

- (1) Amounts in column (b) are the average of the beginning and ending balances for 2007.
- (2) Not included in the Depreciable Balance for Production Plant are several accounts which are depreciated by the Units Production Method. The average plant balance for these accounts is \$1.7 million. The depreciation expense associated with these accounts is \$0. This approximates to a depreciation rate of 0.0%.
- (3) Not included in the Depreciable Balance for General Plant are several transportation Plant Accounts which were depreciated in the clearing accounts. The average plant balance for these accounts is \$62.5 million. The depreciation expense associated with these accounts is \$7,525,626. This approximates to an depreciation rate of 11.85%.

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2007		
PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS		
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.		
(a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortizations charges for the year, and the period of amortization.		
(b) Miscellaneous Income Deductions-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 Activities; and 425.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$10,000 may be grouped by classes within the above accounts.		
(c) Interest on Debt to Associated Companies (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 accounts, (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.		
(d) Other Interest Expense (Account 431)-Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.		
Line No.	Item (a)	Amount (b)
1		
2	<u>Miscellaneous Amortization (Account 425)</u>	
3	Account 425.5 CTA Amortization 2006 Balance	1,208,027
4		
5		<u>\$1,208,027</u>
6		
7		
8	<u>Miscellaneous Income Deductions (Account 426.1-426.6)</u>	
9	Account 426.1 Energy Assistance Program	771,382
10	Account 426.3 Penalties IRS	1,245
11	Account 426.4 Legislative advocacy costs	566,611
12	Account 426.5 Promotional Expense	17,838
13	Account 426.5 Account reconciliation correction write-offs	(16,628)
14	Account 426.5 Uncollectible Reserve write-offs - A/R Trade	239,644
15	Account 426.5 Allocation clearing	33,082
16	Account FERC Clearing	(6,180)
17		
18		
19		
20		
21	TOTAL Miscellaneous Deductions	<u>\$1,606,993</u>
22		
23		
24		
25	<u>Interest on Debt to Associated Companies (Account 430)</u>	
26	DTE Energy Company	727,563
27	Detroit Edison	12,161
28	MichCon Holdings	60,621
29	MichCon Development Corp	390,870
30	Blue Lake Holdings, Inc.	107,716
31	MichCon Pipeline Company	89,563
32	MichCon Gathering Company	973,353
33	Saginaw Bay Pipeline Company	260,686
34	Saginaw Bay Lateral Company	71,052
35	Saginaw Bay Lateral Limited	462
36	Westside Pipeline Company	100,372
37	Jordan Valley Limited Partner	342,657
38	Thunder Bay Gathering Company	61,139
39	MichCon Lateral Company	313,264
40		
41	TOTAL Interest on Debt to Associated Companies	<u>\$3,511,480</u>
42		
43		
44		
45		
46		
47		

MICHIGAN CONSOLIDATED GAS COMPANY A RESUBMISSION December 31, 2007		
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) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortizations charges for the year, and the period of amortization.</p> <p>(b) Miscellaneous Income Deductions-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 Activities; and 425.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$10,000 may be grouped by classes within the above accounts.</p> <p>(c) Interest on Debt to Associated Companies (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 accounts, (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) Other Interest Expense (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		
2	<u>Other Interest Expenses (Account 431)</u>	
3	Interest on Customer Deposits	\$1,269,855
4	Interest on Gas Sales Refunds & Purchases	39,039
5	Interest Expense - Supplemental Death and Retirement Income Plan	60,901
6	Interest on Commercial Paper	11,012,896
7	Interest on Commercial Fees Line of Credit	890,229
8	Interest Expense - Gas Cost Recovery	4,210,320
9	Interest on Property Tax Payments	33,623
10	Interest Carrying Charge on UETM Surcharge	(3,039,936)
11	Interest on Gas Choice Accounts	72,543
12	Interest on Transportation Gas Bills	5,287
13	Interest on FIT Contingency	84,109
14	Total Other Interest Expenses	<u>\$14,638,865</u>
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		

MICHIGAN CONSOLIDATED GAS COMPANY			A RESUBMISSION	December 31, 2007
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 basis 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 net income before taxes, from the operation. 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 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 leased on a basis other than that of a fixed annual rental, state the method of determining the 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. 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 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>6. Miscellaneous Nonoperating Income (Account 421)-Give the nature and source of each miscellaneous Nonoperating income, and expense and the amount thereof for the year. Minor items may be grouped by classes.</p>				
Line No.	Item (a)	Amount (b)		
1	<u>Income from Merchandising, Jobbing and Contract Work (Account 415, 416)</u>			
2				
3	Revenue from Merchandise Sales and Contract Work	\$2,079,470		
4	Expense from Merchandise Sales and Contract Work	(2,539,916)		
5				
6		(\$460,446)		
7	<u>Income from Nonutility Operations (Accounts 417 and 417.1)</u>			
8				
9	Investment Recovery sales of MichCon assets	\$29,127		
10				
11	<u>Nonoperating Rental Income (Account 418)</u>			
12				
13	Rental Income from Leased Water Heater Program	\$0		
14	Rental Expense from Leased Water Heater Program	(858)		
15		(\$858)		
16	<u>Interest and Dividend Income (Account 419)</u>			
17				
18	Interest Revenue from Vector Pipeline, L.P.	\$7,590,444		
19	Interest on Notes from MichCon Subsidiaries/Associated companies	386,402		
20	Interest on Grantor Trust	954,124		
21	Interest on Financing of Customer Attachment Program	108,777		
22	Imputed Interest on Notes Receivable with 500 Assoc LLC regarding sale of Guardian Building	36,987		
23	Interest Income on Temporary Investments	317,976		
24	Other	68,351		
25				
26		\$9,463,060		
27				
28				
29	<u>Allowance for Other Funds Used During Construction (Account 419.1)</u>			
30				
31	AFUDC Equity	\$5,253,300		
32				
33		\$5,253,300		
34				
35				
36				
37				

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
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, from the operation. 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 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 leased on a basis other than that of a fixed annual rental, state the method of determining the 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. 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 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>6. Miscellaneous Nonoperating Income (Account 421)-Give the nature and source of each miscellaneous Nonoperating income, and expense and the amount thereof for the year. Minor items may be grouped by classes.</p>			
Line No.	Item (a)	Amount (b)	
1			
2	<u>Miscellaneous Nonoperating Income (Account 421)</u>		
3			
4	Gas Transportation & Exchange Activity	\$22,502	
5	Building Revenue	10,956	
6	Grantor Trust Income	1,555,992	
7	Equity earnings in Detroit Investment Fund	(12,922)	
8	Foreign Exchange Transactions	(31,604)	
9	Labor Transfers	(326)	
10	Accounts Receivable adjustments to Gas Choice Customer program and miscellaneous receivable		
11	balances	(129,550)	
12	Intercompany Out of Balance adjustments	(96,921)	
13	Other	363	
14			
15		1,318,490	
16			
17			
18			
19	TOTAL OTHER INCOME	\$15,602,674	
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2)					
<p>1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type; Leased, Held for Future Use, or Nonutility.</p> <p>2. Individual gains or losses relating to property with an original cost of less than \$100,000 may be grouped, with the number of such transactions disclosed in column (a).</p> <p>3. Give the date of Commission approval of journal entries in column (b), when approval is required. Where approval is required but has not been received, give explanation following the item in column (a). (See account 102, Utility Plant Purchased or Sold).</p>					
Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	Gain on disposition of Property:				
2					
3	<u>Utility</u>				
4					
5	Sale of Six Lakes property, Section 33, T13N	\$113,432		\$352,707	
6	R07W, Millbrook Township, Mecosta County				
7					
8	Sale of Hamtramck property, Lots 50, 15 & 16	\$37,288		\$74,029	
9	Sect. 21 to Alliance Healthcare Management				
10					
11	Sale of 140 Cobb St., Cadillac, MI	\$0		\$298,093	
12					
13	AR unidentified cash from William T. Sheahan			\$1,325.84	
14	Title Company relating to property sales.				
15					
16	Native Gas sale to ET			\$311,456	
17	Native Gas sale to ET			\$4,961,043.75	
18	Sale of Base Gas			(\$234,375)	
19					
20		\$150,720		\$5,764,280	
21					
22	Loss on disposition of Property:				
23					
24	<u>Utility</u>				
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41	Total loss	\$0			\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES (Account 426.4)			
<p>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.</p> <p>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 customers' bills, (d) inserts in reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.</p> <p>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.</p> <p>4. If respondent has not incurred any expenditures contemplated by the instructions of Account 426.4, so state.</p> <p>5. For reporting years which begin during the calendar year 1963 only, minor amounts may be grouped by classes if the number of items so grouped is shown.</p> <p>NOTE: The classification of expenses as nonoperating and their inclusion in this account is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.</p>			
Line No.	Item (a)	Amount (b)	
1	State and Federal Legislative Advocacy Expenses	\$566,611	
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35	TOTAL	\$566,611	

This page intentionally left blank.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2006	
REGULATORY COMMISSION EXPENSES					
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. In columns (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.					
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.					
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 to Date (d)	Deferred in Account 186 at Beginning of Year (e)
1	GCR Matters	---	83,742	\$83,742	---
2					
3	MPSC Case No. U-14401-R, 2005-06 GCR Reconciliation				
4	MPSC Case No. U-14717-R, 2006-07 GCR Reconciliation				
5	MPSC Case No. U-15042 2007-08 GCR Plan				
6	MPSC Case No. U-15451, 2008-09 GCR Plan				
7					
8					
9	General Rate Case Matters	---	22,648	22,648	---
10					
11					
12	MPSC Case No. U-14800, Sale of Excess System Gas Supply				
13	MPSC Case No. U-13898 (UETM), Uncollectible Expense				
14	True-Up Mechanism Surcharge				
15					
16					
17	General Pricing and Regulation	---	223,495	223,495	---
18					
19	Various MPSC Cases, Customer Complaints, Certificates of				
20	Public Convenience and Necessity				
21					
22					
23					
24					
25		2,698,082	---	2,698,082	---
26					
27					
28	NOTE: Regulatory Affairs Labor is charged to a general				
29	Internal Order and it can not be determined what portion				
30	is attributed to specific MichCon case work.				
31					
32					
33		2,698,082	---	2,698,082	---
34	Utility Assessment				
35					
36		\$2,698,082	\$329,885	\$3,027,967	---
37	TOTAL				

MICHIGAN CONSOLIDATED GAS COMPANY				AN ORIGINAL		December 31, 2007	
REGULATORY COMMISSION EXPENSES (Continued)							
4. The totals of columns (e), (i), (k), and (l) must agree with the totals shown at the bottom of page 233 for Account 186.							
5. List in columns (f), (g), and (h) expenses incurred during the year which were charged currently to income, plant, or other accounts.							
6. Minor items (less than \$25,000) may be grouped.							
EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR			Deferred in Account 186, End of Year (l)	Line No.
CHARGED CURRENTLY TO			Deferred to Account 186 (i)	Contra Account (j)	Amount (k)		
Department (f)	Account No. (g)	Amount (h)					
GAS	928-00	54,444	---		---	---	1
GAS	926-30	26,295					2
GAS	408-AL	3,003					3
							4
							5
							6
							7
							8
							9
GAS	928-00	13,616	---		---	---	10
GAS	926-30	8,106					11
GAS	408-AL	926					12
							13
							14
							15
							16
GAS	928-00	199,963					17
GAS	926-30	21,120					18
GAS	408-AL	2,412					19
							20
							21
							22
							23
							24
							25
							26
							27
							28
							29
							30
							31
							32
							33
GAS	408-17	2,429,771	---		---	---	34
	928-00	268,311					35
							36
		\$3,027,967	---		---	---	37

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES			
<p>1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) projects initiated, continued, or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts.)</p> <p>2. Indicate in column (a) the applicable classification, as shown below. Classifications:</p> <ul style="list-style-type: none"> A. Gas R, D & D Performed Internally <ul style="list-style-type: none"> (1) Pipeline <ul style="list-style-type: none"> a. Design b. Efficiency (2) Compressor Station <ul style="list-style-type: none"> a. Design b. Efficiency (3) System Planning, Engineering, and Operation (4) Transmission Control and Dispatching (5) LNG Storage and Transportation (6) Underground Storage (7) Other Storage (8) New Appliances and New Uses (9) Gas Exploration, Drilling, Production, and Recovery (10) Coal gasification (11) Synthetic Gas (12) Environmental Research (13) Other (Classify and Include Items in Excess of \$5,000.) (14) Total Cost Incurred 			
Line No.	Classification (a)	Description (b)	
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25		None	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)					
<p>B. Gas R, D & D Performed Externally</p> <p>(1) Research Support to American Gas Association</p> <p>(2) Research Support to Others (Classify)</p> <p>(3) Total Costs Incurred</p> <p>3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped Under Other, (A.(13) and B.(2)) classify items by type of R, D & D activity.</p> <p>4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107 (Construction Work in Progress) first. Show in column (f) the amounts related to the account charged in column (e).</p> <p>5. Show in column (g) the total unamortized accumulation of costs of projects. This total must equal the balance in Account 188 (Research, Development, and Demonstration Expenditures) outstanding at the end of the year.</p> <p>6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d) and (f) with such amounts identified by "Est."</p> <p>7. Report separately research and related testing facilities operated by the respondent.</p>					
Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
	\$0		\$0	-	1
				-	2
					3
				-	4
	\$0		\$0	-	5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
					17
					18
					19
					20
					21
					22
					23
					24
					25

