

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, 2010
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:	One Energy Plaza 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: One Energy Plaza 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: N/A	
☐ were forwarded to the Commission ☐ will be forwarded to the Commission	
Annual reports to stockholders:	☐ are published ☒ 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



Report of Independent Auditors

To Management of
Michigan Consolidated Gas Company:

We have audited the accompanying balance sheets of Michigan Consolidated Gas Company as of December 31, 2010 and 2009 and the related statements of income, of retained earnings, of cash flows and of accumulated comprehensive income, comprehensive income and hedging activities for the years then ended, included on pages 110 through 123 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 audits.

We conducted our audits 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Item 6 on page 123.1, 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 generally accepted accounting principles in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Michigan Consolidated Gas Company as of December 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended 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 management of Michigan Consolidated Gas Company and for filing with the Michigan Public Service Commission and should not be used for any other purpose.

A handwritten signature in cursive script that reads "PricewaterhouseCoopers LLP".

March 17, 2011

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, 2010
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) One Energy Plaza Detroit, MI. 48226-1279		
05 Name of Contact Person Peter B. Oleksiak	06 Title of Contact Person Vice President, Controller and Chief Accounting Officer	
07 Address of Contact Person (Street, City, St., Zip) One Energy Plaza Detroit, MI. 48226-1279		
08 Telephone of Contact Person, Including Area Code: (313) 235-4000	09 This Report is: (1) ☒ An Original (2) ☐ A Resubmission	10 Date of Report (Mo, Da, Yr) 12-31-10
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 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) 4-28-11
02 Title Vice President, Controller and Chief Accounting Officer		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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."			
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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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Title of Schedule (a)	Reference Page No. (b)	Remarks (d)	
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MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2010
GENERAL INFORMATION		
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. Mr. Peter B. Oleksiak, Vice President, Controller and Chief Accounting Officer One Energy Plaza, Detroit, Michigan 48226-1279		
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. Michigan - January 12, 1898		
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. Not Applicable		
4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated. Gas Utility - Michigan		
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? (1) ☒ YES ...Enter the date when such independent accountant was initially engaged: <u>1-1-2009</u>. (2) ☐ NO		

CONTROL OVER RESPONDENT

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 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.

MichCon Holdings, Inc. is the holding company of the respondent. The attached pages 102a - 102p detail the chain of ownership and control to the main parent company.

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 One Energy Plaza, 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 One Energy Plaza, 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 One Energy Plaza, 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 ("Corporate Services"), is a Michigan company. Corporate Services is a wholly owned subsidiary of DTE Energy Company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Corporate Services provides functional support to the DTE Energy enterprise.
- 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 414 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.
 - 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. 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.
 - c. 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.

- d. 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. This entity was dissolved November 16, 2010.
- e. Blue Water Renewables, Inc. ("Blue Water"), formerly known as DTE Arbor Gas Producers, Inc. is a Michigan company with offices located at 425 S. Main, Ann Arbor, Michigan 48104 is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- f. Davidson Gas Producers, LLC ("Davidson"), formerly Sampson Energy Producers, LLC, is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Davidson is a wholly owned subsidiary of DTE Biomass and is engaged in landfill 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 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.
- i. Enerdyne LTD, LLC is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Enerdyne LTD is 60% owned by DTE Biomass.
 - i. 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.
- j. 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.
- k. 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. This entity was dissolved November 8, 2010.
- l. 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.
- m. Iredell Transmission, LLC ("Iredell Trans") is a North Carolina company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Iredell is 100% owned by DTE Biomass and is engaged in landfill gas projects.
- n. Kiefer Landfill Generating II, LLC ("Kiefer") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Kiefer is a 10% owned subsidiary of DTE Biomass and is engaged in landfill projects.
- o. Middle Peninsula Gas Producers, LLC is a Virginia company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Middle Peninsula is a 75.5% owned subsidiary of DTE Biomass and is engaged in landfill gas projects. This entity was dissolved September 24, 2010.