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION		December 31, 2007	
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 (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)	
1	Electric				
2	Operation				
3	Production	N/A			
4	Transmission	N/A			
5	Distribution	N/A			
6	Customer Accounts	N/A			
7	Customer Service and Informational	N/A			
8	Sales	N/A			
9	Administrative and General	N/A			
10	TOTAL Operation (Total of line 3 thru 9)	-			
11	Maintenance				
12	Production	N/A			
13	Transmission	N/A			
14	Distribution	N/A			
15	Administrative and General	N/A			
16	TOTAL Maintenance (Total of line 12 thru 15)	-			
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)	N/A			
19	Transmission (Total of Lines 4 and 13)	N/A			
20	Distribution (Total of lines 5 and 14)	N/A			
21	Customer Accounts (Line 6)	N/A			
22	Customer Service and Informational (Line 7)	N/A			
23	Sales (Line 8)	N/A			
24	Administrative and General (Total of lines 9 and 15)	N/A			
25	TOTAL Operation and Maint. (Total of lines 18 thru 24)	-			
26	Gas				
27	Operation				
28	Production-Manufactured Gas	-			
29	Production-Nat. Gas (Including Expl. and Dev.)	17,571			
30	Other Gas Supply	-			
31	Storage, LNG Terminating and Processing	1,110,560			
32	Transmission	7,943,352			
33	Distribution	39,330,030			
34	Customer Accounts	22,568,966			
35	Customer Service and Informational	564,558			
36	Sales	1,500,831			
37	Administrative and General	27,451,384			
38	TOTAL Operation (Total of lines 28 thru 37)	100,487,251			
39	Maintenance				
40	Production-Manufactured Gas	-			
41	Production-Nat. Gas	17,575			
42	Other Gas Supply	-			
43	Storage, LNG Terminating and Processing	1,072,332			
44	Transmission	2,231,275			
45	Distribution	10,816,828			
46	Administrative and General	7,132			
47	TOTAL Maintenance (Total of lines 40 thru 46)	14,145,142			

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION		December 31, 2007
DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	Gas (Continued)			
48	Total Operation and Maintenance			
49	Production-Manufactured Gas (Lines 28 & 40)	-		
50	Production-Natural Gas (Including Expl. and Dev.) (Lines 29 & 41)	35,146		
51	Other Gas Supply (Lines 30 & 42)	-		
52	Storage, LNG Terminaling and Processing (Lines 31 & 43)	2,182,892		
53	Transmission (Lines 32 & 44)	10,174,627		
54	Distribution (Lines 33 & 45)	50,146,858		
55	Customer Accounts (Line 34)	22,568,966		
56	Customer Service and Informational (Line 35)	564,558		
57	Sales (Line 36)	1,500,831		
58	Administrative and General (Lines 37 & 46)	27,458,516		
59	TOTAL Operation and Maint. (Total of line 49 thru 58)	114,632,393	8,621,851	123,254,244
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	114,632,393	8,621,851	123,254,244
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	-	-	-
66	Gas Plant (See Note)	25,445,224	1,265,406	26,710,630
67	Other	-	-	-
68	TOTAL Construction (Enter Total of lines 65 thru 67)	25,445,224	1,265,406	26,710,630
69	Plant Removal (By Utility Departments)			
70	Electric Plant	-	-	-
71	Gas Plant (See Note)	588,488	84,240	672,728
72	Other	-	-	-
73	TOTAL Plant Removal (Total of lines 70 thru 72)	588,488	84,240	672,728
74	Other Accounts (Specify):			
75	Deferred Accounts (GWO)	(3,768)	307	(3,461)
76	Associated Companies Accounts Receivable	2,905,895	168,479	3,074,374
77	Merger Expenses included in Misc. NonGas Expense	-	-	-
78	Other	604,555	(27,576)	576,979
79	Labor Clearing Account	7,721,599	(7,716,793)	4,806
80	Other Clearing Accounts	2,395,053	(2,395,053)	-
81	TOTAL Other Accounts	13,623,334	(9,970,636)	3,652,698
82	TOTAL SALARIES AND WAGES	154,289,439	861	154,290,300
83				
84	Note:			
85	Effective with the conversion to SAP in April 2007, Wages and Salaries charged to plant			
86	removal is not available. This amount is included in Construction Gas Plant.			
87				
88				
89				
90				
91				
92				
93				
94				
95				
96				
97				
98				
99				

Name of Respondent	This Report is:	Date of Report	Year of Report
The Michigan Consolidated Gas Company	(1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission		Dec. 31, 2007
CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES			
<p>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 \$25,000, including payments for legislative services, except those which should be reported in Account</p>		<p>426.4, Expenditure 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 date and term of contract and date of Commission authorization, if contract received Commission approval. 3. Designate with an asterisk associated companies.</p>	
See Pages 357.1 through 357.21			
<p>The following changes were billed to and paid for by Michigan Consolidated Gas: Some portion of the changes may have been subject to allocation to other entities under DTE Energy.</p>			

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
621 Assoc LLC 500 Griswold St Detroit, MI 48226-3480	Contract Labor	CAP, O&M	26,285	109, 903, 931
A & E Appliance Service 27422 Gratiot Ave Roseville, MI 48066-2916	Appliance Repair Service	O&M	152,933	879
A Janx Integrity Group Co PO Box 190 Parma, MI 49269-0190	Welding Services	CAP	27,773	107
A1 Asphalt Sealing and Repair 4634 Division St Wayland, MI 49348-8924	Paving - General	CAP, O&M	202,600	107, 880, 887, 892
Accenture LLP 3000 Town Ctr, Ste 2400 Southfield, MI 48075-1102	Contract Labor	CAP, O&M	574,151	107, 923
Accretive Solutions 2800 Livernois, Ste 400 Troy, MI 48083	Personnel Services	CAP, O&M	1,194,393	107, 921, 923
Accu Read 4325 Concourse Dr Ann Arbor, MI 48108-9688	Professional Services	O&M	1,974,012	902, 903
Accurate Repair Service LLC 2435 Eastern Ave SE Grand Rapids, MI 49507-3641	Appliance Repair Service	O&M	32,491	879
Archiveglobal 170 Election Rd Draper, UT 84020-6400	Training	CAP, O&M	200,456	107, 902, 903, 921, 923
Acteon Partners LLC 888 W Big Beaver Rd, Ste 450 Troy, MI 48084	Contract Labor	CAP, O&M	217,218	107, 921, 923
Advance Concrete Products Co 975 N Milford Rd Highland, MI 48084	Equipment Maint & Repair	CAP, O&M	49,305	107, 880, 889
Advantage 17355 Allen Rd Melvindale, MI 48122-1024	Grounds Maint	CAP, O&M	63,077	107, 850, 889
Advantage Tek Inc 7927 Nemco Way, Ste 235 Brighton, MI 48116	Consulting	CAP, O&M	28,640	107, 923
Adantica Inc PO Box 7777-W5015 Philadelphia, PA 19175-0001	Technical Services	CAP	42,000	107
AirGas Great Lakes PO Box 802576 Chicago, IL 60680-2576	Contract Labor	CAP, O&M	26,724	107, 850, 866, 879, 880, 891, 146, 416, 856, 859, 866, 874, 889, 894
Airtronic Heating & Cooling 26666 Grand River Ave Redford, MI 48240-1531	Appliance Repair Service	O&M	47,283	879
Air-Vac Furance Co 2948 Silverstone LN Waterford, MI 48329-4537	Appliance Repair Service	O&M	37,335	879

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Albert Taylor Nelson PLC 255 E Brown St, Ste 320 Birmingham, MI 48009	Legal Services	CAP, O&M	31,885	107 923
Allemons Landscape Ctr 17727 Mack Ave Detroit, MI 48224-1467	Grounds Maint	CAP, O&M	82,574	107, 880, 923
Alliance One Receivables 1684 Woodlands Dr, Ste 150 Maumee, OH 43537-4026	Contract Labor	O&M	265,616	903
Alltel PO Box 530533 Atlanta, GA 30353-0533	Telecom Labor	CAP, O&M	355,483	107, 866, 903, 163, 832, 866, 870, 875, 880 902, 903, 912
American Appliance Heating 37529 Schoolcraft Rd Livonia, MI 48150-1009	Appliance Repair Service	O&M	498,067	163 879
American Bldg Maintenance 1752 Howard St Detroit, MI 48216-1921	Janitorial & Clean	CAP, O&M	707,319	107, 923
American Enterprises Inc 5508 Navarre Ave Oregon, OH 43616-3550	Vehicle Maint & Repair	O&M	52,521	880
American Excavating Contractors LLC 12838 Gavel Detroit, MI 48227	Excavation	CAP, O&M	741,993	107, 880, 887
American Messaging PO Box 5749 Carol Stream, IL 60197-5749	Telecom Services	CAP, O&M	42,435	107, 866, 921, 923
American Mgmt Assn 111 W 40th St, Fl 10 New York, NY 10018-2506	Contract Labor	CAP, O&M	34,875	107, 921, 923
Aon Consulting Inc 200 E Randolph, Ste 1000 Chicago, IL 60601	Contract Labor	CAP, O&M	49,333	107, 923
Appliance Doctors PO Box 24722 Detroit, MI 48224-0722	Appliance Repair Service	O&M	439,664	879, 912
Applied Building Technologies 6500 Roosevelt Ave, Allen Park, MI 48101	Fire Protection Service	CAP, O&M	26,080	107, 923
Arch Wireless PO Box 4062 Woburn, MA 01888-4062	Telecom Services	CAP, O&M	92,841	107, 899, 921, 923, 931
Arctic Air Inc 4918 Fernlee Royal Oak, MI 48073-1017	Contract Labor	CAP, O&M	98,981	107, 923
Arnolds Auto Electric 4918 Mt. Elliott Ave Detroit, MI 48207	Vehicle Maint & Repair	O&M	41,267	107
Asset Mgmt Outsourcing Inc 5655 Peachtree Pkwy, Ste 213 Norcross, GA 30092	Contract Labor	O&M	148,814	903
AT and T 1 ATT Way Bedminster, NJ 07921-2694	Telecom Services	CAP, O&M	304,342	107, 866, 903, 921

The Michigan Consolidated Gas Company

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
AT and T Global One Sbc Plaza Dallas, TX 75202	Telecom Services	CAP, O&M	775,973	107, 866, 902, 903, 908, 921
Authoria Inc 300 Fifth Avenue Waltham, MA 02451	IT Services	CAP, O&M	42,041	107,923
B and B Oilfield Equip PO Box 492 Mt Pleasant, MI 48804-0492	Mechanical Equipment	CAP, O&M	708,906	107, 416, 816
B and H Tractor and Truck Inc 5580 Venture way MT, Pleasant, MI 48804-0492	Well Drilling	CAP	1,051,107	107
B J Services Co 4601 Westway Park Blvd Houston, TX 75391-0887	Pipeline Services	CAP	1,567,094	107
Baker Atlas 2710 Forum Dr Grand Prairie, TX 75052-7026	Pipeline Services	O&M	243,451	416, 832, 146
Banctec Inc PO Box 910887 Dallas, TX 75391-0887	Contract Labor	CAP, O&M	90,341	107, 921, 923
Bank of New York 101 Barclay St, Ste 11 E New York, NY 10286-0001	Contract Labor	CAP, O&M	123,415	107, 921, 923
Bartech Group Inc 17199 N Laurel Park Dr, Ste 224 Livonia, MI 48152-2683	Personnel Services	CAP, O&M	4,991,884	107, 4261, 850, 851, 857, 859, 866, 879, 880, 902 903, 908, 923
Barton Malow Co 26500 American Dr Southfield, MI 48034-2252	Construction Service	CAP	737,130	107
Basic Systems 10921 Clay Pike Rd Derwent, OH 43733-9997	Technical Services	CAP, O&M	1,406,272	107, 859, 880, 146
Belle Tire Distributors 3500 Enterprise Dr Allen Park, MI 48101-3000	Vehicle Maint & Repair	O&M	26,156	154
Berline Group Inc 70 E Long Lake Rd Bloomfield Hills, MI 48304-2356	Administrative Service	CAP, O&M	1,566,245	107, 4261, 921, 923, 928
BGL Asset Services LLC 1611 S Isabella Rd Mount Pleasant, MI 48858-1037	Pipeline Construction	CAP, O&M	37,700	107,856
Bostick Collision Ctr 1399 Joslyn Ave Pontiac, MI 4831-2015	Vehicle Maint & Repair	CAP	49,334	107
Bostwick Pavingg 3291 W Liberty Rd Ann Arbor, MI 48106	Paving-General	CAP, O&M	357,407	107, 880, 887
Bradley Co 31313 Northwestern Hwy, Ste 101 Farmington Hills 48334	Marketing Services	CAP, O&M	69,728	107, 4261, 4264, 830, 834, 850, 859, 882, 903, 908, 931 921, 923

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Brooks Electric Service Inc 8 Hills Road Stanton, MI 48888	Construction Service	CAP, O&M	84,456	107, 832, 834, 865, 880, 891
Brooks Williamson and Assoc Inc 30366 Beck Rd Wixom, MI 48393-2829	Consulting	CAP, O&M	143,749	107, 253, 850
Bureau Veritas North America Inc 11860 W State Rd, Ste 1 Fort Lauderdale, FL 33325	Environmental Study	CAP, O&M	89,381	107, 256, 880, 921
Burgess-Manning Inc 22492 Louise St. Saint Clair Shores, MI 48081-2035	Contract Labor	CAP	220,427	108
Burns Contracting Inc PO Box 1884 Grand Rapids, MI 49501-1884	Paving - General	CAP, O&M	53,222	107, 880, 887, 892
Bus Objects Americas 3030 Orchard Pkwy San Jose, CA 95134-2028	Contract Labor	CAP, O&M	48,227	107
Busens Appliance Inc 2323 Fort St Lincoln Park, MO 48145-2420	Appliance Repair Service	O&M	213,619	879
Butzel Long PC 150 W Jefferson Ave, Ste 100 Detroit, MI 48226-4450	Legal Services	CAP, O&M	82,837	107, 923
C and D Huges Inc 3097 Lansing Rd Charlotte, MI 48813	Contract Labor	CAP, O&M	39,520	107
C Barron and Sons Inc 87 Jerome St Monroe, MI 48161-2060	Storage Tank Service	CAP, O&M	2,404,948	107, 818, 834, 921
C T Heating 1313 Rush Lake Rd Pinckney, MI 48169-8531	Appliance Repair Service	O&M	36,288	879
Carlson Consulting LLC 1966 S Simon Rd Lake Leelanau, MI 49653	Consulting	CAP, O&M	160,730	107, 416, 832, 108
Cass Lock Door Closer and Co Inc 3431 Michigan Ave Detroit, MI 48216	Building & Maint Repair	CAP, O&M	38,947	107, 921, 923
CCB Credit Services Inc 1045 Outer Park Dr Springfield, IL 62704	Contract Labor	O&M	379,617	903
Ceva Logistics US Inc 10751 Deenwood Park Blvd, Ste 200 Jacksonville, FL 32256	Freight & Delivery	O&M	1,026,491	878
Checkfree 4411 E Jones Bridge Rd Norcross, GA 30092-1615	Professional Services	CAP, O&M	77,674	107, 903, 921
Cheekfreepay Corp 15 Sterling Dr Wallingford, CT 06492-1843	Contract Labor	O&M	117,019	903
Chevron Phillips Chemical Co Lp PO Box 910594 Ballas, TX 75391-0594	Chemical Services	O&M	136,660	856, 877, 891

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Choctaw Kaul Dist Co 3540 Vinewood St Detroit, MI 48208-2363	Professional Services	CAP, O&M	185,573	107, 416, 833, 863, 864, 878, 879, 880, 889, 891 893, 903, 451, 921
Cingular Wireless 2000 W SBC Center Dr, Ste 3G92E Hoffman Estates, IL 60192-5000	Telecom Services	CAP, O&M	215,896	107, 866, 902, 908, 921
Cintas Corp 300 39145 Webb Dr Westland, MI 48185-1986	Contract Labor	CAP, O&M	151,704	107, 834, 864, 877, 879, 880, 921, 923
Cintas Corp No 308 39145 Webb Dr Westland, MI 48185-1986	Laundry	CAP, O&M	285,579	107, 416, 834, 864, 874, 875, 877, 879, 880, 889, 891 902, 903, 921, 923
City Anamation 57 Park St Troy, MI 48083	Training	CAP, O&M	41,239	107, 859, 880, 903, 923, 931
Coastal Chemical Co LLC PO Box 95045 New Orleans, LA 70195-5045	Compressor Station M	CAP, O&M	1,317,725	107, 416, 880
Cobbra Coiled Tubing LLC 920 E 1st St Pratt, KS 67124-2052	Professional Service	CAP	251,182	107
Consumer Insights Inc 5455 Corporate Dr, Ste 120 Troy, MI 48098-2620	Contact Labor	CAP, O&M	88,577	107, 859, 879, 903, 921, 923
Consumers Energy 1 Energy Plaza Dr Jackson, MI 49201-2357	Compressor Station M	CAP, O&M	924,946	107, 830, 834, 863, 866, 875, 877, 880, 887, 891, 902 146, 921, 931, 814, 816, 818, 853, 856, 859, 863, 866 874, 875, 877, 880, 889, 902
Control Components inc 22591 Avenida Empressa Rancho Santa Margarita, CA 92688	Equipment Maint & Repair	CAP	115,853	107
Core and Sanborn Mudlogging Inc PO Box 415 Traverse City, MI 49685-0415	Technical Services	CAP	93,920	107
Cornerstone Controls Inc 46200 Port St Plymouth, MI 48170-6048	Technical Services	CAP, O&M	46,722	107, 864, 879, 880, 154
Corporate Eagle Mgmt Services Inc 6320 Highland Rd Waterford, MI 48170-6048	Travel Services	CAP, O&M	45,687	107, 921, 923
Corporate Exec Board 3393 Collection Center Dr Chicago, IL 60693-0033	Contract Labor	CAP, O&M	40,502	107, 921, 923
Corporate Production Services PO Box 23005 Detroit, MI 48223	Contract Labor	CAP, O&M	52,100	107
Corrigan Record Storage LLC 45200 Grand River Ave Novi, MI 48375-1018	Office Services	CAP, O&M	30,525	107, 921, 923
Cot Puritech Inc 2993 Perry Dr SW Canton, OH 44706-2269	Professional Service	CAP	27,740	107

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Cothorn and Mackley PC 535 Griswold St, Ste 530 Detroit, MI 48226-3672	Legal Services	CAP, O&M	27,636	107, 923
CP Wind LLC 1557 S Bates St Birmingham, MI 48009	Consulting	O&M	33,480	923
Credit Bureau Collection 250 E Town St Columbus, OH 43215-4633	Contract Labor	O&M	62,370	903
Cummings McClorey Davis and Acho PL 33900 Schoolcraft Rd Livonia, MI 48150	Legal Services	CAP, O&M	175,735	107, 921, 923
Customerlink LLC 1 E First St, Ste 300 Duluth, MN 55802	Marketing Services	O&M	93,192	879
Cutter Consortium 37 Broadway, Ste 1 Arlington, MA 02474-5552	IT Services	CAP, O&M	27,181	107, 923
CVM Colutions Inc 1815 S Meyers Rd, Ste 820 Oakbrook Terrace, IL 60181	Contract Labor	O&M	33,578	923
D Macro Constructors Inc 200 W State Fair Highland Park, MI 48203-1049	Construction Service	CAP, O&M	2,033,711	107, 880, 887, 892
Daniel Measurement Services Inc 23800 Industrial Park Dr Farming Hills, MI 48335-2871	Equipment Technical	CAP	39,365	107
Darway Inc 1770 M 72 SE Kalaska, MI 49646-9717	Surveying Services	O&M	47,277	816, 932
DCS Heating and Cooling Inc 24680 Eureka Rd Taylor, MI 4818-5160	Appliance Repair Service	O&M	36,372	879
Dell Professional Services Inc 1 Dell Way Round Rock, TX 78682-7000	IT Telecom Services	CAP, O&M	221,920	107, 416, 4264, 830, 850, 859, 864, 866, 879, 880,,887 889, 902, 903, 908, 921, 923
Deloitte and Touche LLP 2500 One PPG PL Pittsburgh, PA 15222-5401	Contract Labor	CAP, O&M	1,916,697	107, 923
Denali Consulting Inc 3145 Geary Blvd, Ste 749 San Francisco, CA 94118	Consulting	CAP, O&M	84,588	107, 923
Dentco 1161 E Clark Rd, Suites 124-128 Dewitt, MI 48820	Grounds Maint	CAP, O&M	490,026	107, 923
Detectent Inc 120 W Grand Ave, Ste 104 Escondido, Ca 92025	Contract Labor	O&M	194,225	903
Dewitt Balke and Vincent PLC 200 Renaissance Ctr, Ste 3110 Detroit, MI 48243-1301	Legal Services	CAP, O&M	135,893	107, 923
Directional Drilling PO Box 6156, Traverse City, MI 49696	Well Drilling - Gas	CAP, O&M	374,004	107, 834

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Doshi Assoc Inc 1607 E Big Beaver Rd, Ste 200 Troy, MI 48063-2068	Consulting	CAP, O&M	532,212	107, 880, 9302
Douglas Technologies Inc PO Box 1979 Cochrane, T4C 1B7	IT Service	CAP, O&M	74,103	107, 866
Dubar Drilling Fluids LLC 510 White Pine Traic Cadillac, MI 49601	Well Drilling - Gas	CAP	71,020	107
Dziurman Dsign Inc 620 S Main St Clawson, MI 48017-2016	Technical Service	O&M	517,642	859, 879
EJH Construction Inc PO Box 530457 Livonia, MI 48153-0457	Construction Service	CAP, O&M	319,508	107, 874, 880, 887
Ekklesia Bldg Corp 3430 E Jefferson Ave, Ste 533 Detroit, MI 48207	Contract Labor	O&M	48,200	880
EMC Corp 6801 Koll Ctr Pkwy Pleasanton, CA 94566-7047	Contract Labor	CAP, O&M	168,230	107, 923
Empire Equip and Supply Co Inc 18639 Omira St Detroit, MI 48203-2047	Janitorial & Clean	CAP, O&M	172,679	107, 416, 864, 878, 893, 154, 921
EN Engineering LLC 7135 Janes Ave Woodbridge, IL 60517-2344	Technical Services	CAP, O&M	301,203	107, 850
Enduro Pipeline Services Inc 5002 S 45th West Ave Tulsa, OK 74107-7345	Pipeline Services	CAP, O&M	420,860	107, 416
Energy and Environmental Analysis 1655 N Fort Myer Dr, Ste 600 Arlington, VA 22209-3113	Contract Labor	CAP, O&M	34,738	107, 859, 923
Energy Equip LLC 22492 Louise St Saint Clair Shores, MI 48081-2035	Compressor Station M	CAP, O&M	96,404	107, 416, 866
Energy Solutions Ctr Inc 400 N Capital St NW Washington, DC 20001	Contract Labor	O&M	52,000	859
Environmental Recycling 527 E Woodland Cir Bowling Green, OH 43402-8966	Hazardous Waste Serv	CAP, O&M	50,468	107, 253, 923
Ernst and Young LLP 5 Times SQ New York, NY 10036-6527	Contract Labor	CAP, O&M	1,335,737	107, 903, 923
Everettis Landscape 7884 Eastern Ave SE Grand Rapids, MI 49508-7258	Grounds Maint	O&M	26,128	863
Exline Inc 3256 E Country Club Rd Salina, KS 67402-1487	General Maint & Repair	CAP, O&M	53,541	107, 834

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Experian 470 Anton Blvd Costa Mesa, CA 92626-7037	Contract Labor	CAP, O&M	120,757	107, 903, 908, 921
Exterran Inc PO Box 972641 Dallas, TX 75397-2641	Compressor Station M	CAP, O&M	421,588	107,416
ExxonMobil Oil Corp 16055 W 12 Mile Rd Southfield, MI 48076-2909	Compressor Station M	O&M	258,929	416, 818, 834, 864
Fairlane Ford Sales Inc 14585 Michigan Ave Dearborn, MI 48126-3438	Vehicle Maint & Repair	O&M	56,999	154
Federal Paving Inc 2260 Auburn Rd Auburn Hills, MI 48326-3102	Construction Service	CAP, O&M	534,405	107, 923
Fitzgibbons Fleet Fabricators Ltd 3325 Cisco St Jackson, MI 49201-8804	Vehicle Maint & Repair	CAP, O&M	109,694	107
Flame Furnace 2200 E 11 Mile Warren, MI 48091	Appliance Repair Service	O&M	33,706	879, 912
Flare Industries Inc 2809 Longhorn Blvd Austin, TX 78758-7623	Electrical Equipment	CAP	101,650	107
Flir Systems boston 16 Esquire Rd North Billerica, MA 01862-2500	Training	CAP	92,344	107
Flowserve US Inc Valtek 23373 Commerce Dr, Ste A5 Farmington Hills, MI 48335-2765	Testing & Analysis	CAP	61,164	107
FMI Corp PO Box 31108 Raleigh, NC 27622-1108	Training	CAP, O&M	44,427	107, 850, 923
Forberg Scientific Inc 2719 industrial Row Dr Troy, MI 48084	Grounds Maint	CAP, O&M	151,260	107, 416, 866, 879, 880, 154
Ford Quality Fleet Care Program PO Box 67000 Detroit, MI 48267-1218	Vehicle Maint & Repair	O&M	184,504	154
Foster Blue Water Oil LLC 36065 Water St Richmond, MI 48062-1251	Professional Service	CAP, O&M	96,043	107, 416, 834
Foster Swift Collins and Smith PC 313 S Washing Sq Lansing, MI 48933-2195	Legal Services	CAP, O&M	134,274	107, 923
Gallup Org 1000 town Ctr, Ste 2450 Southfield, MI 48075-1211	Contract Labor	CAP, O&M	38,762	107, 923
Gardiner C Vose Inc 832 Crestview Ave Bloomfield Hills, MI 48302-0009	Construction Service	CAP, O&M	68,242	107, 921, 923
Gateway Air Service Inc 5465 E Airport Rd Mt Pleasant, MI 48858-8923	Contract Labor	O&M	32,051	863

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Give Em A Brake 2610 Sanford Ave SW Grandville, MI 49418-1069	Contract Labor	CAP, O&M	27,009	107, 875, 879, 880, 887
Global Appliances 13007 E 8 Mile Rd Warren, MI 48089-3221	Appliance Repair	O&M	86,304	879, 912
Goodwill Industries 3111 Grand River Ave Detroit, MI 48208-2962	Personnel Services	CAP, O&M	106,515	107, 921
Goodyear Tire and Rubber Co 1144 E Market St Akron, OH 44316-1000	Vehicle Maint & Repair	CAP, O&M	125,557	107, 921
Grand River Printing 8455 Haggerty Rd Belleville, MI 48111-1607	Printing & mailing	CAP, O&M	89,435	107, 903, 923
Graybar Electric Co Inc 34 N Meramec Ave Clayton, MS 63105-3844	Electric Equipment	CAP, O&M	165,876	107, 866, 880, 908, 154, 921, 923, 931
Great Lakes Power Lift 2006 Tobsal Ct Warren, MI 48091	Vehicle Maint & Repair	CAP, O&M	46,987	107, 921
Great Lakes Truck and Trailer Inc 5912 Executive Dr Westland, MI 48185-5695	Vehicle Maint & Repair	CAP, O&M	210,323	107, 880, 892, 921
Gregware Equip Co PO Box L Grand Rapids, MI 49501-4912	Vehicle Maint & Repair	CAP, O&M	362,184	107, 880, 921
GT Business Consulting 204 Laurendale Dr Tecumseh Ontario, Canada, N8N 5C3	Consulting	CAP, O&M	100,685	107, 879, 923
Guardian Plumbing & Heating Inc 34400 Glendale St Livonia, MI 48150-1302	Plumbing Service	CAP, O&M	57,798	107, 891, 923
Guerreso Assoc Inc 6860 Crestway Dr Bloomfield Hill, MI 48301-2809	Professional Service	CAP, O&M	64,858	107, 921, 923
H C Price Co 15660 N Dallas Pkwy, Ste 300 Dallas, TX 75248	Pipeline Construction	CAP	19,138,090	107
Hall Engineering Co 25400 Meadowbrook Rd Novi, MI 48375	Elect Equip Svcs	CAP, O&M	179,047	107, 416, 934, 866, 880
Harlan Electric Co 2695 Crooks Rd Rochester Hills, MI 48309-3658	Outdoor Lighting & Maint	O&M	49,675	903
Harley Ellis Devereaux 26913 Northwestern Hwy, Ste 200 Southfield, MI 48033-8441	Consulting	CAP, O&M	54,557	107, 923
Harris and Harris Ltd 600 W Jackson Blvd, Ste 400 Chicago, IL 60661	Contract Labor	O&M	141,894	903