- p. 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.
- q. 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.
- r. 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.
- s. 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.
- t. Pinnacle Gas Producers, L.L.C. ("Pinnacle") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Pinnacle is a wholly owned subsidiary of DTE Biomass and is engaged in a landfill gas-to-energy project.
- u. Potrero Hills Energy Producers, LLC ("Potrero"), is a Delaware company with offices at 425 S. Main, Ann Arbor, Michigan, 48104. Potrero is a wholly owned subsidiary of DTE Biomass and is engaged in landfill gas projects.
- v. 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.
- w. 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.
- x. 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.
- y. 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. This entity was dissolved November 8, 2010.
- z. 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.
- aa. Salt Lake Energy Systems, L.L.C. ("Salt Lake") is a Michigan company with offices at 425 S. Main, Ann Arbor, Michigan 48104. Salt Lake is a 50% owned subsidiary of DTE Biomass and is engaged in a landfill gas-to-energy project.

- bb. 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.
 - cc. 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.
 - dd. 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.
 - ee. 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.
2. DTE Coal Services, Inc. ("DTE Coal") is a Michigan corporation with offices at 414 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. DTE Carbon, LLC ("Carbon"), is a Delaware entity with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Carbon is a wholly owned subsidiary of DTE Coal and is engaged in the buying, selling or trading greenhouse gas related credits and other related instruments
 - b. 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.
 - c. DTE Peptec, Inc. ("DTE Peptec") is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. 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 414 S. Main, Ann Arbor, Michigan 48104. 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 414 S. Main, Ann Arbor, Michigan 48104. Peptec is a wholly owned subsidiary of DTE Peptec.
 - d. DTE Rail Holdings I, LLC ("Rail Holdings I"), formerly known as DTE Rail Services, Inc., and DTE CS Rail Services, Inc., is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Rail Holdings I is a wholly owned subsidiary of DTE Coal and is an inactive company.
 - e. DTE Rail Holdings II, LLC, ("Rail Holdings II"), formerly known as Cornhusker Railways, LLC, is a Michigan company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Rail Holdings II is a wholly owned subsidiary of DTE Coal Services, Inc. and is an inactive company.
 - f. Omni Coal Group, LLC ("Omni"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. Omni is owned 50% by DTE Coal and is engaged in the trade and marketing of coal.

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. Belle River Fuels Company, LLC ("Belle River") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Belle River is a wholly owned subsidiary of DTE ES and owns and operates a facility for the production of refined coal.
 - b. 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. This company was dissolved May 19, 2009.
 - c. 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.
 - d. DTE Calvert City, LLC ("DTE Calvert"), formerly DTE Snowflake, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Calvert is a wholly owned subsidiary of DTE ES and it is anticipated to be engaged in the operation of an onsite power facility in Kentucky.
 - e. 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. Burns Harbor Fuels Company, LLC ("Harbor Fuels"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Harbor Fuels is 51% owned by Coke Holdings and is engaged in owning and operating a coal-based steel industry fuel facility.
 - ii. Shenango Incorporated, ("Shenango") formerly known as Shenango Acquisition Corporation is a Pennsylvania corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Shenango is a wholly owned subsidiary of Coke Holdings and operates a coke battery facility. Shenango owns 1% of Neville Coke, LLC.
 - a) Neville Coke, LLC ("Neville") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Neville is owned 1% by Shenango. Neville is engaged in coke supply.
 - iii. Neville Island Fuels Company, LLC, ("Neville Island"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Neville Island is owned 49% by Coke Holdings. Neville Island is engaged in operating a facility for the production of steel industry fuel.
 - iv. Zug Islands Fuels Company, LLC ("Zug Island"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Zug Island is 49% owned by Coke Holdings and is engaged in owning and operating a facility for the production of steel industry fuel.
 - f. 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.
 - g. 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 and is engaged in the development and operation of a compressed air facility.

- h. 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.
- i. 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.
- j. 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.
- k. 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. ES Finance was dissolved January 24, 2011.
- l. 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.
- m. 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.
- n. 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. Hillman is engaged in Biomass energy projects.
 - 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.
- o. 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.
- p. 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. Energy & Industrial Utilities Company, LLC, ("EIUC") is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. EIUC is a wholly owned subsidiary of On-Site 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 and is engaged in the development and operation of a compressed air facility.