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Harry Fox Inc 28150 Hayes Rd Roseville, MI 48066-2392	Line Clearance	O&M	93,278	874
Hasler Inc 19 Forest Pkwy Shelton, CT 06484-6027	Contract Labor	CAP, O&M	395,021	107, 859, 874, 879, 903, 908, 921
Hayes Excavating Co Inc 7191 Edward St Detroit, MI 48210-A636	Excavation	CAP, O&M	64,129	107, 834, 880, 902
Heat and Warmth Fund 1212 Griswold St, 10th FL 48226-1848	Administrative Services	O&M	69,000	880
Heath Consultants Inc 903 Monroe Rd Houston, TX 77061-5229	Surveying Services	CAP, O&M	1,441,523	107, 833, 874, 879, 880, 889
Hewlett Assoc 100 Half Day Rd Lincolnshire, IL 60069-342	Contract Labor	CAP, O&M	1,483,423	107, 923
Hewlett Packard Co 3000 Hanover St Palo Alto, CA 943404-1112	IT Services	CAP, O&M	139,247	107, 866, 879, 880, 902, 903, 908, 921, 923
Hewlett Pakard Financial 420 Mountain Ave Murry Hill, NJ 07974-0006	Contract Labor	CAP, O&M	26,064	107,923
Hexagram Inc 23905 Mercantile Rd Beachwood, OH 44122-5995	Contract Labor	CAP, O&M	634,587	107, 878, 880, 902 154
Holland Engrg 220 Hoover Blvd, Ste 2 Holland, MI 49423	Surveying Services	CAP, O&M	1,099,068	107, 850, 891
Honigman Miller Schwartz and 222 N Washington Sq, Ste 400 Lansing, MI 48933-1800	Legal Services	CAP, O&M	195,722	107, 253, 923
Hunton and Williams 951 E Byrd St, Ste 200 Richmond, VA 23219-4038	Legal Services	CAP, O&M	94,764	107, 923
Hutchinson and Associates PC 1001 Woodward Ave, Ste 1760 Detroit, MI 48226-1999	Legal Services	CAP, O&M	196,036	107, 923
IBM Software Group 18000 W 9 Mile Rd Southfield, MI 48075-4009	Contract Labor	CAP, O&M	1,776,382	107, 866, 903, 921, 923
Industrial Electric Co 272 E Milwaukee St Detroit, MI 48202-3233	Electric Equipment	CAP, O&M	592,657	107, 253, 923
Infrasource Underground 4033 Morgan Rd Ypsilanti, MI 48197-9637	Underground Construction	CAP, O&M	13,130,581	107, 863, 875, 880, 887, 889, 892, 893
Intelligent Results 305 108th Ave NE, Ste 200 Bellevue, WA 98004	Contract Labor	O&M	72,739	903
Interstate Batteries 7900 Beech Daily Rd, Ste 102 Taylor, MI 48181	Vehicle Maint & Repair	CAP, O&M	27,187	107, 921

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
J and W Machine Inc 315 E Pickard St Mt Pleasant, MI 48858-1553	T & D Maint & Repair	CAP	28,451	107
J D Power and Assoc PO Box 512778 Los Angeles, CA 90051-0778	Contract Labor	O&M	31,800	859
J Ferrara Home Service Corp 2810 Oakwood Blvd Melvindale, MI 48122-1243	Appliance Repair Service	O&M	67,832	879
J O Well Service and Testing Inc 6825 Lea Pick Dr Mt Pleasant, MI 48858-8911	Testing and Analysis	O&M	27,955	416
Jack Doheny Supplies Inc PO Box 609 Northville, MI 48167-0609	Vehicle Maint & Repair	CAP, O&M	813,290	107, 880
Jan X Ray Services Inc 850 E Michigan Ave Parama, MI 49269-9785	Testing and Analysis	CAP, O&M	1,452,034	107, 416, 834
Jefferson Wells Intrntl 100 manpower Place Milwaukee, WI 53212	Contract Labor	CAP, O&M	821,834	107, 880, 921, 923
John A Papalas and Co 1187 Empire Ave Lincoln Park, MI 48146-2046	Asbestos Insulation	CAP, O&M	76,231	107, 416, 834
Johnson Controls Inc 2875 High Meadow Cir Auburn Hills, MI 48326	Contract Labor	CAP, O&M	54,483	107, 108, 921, 923
JPW Associates Inc PO Box 67 Haddon Heights, NJ 08035-0067	Contract Labor	O&M	47,538	902
Keasrley Appliance 3104 Richfield Rd Flint, MI 48506-2522	Appliance Repair Service	O&M	33,853	879, 912
Keitz Heating and Appliance 1695 Valley Dr Highland, MI 48356-2862	Appliance Repair Service	O&M	145,209	879
Kenwhirl Appliance 830 N Telegraph Rd Dearborn, MI 48127-1435	Appliance Repair Service	O&M	69,447	879, 912
Kern International Inc 7200 Alum Creek Dr Columbus, OH 73217-1349	Professional Service	O&M	51,233	903
Kinnco Services LLC 8386 M 72 E Williamsburg, MI 49690-9292	T & D Maint & Repair	CAP	26,342	107
KPMG LLP 3 Embarcadero Ctr San Francisco, CA 94111-4074	Contract Labor	CAP, O&M	127,257	107, 850, 923
KTM Mechanical Inc 9568 26 Mile Rd Casco Twp, MI 48064	Appliance Repair Service	O&M	82,158	879
L and R Well Drilling 1160 Milbocker Rd Gaylord, MI 49734	Well Drilling - Gas	CAP	27,215	107
Landmark Services Inc PO Box 407 Mt pleasant, MI 48804-0407	Grounds Maint	O&M	50,000	863
Larson Construction Co Inc 7751 Aarwood Trl NW Rapid City, MI 49676-9739	Construction Service	CAP, O&M	508,693	107, 834, 863, 891

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Lewis and Munday PC 1300 First National Bldg, Ste 1300 Detroit, MI 48226-3500	Legal Services	CAP, O&M	127,243	107, 923
Lexis Nexis Examen 3831 N Freeway Blvd, Ste 200 Sacramento, CA 95834-1933	Legal Services	CAP, O&M	51,070	107, 923
LIBERTY Painting Co Inc 46225 Glen Eagle Dr Shelby Twp, MI 48315-6117	Painting Service	CAP, O&M	53,545	107, 923
Liebert Global Services 610 Executive Campus Dr Westerville, OH 43082-9394	Contract Labor	CAP, O&M	38,557	107, 921, 923
Litigation Associates PLLC 30300 Northwrters Hwy Farmington hills, MI 48334	Contract Labor	CAP, O&M	180,785	880
Logicalis Inc 1750 S Telegraph Rd, Ste 300 Bloomfield Hills, MI 48302-0179	IT Services	CAP, O&M	48,704	107, 923
Lumen Legal 114 Cherry Hill Pointe Dr Canton, MI 48187-5327	Legal Services		154,495	107, 923
Lumin LLC 114 Cherry Hill Pointe Dr Canton, MI 48187-5327	Consulting	CAP, O&M	133,920	107, 923
Lutz Roofing Co Inc 4721 22 Mile Rd Shelby Twp, MI 48317	Contract Labor	CAP, O&M	103,210	107
M E C Inc 3510 Green Lake Rd West Bloomfield, MI 48324-2754	Line Clearance	CAP, O&M	81,209	107, 880
M L Chartier Inc 9195 Marine City Hwy Fair Haven, MI 48023	Excavation	CAP, O&M	1,287,065	107, 416, 818, 834, 880, 891
Macrostrategy LLC 33228 W 12 Mile Rd, Ste 244 Farmington Hills, MI 48334	Consulting	CAP, O&M	26,448	107, 923
Maintenance Contracting LLC 440 Mitchell Rd SE Kalaska, MI 49646-9683	Construction & Maint	CAP, O&M	213,653	107, 416, 833, 834, 856, 863, 864, 865, 877, 880, 891
Maintenance One Inc 43950 Crowley Rd Belleville, MI 48111-1373	Appliance Repair Service	O&M	25,460	879
Market Strategies Inc 20255 Victor Pkwy, Ste 400 Livonia, MI 48152-7003	Contract Labor	CAP, O&M	57,426	107, 859, 903, 908, 923
Marshall E Campbell Co 2975 Lapeer Rd, Port Huron, MI 48060-2558	Vehicle Maint & Repair	CAP, O&M	139,628	107, 416, 816, 834, 866, 880, 893, 903, 154, 923, 923
Maru Corrosion Control Inc 444 Ludington Dr Farwell, MI 48622-8414	Painting Services	CAP, O&M	223,562	107, 832, 891
Maximus Inc 998 old Eagle School Rd, Ste 1215 Wayne, PA 19087	Vehicle Maint & Repair	CAP, O&M	58,132	107, 923
MCI Worldcom Ntework Services Inc 22001 Loudoun County Pkwy Ashburn, VA 20147-6105	Telecom Services	CAP, O&M	569,514	107, 866, 903, 921
McKinsey and Co Inc 133 Peachtree St NE, Ste 4600 Atlanta, GA 30303-1821	Consulting	CAP, O&M	862,636	107, 923
McNaughton McKay Electric Co 1357 E Lincoln Ave Madison Hts, MI 48071-4126	Professional Service	CAP, O&M	33,221	107, 834, 866, 880, 921
Mears Group Inc 4500 N Misson Rd Rosebush, MI 48874	Surveying Service	CAP	2,671,546	107
Mercer Human Resource Consulting PO Box 730182 Dallas, Tx 75373-0182	Consulting	CAP, O&M	153,085	107, 921, 923

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Michigan Cat 24800 Novi Rd Novi, MI 48376-0918	Coal Handling Equipment	CAP, O&M	995,247	107, 880, 902, 108, 146, 921
Michigan Wireline Services Inc 4854 E River Rd Mt Pleasant, MI 48858-9203	Storage Tank Service	CAP, O&M	49,359	107, 922
Mich-Tech one Corp 10124 Willis Rd Willis, MI 48191-9750	Appliance Repair Service	O&M	139,827	879, 912
Mid State Oil Tools Inc 1934 Commerical Dr Mt Pleasant, MI 48858-8913	Well Drilling - Gas	CAP	40,495	107
Midland Resource Recovery Inc 16560 Myers Rd Lunenburg, k2C 1 R0	Waste Removal Services	CAP, O&M	168,458	107, 891
Mika Meyers Beckett and Jones PLC 900 Monroe Ave NW Grand Rapids, MI 49503-1423	Legal Services	CAP, O&M	58,930	107, 923
Miller Canfield Paddock and Stone 150 W Jefferson Ave Detroit, MI 48226-4416	Legal Services	CAP, O&M	216,338	107, 923
Miss Dig System Inc 2564 N Squirrel Rd, Ste 443 Auburn Hills, MI 48326-2383	Underground Utility	O&M	156,714	874, 879, 880
Miss Dig System Inc 2564 N Squirrel Rd, Ste 443 Auburn Hills, MI 48326-2383	Compressor Station M	O&M	89,443	874
Monroe Refrigeration 5097 N Dixie Hwy Newport, MI 48166-9060	Appliance Repair Service	O&M	149,425	879, 912
Moody Intrntl 24900 Pitkin Rd, Ste 200 The Woodlands, TX 77386-1942	Consulting	CAP, O&M	101,893	107
Moody Investors Service Inc PO Box 102597 Atlanta, GA 30368-0597	Corporate Services	CAP, O&M	33,509	107, 921, 923
Morgan Stanley and Co Inc One New York Plz, Floor 4 New York, NY 10004	Contract Labor	CAP, O&M	20,228,387	107, 8031, 923
Mosaic Co 555 S renton Village Pl Ste 280 Renton, WA 98055-3285	IT Services	CAP, O&M	2,057,423	107, 923, 9302
Motor City Electric Utilities Co 9440 Grinnell St Detroit, MI 48213-1151	Electric Equipment	CAP	178,422	107
Motro City Truck Stop Inc 377 S Schaeffer Hwy Detroit, MI 48217-1356	Vehicle Maint & Repair	O&M	37,399	154
Mount Clemens Crane and Service Co 42827 Irwin Dr Harrison Twp, MI 48045-1342	Overhead Crane & EIE	CAP, O&M	36,745	107, 834, 923
MRO Software 100 Crosby Dr Bedford, MA 01730	Professional Service	CAP, O&M	346,495	107, 923
Mueller Co Customer Service Center Decatur, IL 62525-1808	Valve Maint & Repair	CAP, O&M	123,400	107, 880
Napa Auto Parts 2999 Circle 75 Pkwy SE Atlanta, GA 30339-3050	Vehicle Maint & Repair	O&M	67,471	880
Natco 1845 Woodall Rodgers Fwy, Ste 1200 Dallas, TX 75201-2233	Compressor Station M	CAP, O&M	136,647	107, 416, 874, 891
Nation Wide Security Inc PO Box 33361 Detroit, MI 48232-5361	Security Services	CAP, O&M	642,014	107, 903, 921, 923