- 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 L.P., (“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 and is engaged in the development and operation of a compressed air facility.
- f) DTE Moraine, LLC, (“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, LLC, (“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 wholly owned by EIUC and is engaged in coke supply.

- n) 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.
- q. 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.
- r. DTE Pulp & Paper Holdings, LLC, ("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.
 - a) 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 MESC Cap and owns and operates the energy and recovery complex and related facilities located at the pulp and tissue mill in Mobile, Alabama.
 - 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 and is engaged in the operation of a black liquor recovery boiler.
- s. DTE REF Holdings, LLC ("DTE REF"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. It is a wholly owned subsidiary of DTE ES and is the managing member of Belle River Fuels Holdings, LLC. It owns 1% of Belle River Fuels Holdings, LLC.
 - i. Belle River Fuels Holdings, LLC, ("Belle River Fuels"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Belle River Fuels is owned 1% by DTE REF and 99% by DTE ES. Belle River Fuels owns and operates a facility for the production of refined coal.
 - ii. Belle River REF No. 2, LLC, ("Belle River REF 2"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. . It is a wholly owned subsidiary of DTE ES. Belle River REF 2 owns and operates a facility for the production of refined coal.
 - iii. St. Clair Fuels Company, LLC, ("St. Clair Fuels"), is a Delaware company with offices at 414 S. Main Street, Ann Arbor, Michigan 48104. St. Clair Fuels is owned 1% by DTE REF. St. Clair Fuels owns and operates a facility for the production of refined coal.
 - iv. St. Clair REF No. 1, LLC, ("St. Clair REF 1"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan, 48104. St. Clair REF 1 is a wholly owned subsidiary of DTE ES. St. Clair REF 1 owns and operates a facility for the production of refined coal.
 - v. St. Clair REF No. 3, LLC, ("St. Clair REF 3"), is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. St. Clair REF 3 is a wholly owned subsidiary of DTE ES. St. Clair REF 3 owns and operates a facility for the production of refined coal.
- t. DTE Stoneman, LLC, ("Stoneman") is a Wisconsin company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Stoneman is a wholly owned subsidiary of DTE ES and is engaged in biomass energy projects.

- u. DTE Utility Service 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.
- v. 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 and is engaged in biomass energy projects.
 - i. CH POSDEF, LLC (“POSDEF”), formerly known as CH POSDEF INC., is a Delaware company with offices at 700 Universe Boulevard, Juno Beach, Florida, 33408. POSDEF is a wholly owned subsidiary of Woodland. It owns 2% of POSDEF Power Company, LP, a California Limited Partnership and 2% of Acme POSDEF Partners, LP. POSDEF was dissolved November 29, 2010.
 - a) Acme POSDEF Partners, LP, (“Acme”), is a California company with offices at 2101 Webster Street, Suite 1550, Oakland, California, 94612. It is owned 2% by POSDEF and 98% by CH POSDEF LP, LLC and owns 98% of POSDEF Power Company, LP, a California Limited Partnership. Acme was dissolved December 3, 2010.
 - b) POSDEF Power Company, LP, a California Limited Partnership, (“POSDEF POWER”) is a California company owned 2% by POSDEF and 98% by Acme. POSDEF POWER was merged into DTE Stockton, LLC November 18, 2010 with DTE Stockton as the surviving entity.
 - ii. CH POSDEF LP, LLC, (“POSDEF LP”), formerly known as CH POSDEF INC., is a Delaware company with offices at 700 Universe Boulevard, Juno Beach, Florida, 33408. POSDEF is a wholly owned subsidiary of Woodland. It owns 98% of Acme. POSDEF LP was dissolved on November 29, 2010.
 - iii. DTE Mt. Poso, LLC, (“Mt. Poso”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Mt. Poso is a wholly owned subsidiary of Woodland and operates the Mt. Poso facility. Mt. Poso owns 66.6% of Mt. Poso Cogeneration Company, LLC
 - a) Mt. Poso Cogeneration Company, LLC, (“Mt. Poso Cogen”) is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Mt. Poso Cogen is owned 66.6 % by Mt. Poso. Mt. Poso Cogen owns and operates the facility and oil field.
 - ii. DTE Stockton, LLC, (“Stockton”), formerly known as EIUC Holdings, LLC, is a Delaware company with offices at 414 S. Main, Ann Arbor, Michigan 48104. Stockton is a wholly owned subsidiary of Woodland and is engaged in biomass energy projects.
 - iii. Woodland Biomass Power Ltd. is a Delaware Limited Partnership company in which Woodland is the General Partner, with offices at 414 S. Main, Ann Arbor, Michigan 48104. This company is a wholly owned subsidiary of Woodland.
- 2. 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.
 - a. DTE Energy Supply, Inc. (“Energy Supply”), formerly known as DTE Edison America, Inc. is a Michigan Corporation with offices at 414 S. Main, Ann Arbor, Michigan 48104. Energy Supply