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
National Ladder and Scaffold Co Inc 29350 John R Rd Madison Hts, MI 48071-5400	Equipment Maint & Repair	CAP, O&M	28,518	107, 923
National Systems Installers Inc 3155 Dallavo Ct Walled Lake, MI 48071-5400	IT Telecom Services	CAP, O&M	38,167	107, 866, 821, 823
Nationwide Enevelope Specialists 21260 W 8 Mile Rd Southfield, MI 48075	Profesional Service	CAP, O&M	64,486	107, 416, 8261, 863, 864, 879, 880, 802, 803, 154, 821, 823
Natl Heating Co Inc 12824 Fenkell St Detroit, MI 48227-4065	Appliance Repair Service	O&M	59,065	879
NCO Financial Systems Inc 507 Prudential Rd Horsham, PA 19044	Contract Labor	O&M	1,533,034	903
Nevis Energy Services Inc 327 E Welch Ct Traverse City, MI 49686-5449	Well Drilling - Gas	CAP	88,150	107
Nextel Communications PO Box 17990 Denver, Co 80217	Telecom Services	CAP, O&M	167,040	107, 866, 163, 821
Nexus Energy Software Inc 16 Laurel Ave Wellesley, MA 02461	Contract Labor	O&M	25,635	903
North Coast instruments Inc 14615 Lorain Ave Cleveland, OH 44111-3198	Electrical Equipment	CAP, O&M	38,068	107, 819
North Coast instruments Inc 14615 Lorain Ave Cleveland, OH 44111-3166	Electrical Equipment	CAP	237,990	107
Northern Ind Construction Inc 2316 Pleasant Valley Rd Boyer City, MI 49712-9767	Construction Service	CAP, O&M	710,760	107, 834, 837
Northwoods Aviation 3780 S Dickerson Rd Lake City, MI 49651-8914	Contract Labor	O&M	62,721	833, 863, 879, 146, 856, 921
NTH Consultants Ltd 2000 Brush St Detroit, MI 48226	Engineering Services	CAP, O&M	36,524	107, 253, 921, 923
OCE North America Inc 12379 Collections Ctr Dr Chicago, IL 60693	Mechanical Equipment	CAP, O&M	83,448	107, 850, 880, 921
OCE USA Inc 5450 N Cumberland Ave Chicago, IL 60656-1469	Contract Labor	CAP, O&M	174,557	107, 850, 903, 923
Ogletree Deakin Nash Smoak and Stewart PC 33 Bloomfield Hills Pkwy, Ste 120 Bloomfield Hills, MI 48304-2945	Legal Services	CAP, O&M	267,523	107, 923
Oliver Wyman Inc PO Box 380028 Boston, MA 02241	Consulting	CAP, O&M	72,348	107, 923
On Site Engineering LLC 3180 Racquet Club Dr, Ste C Traverse City, MI 49696-5647	Consulting	CAP	113,065	107
Opex Corp 305 Commerce Dr Moorestown, NJ 08057-4234	Contract Labor	CAP, O&M	29,616	107, 923
Oracle USA Inc 500 oracle Pkwy Redwood City, CA 94065-1677	Contract Labor	CAP, O&M	213,901	107, 903, 923
Oxford global Resources Inc 100 Cummings Ctr, Ste 206l Beverly, MA 01915	Consulting	CAP, O&M	110,823	107, 923
PAC Group 1957 Crooks Rd Troy, MI 48064-5504	Contract Labor	CAP, O&M	94,550	107, 923
Pacific RIM Capital Inc 15 Enterprise, Ste 400 AC Aliso Viejo, CA 92656-2652	Contract Labor	CAP, O&M	55,228	107, 850

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Palace of Auburn Hills 3 Championship Dr Auburn Hills, MI 48326-1753	Contract Labor	O&M	190,530	4,261
Palmer Moving and Storage 24660 Dequindre Rd warren, MI 48091-3332	Moving & Storage	CAP, O&M	60,175	107, 921, 923
Perry Equip Corp (PECO) PO Box 640 Minerwells, TX 76068-0640	Construction Service	CAP, O&M	699,767	107, 880
Phils Appliance Parts 3370 Highland Rd Waterford, MI 48328-3024	Appliance Repair Service	O&M	67,887	879, 880
Pll North America Inc 7105 Business Park Dr Waterford, MI 48328-3024	Engineering Services	CAP	81,676	107
Pitney Bowes Management Services PO Box 845801 Dallas, TX 75284-5801	Contract Labor	CAP, O&M	50,849	107, 923
Planit Michigan PO Box 15009 Detroit, MI 48215	Contract Labor	CAP, O&M	27,730	107, 923
Platts 2 Penn Plz New York, NY 10121-0101	Contract Labor	CAP, O&M	35,848	107, 880, 921, 923
Power Advocate Inc 55 Summer St Boston, MA 02110	Consulting	O&M	179,473	923
Power Process Piping Inc 45780 Port St Plymouth, MI 48170-6049	Contract Labor		8,712,663	107
Precision Temp Heating & Cooling 16235 E 11 Mile Rd Roseville, MI 48066-4334	Appliance Repair Service	O&M	193,615	879
Preiss Outdoor Services and Supply 8211 Clyde Rd Fenton, MI 48430-9232	Grounds Maint	CAP, O&M	372,405	107, 863
Pricewaterhousecoopers LLP 1900 St Antoine St Detroit, MI 48226-2263	Contract Labor	CAP, O&M	554,576	107, 923
Professional Service Industries 1000 N Opdyke Rd, Ste C Auburn Hills, MI 48326-2672	Testing & Analysis	CAP	41,153	107
Quality Mobile Wash PO Box 85058 Westland, MI 48185	Vehicle Maint & Repair	CAP, O&M	82,361	107, 921, 416
Quorum Business Solutions USA Inc 1420 W Mockingbird Ln, Ste 700 Dallas, TX 75247-4931	IT Services	CAP, O&M	868,463	107, 923
R & B Davis Enterprises LLC PO Box 586 Grayling, MI 49738	Contract Labor	CAP, O&M	35,613	107, 931
R and D Custom Builders Inc 3820 S Lachance Rd Lake City, MI 49651-8965	Construction Service	CAP, O&M	593,436	107, 923
R L Coolsaet 2880 Goddard Rd Romulus, MI 48174-2702	Construction Service	CAP, O&M	5,251,713	107, 834, 880, 887

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Rain For Rent 3135 Dial St Mobile, AL 36612-11753	Technical Services	CAP	28,475	107
Raymond Excavating Co 800 Gratiot Blvd Marysville, MI 48040-1127	Excavation	CAP, O&M	40,287	107, 834
Raytheon Professional Services LLC 1919 Technology Dr Troy, MI 48083-4245	Training	CAP, O&M	1,606,118	107, 823, 9302
RCB Industries Inc 1030 N Crooks Rd, Ste G Clawson, MI 48017-1020	IT Telecom Services	CAP, O&M	101,454	107, 850, 866, 880, 902, 903, 908, 921, 923
RDK Collection Services Inc 1735 E Big Beaver Rd Troy, MI 48083	Contract Labor	O&M	32,766	903
Red Holman Pontiac GMC 35300 Ford Rd Westland, MI 48185-3191	Vehicle Maint & Repair	CAP, O&M	26,520	107, 921
Red Holman Toyota GMC 35300 Ford Rd Westland, MI 48185-3191	Vehicle Maint & Repair	CAP, O&M	33,950	107, 921
Reed Tool Co 129 W State St Mancelona, MI 49659-8048	Well Drilling - Gas	CAP	126,449	107
Relocation America 25800 Northwestern Hwy, Ste 210 Southfield, MI 48075-6118	HR Services	CAP, O&M	126,279	107, 880, 908, 921, 923
Revenew Intrntl LLC 440 Louisians Ave, Ste 400 Houston, TX 77002	Consulting	CAP, O&M	32,696	107
Ricoh Americas Corp 5 Dedrick Pl, W Caldwell, NJ 07006-6304	IT Telecom Services	CAP, O&M	265,416	107, 4264, 877, 880, 889, 893, 902, 903, 908, 921, 923, 931
Right Mgmt Consultants 40 Oak Hollow St, Ste 210 Southfield, MI 48033-7471	Consulting	CAP, O&M	79,553	107, 923, 931
RMT Inc 744 Heartland Trl Madison, WI 53717-1934	Environmental Svcs	O&M	332,081	253
Robert Half Intrntl 12400 Collections Ctr Dr Chicago, IL 60693	Contract Labor	CAP, O&M	323,832	107, 923
Romet Intrntl Ltd PO Box 700956 Plymouth, MI 48170-0956	Freight & Delivery	O&M	37,885	878
Rosemount Inc 865 Parkview Blvd Lombard, IL 60148-3230	Equipment Maint & Repair	CAP, O&M	69,612	107, 864
Rosen USA 14120 Interdrive E Houston, TX 77032-3324	Pipeline Services	CAP	165,940	107
Rotary Multiforms Inc 2160 E 11 Mile Rd Warren, MI 48091-1087	Personnel Services	O&M	86,727	903, 154

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Royal Roofing Co Inc 2445 Brown Rd Lake Orion, MI 48359-1810	Construction Service	CAP, O&M	696,436	107, 923
RPF Consulting Inc 6478 Putnam Ford Dr, Ste 119 Woodstock, GA 30189-6988	Legal Services	CAP, O&M	56,364	107, 923
Rudolph Libbe Inc 6494 Latcha Rd Walbridge, OH 43465-9788	Construction & Maint	CAP, O&M	67,475	107, 923
Sandy Alexander Inc 200 Entin Rd Clifton, NJ 07014	Printing & Mailing	CAP, O&M	63,585	107, 923
Sap America Inc 3999 W Chester Pike Newtown Square, PA 19073	Consulting	CAP, O&M	568,796	107, 923
Schafers Appliance Service 34272 Armanda Ridge Richmond, MI 48062	Appliance Repair Service	O&M	32,985	879
Secor intrnl Inc 27280 Haggerty Rd Farmington Hills, MI 48331-3402	Environmental Svcs	O&M	119,716	253
Secude Global Consulting 5215 N O'Connor Blvd, 2nd FL Irving, TX 75039	Contract Labor	CAP, O&M	65,970	107, 923
Security Corp 22325 Roethel Dr Novi, MI 48375-4710	Security Services	CAP, O&M	124,938	107, 923
Seiler tank Truck Service 26791 W Michigan Ave Albion, MI 49224-9503	Waste Removal Service	CAP, O&M	86,328	107, 416, 834, 880
Signet Research and Consulting LLC PO Box 88933 Steilacoom, WA 98388	Professional Service	CAP, O&M	32,694	107, 923
Simplexgrinnell LP 24755 Halsted Rd Farmington Hills, MI 48335	Security Services	CAP, O&M	131,567	107, 921, 923
Soil and Materials Engineers Inc 43980 Plymouth Oaks Blvd Plymouth, MI 48170-2584	Environmental Svcs	CAP, O&M	26,085	107, 253
Solar turbines Inc 1550 Coraopolis Hts Rd, Ste 360 Moon Twp, PA 15108-2973	Gas turbine Maint	CAP	377,272	107
South Lyon Fence Co Inc 53583 Grand River Ave New Hudson, MI 48165-8522	Professional Services	CAP, O&M	63,344	107, 923
Spection LLC PO Box 190 Parma, MI 49269-0190	Pipeline Services	CAP, O&M	3,231,511	107
Spectrasensors Inc 11027 Arrow Route Rancho Cucamonga, CA 91730	Equipment Technical	CAP	263,906	107
SSOE Inc 1001 Madison Ave Toledo, OH 43624-1535	Engineering Services	CAP, O&M	573,835	107, 819

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Standard and Poors Corp 55 Water St New York, NY 10041	Corporate Services	CAP, O&M	43,634	107, 921
State Collection Service Inc 2509 S Stroughton Rd Madison, WI 53716-3314	Contract Labor	O&M	53,942	903
Stock Drilling Inc 17360 Railroad St Petersburg, MI 49270-9776	Environmental Svcs	CAP, O&M	34,725	107, 523
Strategic Staffing Solutions Inc 645 Griswold St, Ste 2900 Detroit, MI 48226-4105	Personnel Services	CAP, O&M	5,836,605	107, 859, 879, 902, 903, 908, 923
Sun Heating and Cooling Inc 766 Industrial Ct Bloomfield Hills, MI 48302-0380	Appliance Repair Service	O&M	129,585	879
Sun Microsystems Inc 1 Network Dr Burlington, MA 01803-2757	Contract Labor	CAP, O&M	149,764	107, 923
Suntel Services 1095 Crooks Rd, Ste 100 Troy, MI 48084-7119	Contract Labor	CAP, O&M	45,267	107, 921, 923
Suntel Services LLC 1095 Crooks Rd, Ste 100 Troy, MI 48084	Contract Labor	CAP, O&M	36,803	107, 921, 923
Superior Inspection Service Inc 1864 Prough Rd Kalakaska, MI 49646	Technical Services	CAP	31,366	107
Superior Well Services Ltd 1380 Route 286 Hwy E, Ste 121 Indiana, PA 15701-1461	T&D Maint & Repair	CAP	132,822	107
Swenski Tree Service Inc 113 Buntrock Rd Iron River, MI 49935-8271	Grounds Maint	O&M	273,767	856, 863
Symantec Corp 555 International Way Springfield, OR 97477	Software Maintenance	CAP, O&M	87,149	107, 921, 923
T D Williamson Inc PO Box 3409 Tulsa, OK 74101-3409	Equipment Maint & Repairs	CAP, O&M	134,577	107, 880, 887, 889, 154
Taycom Bus Solutions Inc 719 Griswold Ave, Ste 820 Detroit, MI 48226	Contract Labor	CAP, O&M	230,541	107, 923
Tele-Interpreters 500 N Brand Blvd, Ste 1700 Glendale, CA 91203-3903	Professional Service	O&M	51,976	903
Telvent USA Inc 10333 Southport Road S W, Ste 200 Calgary, T2W 3X6	Consulting	CAP, O&M	200,898	107, 866
Toromont Energy Systems 10815 Telge Rd Houston, TX 77095-5038	Property Site Svcs	CAP	5,062,058	107