is a wholly owned subsidiary of DTE Energy Trading and is engaged in providing retail energy services.

3. DTE Generation, Inc. ("DTE Generation") is a Michigan corporation with offices at 414 S. Main, Ann Arbor, Michigan, 48104. 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 414 S. Main, Ann Arbor, Michigan, 48104. 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 One Energy Plaza, 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 One Energy Plaza, 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 One Energy Plaza, 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 One Energy Plaza, 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 One Energy Plaza, Detroit, Michigan 48226-1279. Solar is a wholly owned subsidiary of DTE Ventures. Solar is engaged in solar photovoltaic leasing.
- G. DTE Enterprises, Inc. ("DTEE") is a Michigan corporation with offices at One Energy Plaza, 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 One Energy Plaza, Detroit, Michigan 48226-1279, is the holding company for Michigan Consolidated Gas Company ("MichCon"), a Michigan corporation, and MichCon Fuel Services Company.
 - a. MichCon Enterprises, Inc., ("Enterprises"), a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. (A non-regulated affiliate) was formed to engage in non-regulated activities. It is a wholly owned subsidiary of MichCon Holdings, Inc. Enterprises was dissolved on February 25, 2010.
 - b. MichCon Fuel Services Company is a Michigan corporation with offices at One Energy Plaza, 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. It owns 33.3% of UtiliPro Services, LLC.

- i. UtiliPro Services, LLC, (“UtiliPro”), is a Delaware company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is owned 33.3% by MichCon Fuel Services Company and is engaged in home service contracts.
- c. Michigan Consolidated Gas Company, (“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 One Energy Plaza, 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. (“Blue Lake”), is a Michigan corporation with offices at One Energy Plaza, 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.
 - a) Blue Lake Gas Storage Company, (“Blue Lake Gas”), 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, (“MichCon Development”), is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. MichCon Development is a wholly owned subsidiary of MichCon and is engaged in real estate development through partnerships.
 - iii. MichCon Pipeline Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. MichCon Pipeline Company is wholly owned by MichCon. Through the subsidiaries below, it is engaged in pipeline and gathering projects in Michigan.
 - a) MichCon Gathering Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It owns and operates the Antrim Expansion Pipeline. It is wholly owned by MichCon Pipeline Company.
 - b) MichCon Lateral Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It owns and operates a 210 mile pipeline and 325 miles of gathering lines in northern Michigan. It is wholly owned by MichCon Pipeline Company and owns 50% of Hayes Otsego Pipeline, LLC.
 - i. Hayes Otsego Pipeline, LLC, (“Hayes Otsego”), is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is engaged in pipeline and gathering projects.
 - c) Saginaw Bay Pipeline Company is a Michigan corporation with offices at One Energy Plaza, 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. It is wholly owned by MichCon Pipeline Company.
- 3. MCN Energy Enterprises, LLC. (“MCNEE”), formerly MCN Energy Enterprises, Inc. and 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. DTE Gas Resources, LLC (“DTE Gas Resources”), formerly DTE Gas Resources, Inc and DTE Exploration & Development, Inc. is a Michigan company with offices at One Energy Plaza, 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, LLC is a Texas company with offices at One Energy Plaza, Detroit, Michigan 48226. Coleman is a wholly owned subsidiary of DTE Gas Resources.
- b. DTE Gas Storage Company, formerly MCNIC Gas Storage Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It engages in the storage of natural gas and is wholly owned by MCNEE.
 - i. Shelby Storage, L.L.C. is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is used to procure storage, mineral and load rights for a storage field. Shelby Storage, L.L.C. is wholly owned by DTE Gas Storage Company
 - ii. South Romeo Gas Storage Company, L.L.C. (“South Romeo”) is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is owned 50% by DTE Gas Storage Company. South Romeo holds a 33.3% interest in South Romeo Gas Storage Corporation.
 - a) South Romeo Gas Storage Corporation is a Michigan corporation which was formed to facilitate the development of the Washington 28 storage field. It is owned 33.3% by South Romeo Gas Storage Company, L.L.C. and 33.3% by DTE Gas Storage Company.
 - iii. Washington 10 Gas Holdings, Inc. is a Delaware corporation with offices at One Energy Plaza, Detroit, Michigan 48226. It is a wholly owned subsidiary of DTE Gas Storage Company.
 - a) Washington 10 Storage Corporation is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by Washington 10 Gas Holdings, Inc.
 - iv. Washington 10 Storage Partnership is a Michigan partnership with offices at One Energy Plaza, Detroit, Michigan 48226-1279. The partnership is owned 50% by DTE Gas Storage Company and 50% by W-10 Holdings, Inc. The purpose of the partnership is to lease and operate the Washington 10 natural gas storage facility.
 - v. W-10 Holdings, Inc., is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Gas Storage Company and holds a 50% interest in Washington 10 Storage Partnership, a partnership that developed and operates the Washington 10 natural gas storage facility in southeastern Michigan.
- c. DTE Pipeline Company, formerly, DTE Gas Storage, Pipelines and Processing Company, and MCNIC Pipeline & Processing Company, is a Michigan corporation with offices at One Energy Plaza, 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 was a Michigan general partnership with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It previously owned and operated a CO2 removal facility. DTE Pipeline Company owned a 47% general partnership interest in Bagley Processing Company. Bagley was dissolved December 18, 2009.

- ii. Bluestone Pipeline Company of Pennsylvania, LLC, ("Bluestone Pipeline"), is a Pennsylvania company with offices at One Energy Plaza, Detroit, Michigan 48226. It is a wholly owned subsidiary of DTE Pipeline Company and it is anticipated to be engaged in natural gas gathering services. It owns 100% of Bluestone Gas Corporation of New York, Inc.
 - a) Bluestone Gas Corporation of New York, Inc. is a New York corporation with offices at One Energy Plaza, Detroit, Michigan 48226. It is a wholly owned subsidiary of Bluestone Pipeline and it is anticipated to be engaged in natural gas gathering services.
- iii. Dawn Gateway Pipeline, LLC is a Delaware company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is owned 50% by DTE Pipeline Company and it is anticipated to be engaged in the operation of a natural gas pipeline.
- iv. DTE Dawn Gateway Canada Inc. is a Canadian corporation with offices at 44 Chipman Hill, Suite 1000, Saint John, New Brunswick, E2L 2A9. DTE Dawn Gateway Canada Inc. is a wholly owned subsidiary of DTE Pipeline Company. DTE Dawn Gateway Canada Inc. owns 50% of Dawn Gateway Pipeline General Partner, Inc.
 - a) Dawn Gateway Pipeline General Partner Inc. is a Canadian corporation with offices at 50 Kell Drive North, Chatham, Ontario, N7M 5M1. Dawn Gateway Pipeline General Partner Inc. is owned 50% by DTE Dawn Gateway Canada Inc. Dawn Gateway Pipeline General Partner Inc. owns .01% of Dawn Gateway Pipeline Limited Partnership.
- v. DTE Millennium Company, formerly MCNIC Millennium Company, is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Pipeline Company. It owns a 26.25% interest in Millennium Pipeline Company, L.L.C.
 - a) Millennium Pipeline Company, L.L.C. is a Delaware company with offices at One Blue Hill Plaza, 7th Floor, P.O. Box 1565, Pearl River, New York 10965. It owns and operates the Millennium Pipeline system. DTE Millennium Company owns 26.25% of Millennium Pipeline Company, L.L.C.
- vi. DTE Vector Canada, Inc. formerly MCNIC Vector Canada, Inc. is a New Brunswick corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Pipeline 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. It also holds a 49.995% partnership interest in Dawn Gateway Pipeline Limited Partnership.
 - a) Vector Pipeline Limited Partnership is an Alberta Canada limited partnership with offices at 38750 Seven Mile Road, Suite 490, Livonia, Michigan 48152. DTE Vector Canada, Inc. owns 39.6% of Vector Pipeline Limited Partnership.
 - b) Dawn Gateway Pipeline Limited Partnership is a Canadian corporation with offices at 50 Kell Drive North, Chatham, Ontario, N7M 5M1. Dawn Gateway Pipeline Limited Partnership is owned 49.995% by DTE Vector Canada, Inc. and .01% by Dawn Gateway Pipeline General Partner Inc.
- vi. DTE Vector Canada II, Inc., formerly MCNIC Vector Canada II, Inc. is a New Brunswick corporation. It is wholly owned by DTE Pipeline 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.