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Total Control Solutions Inc 17925 C R 40 Caldwell, OH 43724	Technical Services	CAP	74,700	107
TRC Engineers MI Inc 209 E Washington Ave, Ste 199 Jackson, MI 49201	Engineering Services	CAP	193,282	107
TRG Customer Solutions Inc 2200 Renaissance Blvd, Ste 350 King of Prussia, PA 19406	Marketing Services	O&M	968,842	879
Trimatrix Laboratories Inc 5560 Corporate Exchange St SE Grand Rapids, MI 49512-5503	Technical Services	CAP, O&M	88,637	107, 253
Truck Tech Engineers Inc 38921 Ford Rd Westland, MI 48185-1965	Vehicle Maint & Repairs	CAP, O&M	121,304	107
URS Corp Great Lakes 34555 W 12 Mile Rd Farmington Hills, 48331-3235	Engineering Services	CAP	356,774	107
Utilimaster Corp 1751 Momentum Pl Chicago IL 60689-5317	Vehicle Maint & Repairs	CAP	28,752	107
Varolii Corp 821 2nd Ave, Ste 1000 Seattle, WA 98104-2885	Contract Labor	O&M	879,421	903
Vee Inc 13225 Northline Rd, Ste 100 Southgate, MI 48195	Personnel Services	CAP, O&M	121,613	107, 923
Venture Technology Groups Inc 23800 Industrial Park Dr Farmington hills, MI 48335-2871	Contract Labor	CAP, O&M	411,466	107, 416, 819, 834
Ventyx Inc 3301 Windy Ridge Pkwy Atlanta, GA 30339	Contract Labor	CAP, O&M	42,197	107, 923
Verizon North Inc PO Box 9688 Mission Hills, CA 91346-9688	Telecom Services	CAP, O&M	172,727	107, 866, 921
Verizon Wireless Messing Services 2880 Orchard Lake Rd Farmington Hills, MI 48334-2981	Telecom Services	CAP, O&M	139,518	107, 866, 908, 921
Versacomp Systems Inc 6273 N Shore Dr West Bloomfield, MI 48324-2146	Contract Labor	CAP, O&M	39,454	107, 923
Vigilante Security Inc 27215 Southfield Rd Lathrup Village, MI 48076	Security Services	CAP, O&M	40,407	107, 923
Vital Outsourcing Services Inc 3795 Data Dr, Ste 200 Norcross, GA 30092-2535	Contract Labor	O&M	1,224,401	903
Vital Skills Intrnl LC 2093 Cumberland Rd Rochester Hills, MI 48307	Consulting	CAP, O&M	43,315	107, 923
W J Oneil Co 35457 Industrial Rd Livonia, MI 48150-1233	Construction Service	CAP, O&M	192,181	107, 416

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Warner Norcross and Judd LLP 111 Lyon St NW Grand Rapids, MI 49503	Legal Services	CAP, O&M	73,754	107, 923
Washington Midwest LLC 510 Carnegie Ctr Princeton, NJ 08540	Construction Service	CAP, O&M	66,185	107, 923
Washing Mutual Bank FA 600 Madison Ave New York, NY 10022-1615	Contract Labor	CAP, O&M	40,822	107, 4264, 931
Waste Mgmt of Michigan Inc 48797 Alpha Dr, Ste 150 Wixom, MI 48393	Waste Removal Service	CAP, O&M	82,929	107, 253, 921, 923
Weatherford Intrntl Inc 424 e Dresden St Kalkaska, MI 49646-9701	Pipeline Services	CAP	473,716	107
Welded Construction LP 26933 Eckel Rd Perrysburg, OH 43551-1215	Pipeline Construction	CAP	79,126	107
WH Canon Co 36700 Northline Rd, Romulus, MI 48174-1178	Contract Labor	CAP	39,578	107
Willbros Engineers Inc 2087 E 71st St Tulsa, OK 74136-5423	Engineering Services	CAP	173,963	107
Wind Lake Solutions Inc 400 Bay View Rd, Ste A Mukwonago, WI 53149	Technical Services	CAP, O&M	308,192	107, 850
Winston and Strawn LLP 35 W Wacker Dr Chicago, IL 60601-9703	Legal Services	CAP, O&M	43,500	107, 923
Wisner 6 Brewster Rd Wayland, MA 01778-3704	Consulting	CAP, O&M	51,249	107, 923
Wolf Detroit Envepole Co 2300 Meijer Dr, Ste 200 Troy, MI 48084	Printing & Mailing	O&M	139,987	903
Wolverine Tractor 8840 Byron Commerce Drive Grand Rapids, MI 49315	Vehicle Maint & Repair	CAP, O&M	83,503	107, 921
Wolverine truck Sales 3550 Wyoming St Dearborn, MI 48120-1425	Vehicle Maint & Repair	CAP, O&M	254,169	107, 921, 923
Woodhaven Transmission Inc 26739 Allen Rd Woodhaven, MI 48183-4341	Vehicle Maint & Repair	O&M	26,316	154
Xede Consulting Group Inc 1938 Burdette St Ferndale, MI 48220	Contract Labor	CAP, O&M	28,001	107, 623
Xerox Corp 800 Long Ridge Rd Stamford, CT 06902-1288	Printing & Mailing	CAP, O&M	52,876	107, 921, 923, 931

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2007

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Zep Mfg Co 34462 Glendake Ave Livonia, MI 48150	Vehicle Maint & Repair	CAP, O&M	56,116	107, 416, 864, 878, 893, 902, 154, 921
			177,548,615	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, gas transportation services, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	DTE Enterprises, Inc.	Parent of MichCon Holdings	Admin. & General		
2	MCN Energy Enterprises, Inc.	Subsidiary of DTE Enterprises	Admin. & General		
3	Citizens Gas Fuel Company	Subsidiary of DTE Enterprises	Admin. & General		
4					
5	MichCon Gathering Company	Subsidiary of MichCon	Admin. & General		
6					
7	MichCon Pipeline Company	Subsidiary of MichCon	Operations	495-00	52,186
8					
9	Jordan Valley Limited Partnership	Subsidiary of MichCon	Operations	495-00	4,800
10	Saginaw Bay Pipeline Company	Subsidiary of MichCon	Admin. & General		
11	DTE Energy Trading, Inc.	Subsidiary of DTE Energy Resources	Gas Transportation	489-40	1,356,190
12			Trading	484-00	915,000
13					
14	Saginaw Bay Lateral Company	Subsidiary of MichCon	Admin. & General		
15	Saginaw Bay Lateral Limited Ptnrship	Subsidiary of MichCon	Admin. & General		
16	Westside Pipeline Company	Subsidiary of MichCon	Admin. & General		
17					
18	DTE Gas Storage Co.	Subsidiary of DTE Enterprises	Operations	495-00	267,046
19					
20					
21					
22	Thunder Bay Gathering Co.	Subsidiary of MichCon	Operations	495-00	6,400
23	Blue Lake Holdings, Inc.	Subsidiary of MichCon	Admin. & General		
24					
25	The Detroit Edison Company	Subsidiary of DTE Energy Company	Gas Transportation	489-20	1,730,175
26			Admin. & General	494-00	1,500,000
27			Operations	495-00	(150,835)
28	DTE Energy Company	Parent of DTE Enterprises	Admin. & General		
29			Corp. Support Group	901XX - 913XX	5,353,142
30			Corp. Support Group	920XX	4,989,432
31			Corp. Support Group	921XX - 930XX	7,835,528
32			Corp Support Group	408XX	883,611
33			Corp Support Group	874XX	125
34	DTE Energy Ventures, Inc.	Subsidiary of DTE Energy Company	Admin. & General		
35					
36	DTE River Rouge No. 1, L.L.C.	Subsidiary of DTE Energy Resources	Gas Transportation	489-20	94,768
37	DTE Energy Services, Inc.	Subsidiary of DTE Energy Resources	Admin. & General		
38					
39	DTE Gas & Oil Company	Subsidiary of DTE Enterprises	Gas Transportation	489-40, 495-00	158,031
40	DTE Michigan Holdings, Inc.	Subsidiary of MCN Energy Enterprises	Admin. & General		
41	MichCon Lateral Company	Subsidiary of MichCon	Admin. & General		
TOTAL					

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
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.
419-00	90,586	146-00	215,667	215,667	cost	1
		146-00	246,294	246,294	cost	2
		146-00	305,882	305,882	cost	3
						4
		146-00	2,334,970	2,334,970	cost	5
						6
		146-00	11,565	154,337	cost	7
						8
		146-00	236,052	240,852	cost	9
		146-00	685,580	685,580	cost	10
		146-00	1,817,749	3,173,939	contract	11
		146-00	(915,000)		contract	12
						13
419-00	188	146-00	130,709	130,709	cost	14
		146-00	82,131	82,319	cost	15
		146-00	69,440	69,440	cost	16
415-00, 419-00	1,335,479					17
		146-00	2,767,349	4,369,874	contract	18
						19
						20
						21
419-00	1	146-00	592,098	598,498	cost	22
		146-00	419	420	cost	23
						24
419-00	1,217	146-00	11,986,350	13,717,742	cost	25
				1,500,000	contract	26
				(150,835)	cost	27
419-00	268,161	146-00	1,512,678	1,780,839	cost	28
426-XX	185,026			5,538,168	cost	29
				4,989,432	cost	30
				7,835,528	cost	31
				883,611	cost	32
				125		33
		146-00	16,339	16,339	cost	34
						35
		146-00	13,532	108,300	contract	36
		146-00	34,255	34,255	contract	37
						38
415-00	10,440	146-00	223,800	392,271	contract	39
419-00	562	146-00	37,040	37,602	cost	40
		146-00	2,234,418	2,234,418	cost	41

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
<div>1. In column (a) report the name of the associated company.</div> <div>2. In column (b) describe the affiliation (percentage ownership, etc.).</div> <div>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, gas transportation services, dividends declared, etc.).</div> <div>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</div>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	DTE Energy Resources, Inc.	Subsidiary of DTE Energy Company	Admin. & General		
2	DTE Biomass Energy, Inc.	Subsidiary of DTE Energy Resources	Admin. & General		
3	South Romeo Gas Storage Company	Subsidiary of DTE Gas Storage Company	Admin. & General		
4	DTE Smith Branch, LLC	Subsidiary of DTE Synfuels, LLC	Admin. & General		
5	DTE Coal Services, Inc.	Subsidiary of DTE Energy Resources	Admin. & General		
6	DTE Energy Technologies, Inc.	Subsidiary of Wolverine Energy Services	Admin. & General		
7	Terra-Westside Processing Company	Subsidiary of MCN Energy Enterprises, Inc.	Operations	495-00	1,600
8	Jordan Valley Pipeline Company	Subsidiary of MichCon Pipeline Company	Operations	495-00	8,000
9	DTE Terra Hayes Gathering Co.	Subsidiary of MichCon Pipeline Company	Admin. & General		
10	DTE Open Loop-Biomass LLC	Subsidiary of DTE Energy Services, Inc.	Admin. & General		
11	MCNIC Mobile Bay Gathering Company	Subsidiary of DTE Gas Storage, Pipeline	Admin. & General		
12	DTE Energy Corporate Services, LLC	Subsidiary of DTE Energy Company	Admin. & General		
13	DTE East China, LLC	Subsidiary of DTE Energy Services, Inc.	Gas Transportation	489-40	102,000
14	Tums/Olund Lake Pipeline Company	Subsidiary of MichCon Pipeline Company	Admin. & General		
15	DTE Michigan Holdings, Inc.	Subsidiary of MCN Energy Enterprises, Inc.	Admin. & General		
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
TOTAL					\$25,107,199

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
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.
415-00	234,000	146-00	217	217		1
		146-00	2,380	2,380		2
		146-00	177,662	411,662		3
		146-00	5,430	5,430		4
		146-00	6,479	6,479		5
		146-00	15,439	15,439		6
		146-00	1,274	2,874		7
		146-00	67,625	75,625		8
		146-00	41,613	41,613		9
		146-00	3,499	3,499		10
		146-00	631	631		11
		146-00	53,994,585	53,994,585		12
		146-00	(25,500)	76,500		13
		146-00	104,610	104,610		14
		146-00	22,370	22,370		15
					16	
					17	
					18	
					19	
					20	
					21	
					22	
					23	
					24	
					25	
					26	
					27	
					28	
					29	
					30	
					31	
					32	
					33	
					34	
					35	
					36	
					37	
					38	
					39	
					40	
					41	
	\$2,125,660		\$79,057,631	\$106,290,490		

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2007					
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, gas transportation services, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	DTE Energy Company	Parent of DTE Enterprises	Customer Service	901-916	9,086,827
2			A&G Expense	920-935	25,548,043
3			Operations	401	4,142
4			Taxes Other	408	1,148,137
5			Other Income		
6			Other Income Deductions		
7			Interest Expense		
8					
9	The Detroit Edison Company	Subsidiary of DTE Energy Co.	O&M Expense	816-893	(644,288)
10			Customer Service	902-913	3,106,612
11			A&G Expense	920 - 925	(22,127)
12			A&G Expense	926, 930	(93,839)
13			Rent Expense	931	15,200,000
14			Taxes Other	408	(15,105)
15			Other Income		
16			Non-Utility Rental Income		
17			Interest Expense		
18			Construction		
19					
20	Blue Lake Holdings, Inc.	Subsidiary of MichCon	Interest Expense		
21					
22	MichCon Holdings, Inc.	Subsidiary of DTE Enterprises, Inc.	Interest Expense		
23	Saginaw Bay Lateral Company	Subsidiary of MichCon	Interest Expense		
24			A&G Expense	920	(32,890)
25					
26	Saginaw Bay Lateral Limited Ptnrship	Subsidiary of MichCon	Interest Expense		
27			A&G Expense	920	(6,578)
28					
29	Westside Pipeline Company	Subsidiary of MichCon	Interest Expense		
30			A&G Expense	920	(11,981)
31					
32	Jordan Valley Pipeline Company	Subsidiary of MichCon	A&G Expense	920	(62,961)
33					
34	Saginaw Bay Pipeline Company	Subsidiary of MichCon	Interest Expense		
35			O&M Expense	812-859	13,480
36			A&G Expense	920	(210,497)
TOTAL					

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2007						
SUMMARY OF COSTS BILLED FROM 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.
				9,086,827	Cost	1
				25,548,043	Cost	2
				1,148,137	Cost	3
				4,142	Cost	4
415, 416	(18,098)			(18,098)	Cost	5
426	549,895			549,895	Cost	6
430	727,563			727,563	Cost	7
						8
				(644,288)	Cost	9
				3,106,612	Cost	10
				(22,127)	Cost	11
				(93,839)	Cost	12
				15,200,000	Cost	13
				(15,105)	Cost	14
416	(1,597)			(1,597)	Cost	15
417	(2,287)			(2,287)	Cost	16
430	12,161			12,161	Cost	17
		106	15,445,655	15,445,655	Cost	18
						19
430	98,149			98,149	Cost	20
						21
430	60,621			60,621	Cost	22
430	71,052			71,052	Cost	23
				(32,890)	Cost	24
						25
430	462			462	Cost	26
				(6,578)	Cost	27
						28
430	100,372			100,372	Cost	29
				(11,981)		30
						31
				(62,961)	Cost	32
						33
430	196,074			196,074	Cost	34
				13,480	Cost	35
				(210,497)	Cost	36