- a) 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.
- vii. DTE Vector Company, formerly MCNIC Vector Company, is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Pipeline 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.
 - a) 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.
- viii. DTE Vector II Company, formerly MCNIC Vector II Company is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It is wholly owned by DTE Pipeline 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.
 - a) Vector Pipeline LLC, is a Delaware 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.
- d. DTE Oil & Gas Group, Inc. is a Michigan corporation with offices at One Energy Plaza, 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 One Energy Plaza, Detroit, Michigan 48226-1279.
 - a) Otsego EOR, LLC is a Michigan company with offices at One Energy Plaza, 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 One Energy Plaza, 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 One Energy Plaza, Detroit, Michigan 48226-1279.
 - iv. Otsego Exploration Company, L.L.C., a wholly owned subsidiary of DTE Oil & Gas Group, Inc., is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279.
- e. MCN International Corporation is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. It was formed as a holding company for DTEE's international subsidiaries and is wholly owned by MCNEE.
 - i. MCNIC International Holdings of Grand Cayman, Cayman Islands is wholly owned by MCN International Corporation and is an inactive company

- ii. MCNIC UAE Limited of Grand Cayman, Cayman Island is wholly owned by MCN International Corporation and was formed to hold a 39% interest in a 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. Syndeco Realty Corporation ("Syndeco") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Syndeco is a wholly owned subsidiary of DTE. Syndeco is engaged in real estate projects.
 - 1. Syndeco Meadowbrook, LLC ("Meadowbrook") is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Syndeco holds 50% of this entity, which owns property in Novi for future development.
 - 2. Syndeco Plaza L.L.C. ("Syndeco Plaza") is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Syndeco Plaza is a wholly owned subsidiary of Syndeco and is engaged real estate projects.
 - 3. Syndeco Plaza Unit Acquisition LLC ("Plaza Unit") is a Michigan company with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Syndeco holds 100% of this entity.
- I. 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 One Energy Plaza, Detroit, Michigan 48226-1279.
 - 1. Detroit Edison Trust I ("DET I") is a Delaware statutory trust with offices at One Energy Plaza, 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 One Energy Plaza, 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 One Energy Plaza, 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 One Energy Plaza, 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. It owns 50% of Venture Fuels.
 - a. Venture Fuels is a Colorado partnership formed for the purpose of marketing coal in the Great Lakes Region and is 50% owned by MERC.
 - 5. St. Clair Energy Corporation ("St. Clair") is a Michigan corporation with offices at One Energy Plaza, 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 One Energy Plaza, 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 One Energy Plaza, Detroit, Michigan 48226-1279. EIC is a wholly owned subsidiary of Detroit Edison and holds real estate.

- J. Wolverine Energy Services, Inc. ("Wolverine") is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. Wolverine is a wholly owned subsidiary of the Company and is a holding company.
1. DTE Energy Solutions, Inc. ("Solutions") is a Michigan corporation with offices at One Energy Plaza, 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 Engineering Services, Inc., ("DTE Engineering Services"), formerly UTS Systems, Inc., is a Michigan corporation with offices at One Energy Plaza, Detroit, Michigan 48226-1279. DTE Engineering Services is a wholly owned subsidiary of Solutions. DTE Engineering Services is engaged in professional engineering services.
 2. DTE Energy Technologies, Inc. ("Technologies") is a Michigan corporation with offices at One Energy Plaza, 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.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
CORPORATIONS CONTROLLED BY RESPONDENT					
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					
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:	100%	(1)		
	- MichCon Gathering Company	100%			
	- MichCon Lateral Company (holds 50% of Hayes Otsego Pipeline, L	100%			
	- Saginaw Bay Pipeline Company	100%			
(1) See pages 102a - 102p for additional information.					

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. Executive Chairman, DTE Energy	\$ 1,219,692	\$ 6,540,246	\$ 7,759,938
2	Gerard M. Anderson President and Chief Executive Officer, DTE Energy	\$ 901,538	\$ 3,847,952	\$ 4,749,490
3	Steven E. Kurmas Group President, DTE Energy	\$ 482,500	\$ 1,493,095	\$ 1,975,595
4	Bruce D. Peterson Senior Vice President and General Counsel, DTE Energy	\$ 468,961	\$ 1,084,799	\$ 1,553,760
5	David E. Meador Executive Vice President and Chief Financial Officer, DTE Energy	\$ 559,615	\$ 1,697,429	\$ 2,257,044
6	Gerardo Norcia Group President, DTE Energy	\$ 408,846	\$ 991,509	\$ 1,400,355
7	⁽¹⁾ Includes bonuses and matching contributions to savings plans.			
8	⁽²⁾ Includes compensation for services provided to DTE Energy Company and subsidiary companies, including Michigan Consolidated Gas Company.			
9				
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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	One Energy Plaza Detroit, MI 48226-1279	0	0
Lisa A. Muschong Director Corporate Secretary	One Energy Plaza Detroit, MI 48226-1279	0	0
David E. Meador Director Executive Vice President and Chief Financial Officer	One Energy Plaza Detroit, MI 48226-1279	0	0
Bruce D. Peterson Director	One Energy Plaza Detroit, MI 48226-1279	0	0

(1) MichCon Board of Directors held no scheduled meetings during 2010. As permitted by law, the Board acted on numerous matters by written consent.

SECURITY HOLDERS AND VOTING POWERS

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.
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.
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.
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 pro rata basis.

1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:

Not Applicable

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

Not Applicable

3. Give the date and place of such meeting:

MichCon Board of Directors held no scheduled meetings during 2010. As permitted by law, the Board acted on numerous matters by written consent.

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL			DECEMBER 31, 2010		
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	-	
5	TOTAL number of security holders	1	1	-	
6	TOTAL votes of security holders listed below	10,300,000	10,300,000	-	
7					
8	MichCon Holdings, Inc.				
9	One Energy Plaza				
10	Detroit, MI 48226-1279	10,300,000	10,300,000	-	
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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. See 2009 Gas Rate Case filing