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2007					
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, gas transportation services, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Thunder Bay Gathering Company	Subsidiary of MichCon	Interest Expense		
2			A&G Expense	920	(203,919)
3					
4	MichCon Development Corporation	Subsidiary of MichCon	Interest Expense		
5					
6	MichCon Gathering Company	Subsidiary of MichCon	O&M Expense	804, 806	2,701,531
7			A&G Expense	920	(736,740)
8			Interest Expense		
9					
10					
11					
12	MichCon Pipeline Company	Subsidiary of MichCon	O&M Expense	858	797,492
13			Interest Expense		
14					
15	MichCon Lateral Company	Subsidiary of MichCon	Interest Expense		
16			A&G Expense	920	(290,996)
17					
18	DTE Gas & Oil Company	Subsidiary of DTE Enterprises	O&M Expense	804	(14,798)
19			A&G Expense	920, 921	4
20					
21	DTE Energy Trading, Inc.	Subsidiary of DTE Energy Resources	O&M Expense	803	1,555,802
22					
23	DTE Energy Corporate Services, LLC	Subsidiary of DTE Energy Company	O&M Expense	816-893	(859,648)
24			Customer Service	902 - 908	59,845,406
25			Sales Promotion	911 - 913	1,337
26			A&G Expense	920 - 930	89,329,145
27			Taxes Other	408	(329,073)
28			Miscellaneous Non-op		
29			Construction		
30					
31	DTE Energy Services, Inc.	Subsidiary of DTE Energy Resources	A&G Expense	920, 921	22
32					
33	Jordan Valley Limited Partnership	Subsidiary of MichCon	Interest Expense		
34			A&G Expense	920	(30,619)
35					
36	DTE Gas Storage Company	Subsidiary of MCN Energy Enterprises	O&M Expense	806	(1,793,076)
37					
TOTAL					

SUMMARY OF COSTS BILLED FROM 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.
430	61,139			61,139	Cost	1
				(203,919)	Cost	2
						3
430	390,870			390,870	Cost	4
						5
				2,701,531	Cost	6
				(736,740)	Cost	7
430	973,353			973,353	Cost	8
						9
						10
						11
				797,492	Cost	12
430	89,563			89,563	Cost	13
						14
430	313,264			313,264	Cost	15
				(290,996)	Cost	16
						17
				(14,798)	Cost	18
				4		19
						20
				1,555,802	Cost	21
						22
				(859,648)	Cost	23
				59,845,406	Cost	24
				1,337	Cost	25
				89,329,145	Cost	26
				(329,073)	Cost	27
415 - 426	789,950			789,950	Cost	28
		106	(2,056,775)	(2,056,775)	Cost	29
						30
				22	Cost	31
						32
430	342,657			342,657	Cost	33
				(30,619)	Cost	34
						35
				(1,793,076)	Cost	36
						37

SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)					
5. In columns (f) and (g) report the amount classified to non-operating income and the					
1. In column (a) report the name of the associated company.					
2. In column (b) describe the affiliation (percentage ownership, etc.).					
3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, gas transportation services, dividends declared, etc.).					
4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	DTE Terra Hayes Gathering Co.	Subsidiary of MichCon Pipeline Company	A&G Expense	920	(57,714)
2					
3	Tums/Olund Lake Pipeline Co.	Subsidiary of MichCon Pipeline Company	A&G Expense	920	(47,221)
4					
5	DTE Energy Resources, Inc.	Susidiary of DTE Energy Company	A&G Expense	926	(7,943)
6					
7	DTE Northwind Operations, LLC	Subsidiary of DTE Energy Services, Inc.	Construction		
8					
9	Citizens Gas Fuel Company	Subsidiary of DTE Enterprises	Taxes Other	408	(2,381)
10			O&M Expense	816-893	(9,995)
11			Customer Service	902	(73)
12			A&G Expense	920 - 930	12,009
13			Other Income		
14			Construction		
15					
16	DTE Gas Storage Pipeline & Processin	Subsidiary of MCN Energy Enterprises, Inc.	Customer Service	904	3
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
TOTAL					\$202,865,529

SUMMARY OF COSTS BILLED FROM 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.
416	(252)	106	146	(57,714)	Cost	1
						2
				(47,221)	Cost	3
						4
				(7,943)	Cost	5
						6
				146	Cost	7
						8
		106	(12,038)	(2,381)	Cost	9
				(9,995)	Cost	10
				(73)	Cost	11
				12,009	Cost	12
				(252)	Cost	13
				(12,038)	Cost	14
						15
				3	Cost	16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
	\$4,754,914		\$13,376,988	\$220,997,431		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007		
NATURAL GAS RESERVES AND LAND ACREAGE						
<p>1. Report below particulars (details) concerning the remaining recoverable salable gas reserves and natural gas land acreage at end of year. Designate gas reserves on acreage acquired before October 8, 1969, and reserves on acreage acquired after October 7, 1969.</p> <p>2. Classify the gas reserves and related land and land rights and costs under the sub-headings: (A) Producing Gas Lands, and (B) Non-producing Gas Lands. Provide a total for each classification.</p> <p>3. For producing gas lands, report the required information alphabetically by State, County, or offshore area, and field. If the field name is not assigned, report as "unnamed." Identify offshore fields according to their location in State or Federal domains by using the letter "S" for State domain, and "F" for Federal domain in column (a). For column (b), enter the zone number if applicable. The land, leasehold, and gas rights costs so reported should agree with the amounts carried under Account 101, Gas Plant in Service, and as reported for Accounts 325.1, 325.2, and 325.3 on page 204-205. In column (e) show for each field the year and remaining recoverable salable gas reserves available to respondent from owned lands, leaseholds, and gas rights.</p> <p>4. For non-producing gas lands, report the required information alphabetically by State, County, or offshore areas by blocks. Report offshore lands in the same manner as producing gas lands. The land,</p>						
Line No.	OFFSHORE AREA		Name of Field or Block (c)	Name of State/ County/Offshore Area (d)	Recoverable Gas Reserves (Thousands Mcf) (e)	OWNED LANDS
	Domain (a)	Zone (b)				Acres (f)
1			A. PRODUCING	Michigan		
2			GAS LANDS	(Acquired before 1-1-75)		
3			Big Hand	St. Clair Co.		1.0
4			Washington 10	Macomb Co.		
5			Washington 10A	Macomb Co.		
6			Washington 11	Macomb Co.		
7			Unnamed	Macomb Leases		
8						
9						
10				Subtotal	0	1.0
11				(Acquired after 12-31-74)		
12			Falmouth	Missawkee Co.		-
13						
14				Subtotal	0	0.0
15				Total Recoverable Reserves	0	1.0
16			B. NON-PRODUCING			
17			GAS LANDS	(Acquired before 1-1-75)		
18			Unnamed	Osceola Co.		
19			Unnamed	Oakland Co.		
20				Subtotal	-	-
21				(Acquired after 12-31-74)		
22			Lee 2A	Calhoun Co.		
23			Unnamed	Macomb Leases		
24			Unnamed	Mecosta Leases		
25			Unnamed	Missawkee Leases		
26			Unnamed	Oakland Leases		
27			Unnamed	Osceola Leases		
28				Subtotal	-	-
29				Total Non - Producing Gas Lands	-	-
30						
31	Note: Full Cost Accounting adopted January 1, 1975.					
32						
33						
34						
35						
36						
37						
38	TOTAL				0	1.0

MICHIGAN CONSOLIDATED GAS COMPANY				AN ORIGINAL		December 31, 2007	
NATURAL GAS RESERVES AND LAND ACREAGE (Continued)							
<p>leasehold , and gas rights costs reported should agree with the amounts carried under Accounts 105, Gas Plant Held for Future Use and 105.1, Production Properties Held for Future Use, and reported in total on pages 214 and 215. Do not report estimates of gas reserves (column e) for unproven fields; however, if the company made estimates for such lands normally includes such estimates in stating its reserve position in connection with proposed financing and for managerial and other purposes, include such estimates on this page.</p> <p>5. Report the cost of lands, leasholds, and gas rights in accordance with the provisions of the Uniform Systems of Accounts for Natural Gas Companies.</p> <p>6. For columns (j) and (k), do not duplicate acreages reported for owned lands and leaseholds. Designate with an asterisk royalty interests separately owned.</p> <p>7. Indicate by footnote whether acres reported are gross acres or net acres based on proportion of ownership in jointly owned tracts.</p> <p>8. Do not include oil mineral interests in the cost of acreage reported.</p> <p>9. Report volumes on a pressure base of 14.73 psia at 60°F.</p>							
OWNED LANDS (Cont.)	LEASEHOLDS		OWNED GAS RIGHTS		TOTAL		Line No.
Cost (g)	Acre (h)	Costs (i)	Acre (j)	Costs (k)	Acre (l)	Costs (m)	
\$3,838	2.0	471	-	-	1.0	\$3,838	1
			-	-	0.0	0	2
			-	-	0.0	0	3
			-	-	-	0	4
			-	-	2.0	471	5
			-	-	-	-	6
3,838	2.0	471	-	0	3.0	4,309	7
-	-	-	-	-	0.0	0	8
0	-	-	-	-	0.0	0	9
3,838	2.0	471	-	0	3.0	4,309	10
-	5.0	949	-	-	5.0	949	11
-	-	1,804	-	-	-	1,804	12
-	5.0	2,753	-	-	5.0	2,753	13
-	55.0	-	-	-	55.0	-	14
-	11.0	2,884	-	-	11.0	2,884	15
-	2,138.2	-	-	-	2,138.2	-	16
-	3,170.3	403,391	-	-	3,170.3	403,391	17
-	160.0	-	-	-	160.0	-	18
-	600.0	-	-	-	600.0	-	19
-	6,134.5	406,275	-	-	6,134.5	406,275	20
-	6,139.5	409,028	-	-	6,139.5	409,028	21
							22
							23
							24
							25
							26
							27
							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
\$3,838	6,141.5	\$409,499	-	\$0	6,142.5	\$413,337	38

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
EXPLANATION OF DIFFERENCES BETWEEN BALANCES AS REPORTED IN ACCT. 325.1, 325.2, AND 325.3, ON PAGE 202A AND COST OF PRODUCING GAS LAND REPORTED ON PAGES 500-501			
<u>PAGE 202A</u>			
<u>Accounts</u>			
325.00GS	Col. (g)		\$3,838
325.00GS			1,989
325.00GS	Col. (k)		-
	Total		<u>5,827</u>
<u>PAGE 500-501</u>			
	Col. (m)		4,309
	Difference*		<u>\$1,518</u>
*Oil interest not included on Page 500-501, per instruction No. 8.			
325.00GS	Previous account 325-81 loc. 9313		\$1,142
325.00GS	Previous account 325-91 loc. 9321		376
	Total		<u>\$1,518</u>

CHANGES IN ESTIMATED HYDROCARBON RESERVES AND COSTS, AND NET REALIZABLE VALUE

1. Report changes during the year in recoverable salable reserves of the respondent located on acreage acquired after October 7, 1969. Have the reported reserves attested to every three years by an independent appraiser. File the attestation with the Commission along with this report. If the reserves, at the time the reserve determination is made, significantly differ from those reported on this page, file a reconciliation and explanation of such differences along with the attestation.
2. For any important changes in the estimated reserves due to purchases, sales, or exchanges of land, leaseholds or rights, furnish on page 505 a brief explanation of the transaction and reserves involved. Also, explain the criteria used to estimate the net realizable value of reserves.
3. For column (d), report the reserves and changes associated with lands, leaseholds, and rights included in Account 105.1, Production Properties Held for Future Use. (See Gas Plant Accounts Instruction 7G of the U.S. of A.)
4. Report pressure base of gas volumes at 14.73 psia at 60°F.
5. For line 16 base the net realizable value of hydrocarbon reserves on the current selling price of the hydrocarbon reserves less estimated costs of extraction, completion, and disposal.

Line No.	Items (a)	Total Reserves Gas (Thousands Mcf) (b)	Lands, Leaseholds and Rights		Total Reserves Oil and Liquids (Barrels) (e)	Investment (Net Book Value) (f)
			In Service Gas (Thousands Mcf) (c)	Held for Future Use Gas (Thousands Mcf) (d)		
1	Estimated Recoverable Reserves at Beginning of year	0.000	0.000	-	-	-
2	ADDITIONS					
3	Purchases and Exchanges of Lands, Leaseholds and Rights	-	-	-	-	
4	Transfers from Reserves Held for Future Use	-	-	-	-	
5	Upward Revision of Basic Reserve Estimates (Explain in a Footnote)	-	-	-	-	
6	Other Increases (Explain in a footnote)	-	-	-	-	
7	TOTAL Additions (Lines 3 thru 6)	-	-	-	-	
8	DEDUCTIONS					
9	Production During Year	-	-	-	-	
10	Sales and Exchanges of Lands, Leaseholds, and Rights	-	-	-	-	
11	Transfers of Reserves Held for Future Use to Reserves in Service	-	-	-	-	
12	Downward Revision of Estimates of Recoverable Reserves (Explain in a footnote)	-	-	-	-	
13	Other Decreases (Explain in a footnote)	-	-	-	-	
14	TOTAL Deductions (Lines 9 thru 13)	0	0	-	-	
15	Estimates Recoverable Reserves at End of Year (Enter Total of lines 1,7, and 14)(1)	0.000	0.000	-	-	-
16	Net Realizable Value at End of Reporting Year (Explain on page 505):		\$0.00			

NOTES

NOTE: Full Cost Accounting adopted January 1, 1975.

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2007
HYDROCARBON RESERVES AND COSTS, AND NET REALIZABLE VALUE (Continued)		
<p>Explain below items for which explanations are required on page 504, Changes in Estimated Hydrocarbon Reserves and Costs, and Net Realizable Value. For line 16 on page 504, explain the criteria used to estimate such value and provide an explanation of any significant revision in the value of the reserves, other than from the addition of new reserves.</p>		

This page intentionally left blank.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
COMPRESSOR STATIONS					
<p>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.</p> <p>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, if jointly owned.</p>					
Line No.	Name of Station and Location (a)	Number of Employees (1) (b)	Plant Cost (c)		
1	<u>FIELD COMPRESSOR STATIONS</u>				
2					
3					
4					
5	<u>UNDERGROUND STORAGE COMPRESSOR STATIONS</u>				
6	Columbus Station				
7	Columbus Twp., St. Clair Co.		\$17,735,848		
8	Belle River Mills Station				
9	China Twp., St. Clair Co.		37,726,812		
10	W. C. Taggart Compressor Station				
11	Belvidere Twp., Montcalm Co.		58,267,301		
12	TOTAL				
13	<u>TRANSMISSION COMPRESSOR STATIONS</u>				
14	Kalkaska Station				
15	Kalkaska Twp., Kalkaska Co.		31,323,196		
16	Milford Station				
17	Milford Twp., Oakland Co.		26,150,062		
18	Reed City Compressor Station				
19	Lincoln Twp., Osceola Co.		1,928,967		
20					
21					
22					
23					
24					
25					
26					
27					
28	Alpena Station				
29	Hamilton Twp., Clare Co.		3,492,024		
30	6 Satellite Stations				
31	Various Locations		636,571		
32					
33	<u>DISTRIBUTION COMPRESSOR STATION</u>				
34					
35					
36					
37	<u>OTHER COMPRESSOR STATIONS</u>				
38					
39					

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
COMPRESSOR STATIONS						
Designate any station that was not operated during the past year. State in a footnote whether the book cost of station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into during the year and show in a footnote the size of each such unit, and the date each such unit was placed in operation.						
3. For column (d), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.						
Fuel or Power (2) (d)	Other (2) (e)	Gas for Comps. Fuel Mcf (14.73 psia at 60°F) (f)	Operation Data			Line No.
			Total Compressor Hours of Operation During Year (g)	No. of Compr. Operated at time of Station Peak (h)	Date of Station Peak (i)	
						1
						2
						3
						4
						5
						6
0	\$386,402	48,102	4,050	2	10/4/2007	7
						8
\$164,064	3,766,126	469,178	13,879	4	10/4/2007	9
						10
154,253	1,832,325	227,185	17,887	19	2/14/2007	11
						12
						13
						14
0	1,711,056	212,914	16,763	3	2/28/2007	15
						16
50,250	445,968	53,554	2,876	3	2/7/2007	17
						18
0	0	0	N/A	N/A	N/A	19
						20
						21
						22
						23
						24
						25
						26
						27
						28
0	13,424	1,668	N/A	N/A	N/A	29
						30
0	0	0	43,850	6	2/27/2007	31
						32
						33
						34
						35
						36
						37
						38
						39

COMPRESSOR STATIONS

MICHIGAN CONSOLIDATED GAS COMPANY
COMPRESSOR STATIONS
YEAR ENDED DECEMBER 31, 2007

- (1) Respondent does not maintain separate payrolls for compressor stations.
(2) Column (d) represents the cost of electric power and column (e) represents Natural Gas used by the Company at the respective compressor stations.

(3) Retired Locations

Name of Station	Type	Unit #	
Bear Lake 24	JG-2	445	(Sold)
Grant 14	JG-2	406	(Sold)
Thomas 1-34		436	(Sold)
Komrska 1-14		443	(Sold)
Manistee 18		430	(Sold)
Goodwell 8A		401	(Sold)
MichCon 1-9		402	(Sold)

(4) Location Transfer

	Transfer to	Unit#
Bear Lake 27	Thomas 1-34	462

GAS AND OIL WELLS

1. Report below the particulars (details) concerning gas and oil wells of the respondent which are either producing or capable of production.
2. Report the required information alphabetically by states. List wells located offshore separately.
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 (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.
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.

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	All in the State of Michigan									
2										
3	Producing Gas Wells:									
4										
5	Lee 2B Field									
6	Calhoun County									
7	Lee Township	0	0	0	0	0	0	0	0	0
8										
9	New Haven Field									
10	Gratiot County									
11	New Haven Township	0	0	0	0	0	0	0	0	0
12	Sumner Township	0	0	0	0	0	0	0	0	0
13										
14	Washington 11 Field									
15	Macomb County									
16	Washington Township	0	0	0	0	0	0	0	0	0
17										
18	Washington 10 Field									
19	Macomb County									
20	Washington Township	0	0	0	0	0	0	0	0	0
21										
22	Washington 10A Field									
23	Macomb County									
24	Washington Township	0	0	0	0	0	0	0	0	0
25										
26	Hardy Dam									
27	Mecosta County									
28	Aetna Township	0	0	0	0	0	0	0	0	0
29										
30	Producing Gas Wells TOTAL	0	0	0	0	0	0	0	0	0
31										
32										
33										
34										
35										
36										
37										
38										
39										
40										
41										
42										
43										
44										

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL			December 31, 2007				
GAS AND OIL WELLS										
Line No.	Location of Wells (a)	Number of Wells Beginning of Year (b)	ADDITIONS DURING YEAR			Wells Reclas-sified (f)	REDUCTIONS DURING YEAR			Number of Wells at End of Year (j)
			Success-ful Wells Drilled (c)	Wells Purchased (d)	Total (c + d) (e)		Wells Aban-doned (g)	Wells Sold (h)	Total (g + h) (i)	
1	All in the State of Michigan									
2										
3	Shut-in Gas Wells									
4	NONE									
5										
6	Producing Oil Wells:									
7										
8	Big Hand Field									
9	St. Clair County									
10	Columbus Township	0	0	0	0	0	0	0	0	0
11										
12	Grant 3 Field									
13	Grand Trav. County									
14	Grant Township	0	0	0	0	0	0	0	0	0
15										
16	Producing Oil Wells TOTAL	0	0	0	0	0	0	0	0	0
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										
38										
39										

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL			December 31, 2006				
GAS AND OIL WELLS										
Line No.	Location of Wells (a)	Number of Wells Beginning of Year (b)	ADDITIONS DURING YEAR			Wells Reclas-sified (f)	REDUCTIONS DURING YEAR			Number of Wells at End of Year (j)
			Success-ful Wells Drilled (c)	Wells Purchased (d)	Total (c + d) (e)		Wells Aban-doned (g)	Wells Sold (h)	Total (g + h) (i)	
1	All in the State of Michigan									
2										
3	Shut-in Gas Wells									
4	NONE									
5										
6	Producing Oil Wells:									
7										
8	Big Hand Field									
9	St. Clair County									
10	Columbus Township	0	0	0	0	0	0	0	0	0
11										
12	Grant 3 Field									
13	Grand Trav. County									
14	Grant Township	0	0	0	0	0	0	0	0	0
15										
16	Prod. Oil Wells TOTAL	0	0	0	0	0	0	0	0	0
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										
38										
39										

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
GAS STORAGE PROJECTS			
1. Report particulars (details) for total gas storage projects. 2. Total storage plant (Column b) should agree with amounts reported by the respondent in Acct's 350.1 to 364.8 inclusive (pages 204-205). 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.			
Line No.	Item (a)	Total Amount (b)	
1	Natural Gas Storage Plant		
2	Land and Land Rights	\$8,435,203	
3	Structures and Improvements	13,633,848	
4	Storage Wells and Holders	70,657,251	
5	Storage Lines	24,716,652	
6	Other Storage Equipment	101,426,568	
7	TOTAL (Enter Total of Lines 2 Thru 6)	\$218,869,522	
8	Storage Expenses		
9	Operation	\$10,155,934	
10	Maintenance	\$3,137,566	
11	Rents		
12	TOTAL (Enter Total of Lines 9 thru 11)	\$13,293,500	
13	Storage Operations (In Mcf @ 14.73 psia 60°F)		
14	Gas Delivered to Storage		
15	January	(4,822,362)	
16	February	(966,353)	
17	March	(1,756,164)	
18	April	1,029,735	
19	May	5,867,637	
20	June	6,678,261	
21	July	6,659,597	
22	August	7,635,566	
23	September	9,176,430	
24	October	2,992,556	
25	November	(4,015,581)	
26	December	4,294,199	
27	TOTAL (Enter Total of Lines 15 thru 26)	32,773,521	
28	Gas Withdrawn from Storage		
29	January	10,019,476	
30	February	18,324,797	
31	March	2,545,175	
32	April	1,351,033	
33	May	(2,870,606)	
34	June	(2,490,322)	
35	July	(1,581,027)	
36	August	(2,288,157)	
37	September	145,751	
38	October	692,213	
39	November	5,365,055	
40	December	13,044,996	
41	TOTAL (Enter Total of Lines 29 Thru 40)	42,258,384	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
GAS STORAGE PROJECTS (CONTINUED)			
Line No.	Item (a)	Total Amount (b)	
	Storage Operations (In Mcf @ 14.73 psia 60°F)		
42	Top or Working Gas End of Year	43,413,165	
43	Cushion Gas (Including Native Gas)	62,110,199	
44	Total Gas in Reservoir (Enter Total of Line 42 and Line 43)	105,523,364	
45	Certificated Storage Capacity (1)	127,380,048	
46	Reservoir Pressure at Which Storage Capacity Computed (1)		
47	Number of Injection - Withdrawal Wells	160	
48	Number of Observation Wells	57	
49	Maximum Day's Withdrawal from Storage	2,331,296	
50	Date of Maximum Days' Withdrawal	2/7/2007	
51	Year Storage Operations Commenced	1953	
52	LNG Terminal Companies (In Mcf)		
53	Number of Tanks		
54	Capacity of Tanks		
55	LNG Volumes		
56	a) Received at "Ship Rail"		
57	b) Transferred to Tanks		
58	c) Withdrawn from Tanks		
59	d) "Boil Off" Vaporization Loss		
60	e) Converted to Mcf at Tailgate of Terminal		
<p>Notes:</p> <p>(1) Transactions relating to gas stored "for others" are not reflected on these pages. At December 31, 2007; 60,463,662 Mcf was stored for others.</p>			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2007
Distribution and Transmission Lines			
<p>1. Report below by States the total miles of transmission lines of each transmission system 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 O.1) (b)	
1	Integrated Natural Gas Systems		
2	Located in State of Michigan		
3			
4	Distribution Mains	18,693.0	
5	Transmission Mains *	2,456.5	
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22	* Includes Transmissions Mains for MichCon (1,870.7),		
23	MichCon Lateral Co. (509.8) and MichCon Gathering Co. (76).		
24			
25			
26			
27			
28			
29			
30			
31	TOTAL	21,149.5	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2007	
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 of a pressure base of 14.73 psia of 60°F.					
Line No.		Day/ Month (b)	Amount of Mcf (c)	Curtailments on Day/Month Indicated (d)	
Section A. Three Highest Days of System Peak Deliveries					
1	Date of Highest Day's Deliveries *	02/05			
2	Deliveries to Customers Subject to MPSC Rate Schedules		2,338,073		
3	Deliveries to Others		0		
4	TOTAL		2,338,073		
5	Date of Second Highest Day's Deliveries *	02/04			
6	Deliveries to Customers Subject to MPSC Rate Schedules		2,335,530		
7	Deliveries to Others		0		
8	TOTAL		2,335,530		
9	Date of Third Highest Day's Deliveries *	02/06			
10	Deliveries to Customers Subject to MPSC Rate Schedules		2,153,384		
11	Deliveries to Others		0		
12	TOTAL		2,153,384		
Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)					
13	Dates of Three Consecutive Days Highest System Peak Deliveries *	02/04 - 02/06			
14	Deliveries to Customers Subject to MPSC Rate Schedules		6,826,987		
15	Deliveries to Others		0		
16	TOTAL		6,826,987		
17	Supplies from Line Pack				
18	Supplies from Underground Storage		(4,573,338)		
19	Supplies from Other Peaking Facilities		N/A		
Section C. Highest Month's System Deliveries					
20	Month of Highest Month's System Deliveries	FEBRUARY			
21	Deliveries to Customers Subject to MPSC Rate Schedules		45,476,891		
22	Deliveries to Others		4,258,361		
23	TOTAL		49,735,252		

* Split of sendout on a daily basis is not accurately separatable between MPSC rate schedule and Others.

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2007	
AUXILIARY PEAKING FACILITIES						
<p>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.</p> <p>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.</p> <p>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.</p>						
Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility, Mcf at 14.73 psia at 60°F (c)	Cost of Facility (In dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?	
					Yes (e)	No (f)
1	West Central Michigan	Underground Storage	431,340		X	
2		Plant				
3						
4	Southeastern Michigan	Underground Storage	3,068,670		X	
5		Plant				
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						

SYSTEM MAPS

1. Furnish 5 copies of a system map (one with each 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 the previous 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.
2. Indicate the following information on the maps:
 - (a) Transmission lines - colored in red, if they are not otherwise clearly indicated.
 - (b) Principal pipeline arteries of gathering system.
 - (c) Size of pipe in the principal pipelines shown on map.
 - (d) Normal directions of gas flow - indicated by arrows.
 - (e) Location of natural gas fields or pools in which the respondent produces or purchases natural gas.
 - (f) Locations of compressor stations, products extraction plants, stabilization plants, important purification plants, underground storage areas, recycling areas, etc.
 - (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.
 - (h) Principal communities in which respondent renders local distribution service.
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; designation of facilities leased to or from another company, giving name of such other company.
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.

Map provided in 1993 Annual Report with supplement in 1996 Annual Report.

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL			December 31, 2007
FOOTNOTE DATA			
Page No. (a)	Line No. (b)	Column No. (c)	Comments (d)
			<p>Footnotes are included on applicable pages. For MichCon's SEC 10-K filing footnotes see pages 123.1 through 123.24.</p>