12. Important Changes

See Notes to Financial Statements starting on page 123.1.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31,2010	
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	\$3,509,884,744	3,554,781,624	
3	Construction Work in Progress (107)	200-201	65,207,258	86,570,635	
4	TOTAL Utility Plant (Enter Total of lines 2 & 3)		3,575,092,002	3,641,352,259	
5	(Less) Accum. Prov. for Depr. Amort., Depl. (108,111,115,119)	200-201	1,834,493,261	1,845,266,361	
6	Net Utility Plant (Enter Total of line 4 less 5)		1,740,598,741	1,796,085,898	
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)		1,740,598,741	1,796,085,898	
11	Utility Plant Adjustments (116)	122-123	—	—	
12	Gas Stored Underground-Noncurrent (117)	220	32,418,515	32,418,445	
13	OTHER PROPERTY AND INVESTMENTS				
14	Nonutility Property (121)	221	2,541,585	2,541,585	
15	(Less) Accum. Prov. for Depr.and Amort.(122)	221	608,966	670,317	
16	Investments in Associated Companies (123)	222-223	—	—	
17	Investment in Subsidiary Companies (123.1)	224-225	58,556,677	24,701,738	
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	1,814,217	1,794,178	
21	Special Funds (125-128)	—	37,456,954	13,015,393	
22	TOTAL Other Property and Investments (Enter Total of lines 14 thru 21)		99,760,467	41,382,577	
23	CURRENT AND ACCRUED ASSETS				
24	Cash (131)	—	1,531,529	224,660	
25	Special Deposits (132-134)	—	—	—	
26	Working Funds (135)	—	—	—	
27	Temporary Cash Investments (136)	222-223	—	—	
28	Notes Receivable (141)	228A	729,503	896,778	
29	Customer Accounts Receivable (142)	228A	335,682,213	263,249,253	
30	Other Accounts Receivable (143)	228A	96,915,661	55,172,365	
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	228A	130,987,057	89,482,853	
32	Notes Receivable from Associated Companies (145)	228B	45,189	1,001,808	
33	Accounts Receivable from Assoc. Companies (146)	228B	28,752,048	1,701,191	
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	13,477,605	13,104,425	
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 31,2010	December 31,2010
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	2,812,893	3,417,757
44	Gas Stored Underground - Current (164.1)	220	43,542,050	43,096,373
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	220	—	—
46	Prepayments (165)	226,230	11,413,798	11,137,098
47	Advances for Gas (166-167)	229	—	—
48	Interest and Dividends Receivable (171)	—	—	—
49	Rents Receivable (172)	—	1,885,867	2,078,041
50	Accrued Utility Revenues (173)	—	169,455,404	155,259,794
51	Miscellaneous Current and Accrued Assets (174)	—	162,102,872	147,524,090
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 51)		737,359,575	608,380,780
53	DEFERRED DEBITS			
54	Unamortized Debt Expense (181)	—	5,541,944	4,940,443
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)	—	—	—
61	Temporary Facilities (185)	—	—	—
62	Miscellaneous Deferred Debits (186)	233	1,061,163,885	1,001,876,667
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)	—	31,655,289	29,804,856
66	Accumulated Deferred Income Taxes (190)	234-235	373,077,296	354,580,034
67	Unrecovered Purchased Gas Costs (191)	—	—	—
68	TOTAL Deferred Debits (Enter Total of lines 54 thru 67)		1,471,438,414	1,391,202,000
69	TOTAL Assets and Other Debits (Enter Total of lines 10, 11, 12, 22 ,52, and 68)		\$4,081,575,712	\$3,869,469,700

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	499,261,077	524,105,666
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	435,539,250	475,491,979
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	5,269,779	3,470,250
13	(Less) Reacquired Capital Stock (217)	250-251	—	—
14	Accumulated Other Comprehensive Income (219)	122(a)(b)	(3,436,881)	(2,370,208)
15	TOTAL Proprietary Capital (Enter Total of lines 2 thru 14)		946,933,225	1,010,997,687
16	LONG-TERM DEBT			
17	Bonds (221)	256-257	890,000,000	890,000,000
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	—	—
22	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	258-259	1,027,495	936,154
23	TOTAL Long-Term Debt (Enter Total of lines 17 thru 22)		888,972,505	889,063,846
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)	—	14,714,818	13,325,762
28	Accumulated Provision for Pensions and Benefits (228.3)	—	252,524,419	232,875,790
29	Accumulated Miscellaneous Operating Provisions (228.4)	—	547,824	307,163
30	Asset Retirement Obligations (230)	—	110,209,691	113,393,193
31	TOTAL Other Noncurrent Liabilities (Enter Total of lines 25 thru 30)		377,996,752	359,901,908
32	CURRENT AND ACCRUED LIABILITIES			
33	Notes Payable (231)	260A	327,423,472	149,990,575
34	Accounts Payable (232)	—	179,656,928	157,420,111
35	Notes Payables to Associated Companies (233)	260B	154,318,251	144,089,703
36	Accounts Payable to Associated Companies (234)	260B	40,091,549	24,330,876
37	Customer Deposits (235)	—	15,690,728	16,509,936
38	Taxes Accrued (236)	262-263	(8,723,724)	(3,711,380)
39	Interest Accrued (237)	—	11,736,280	13,971,786
40	Dividends Declared (238)	—	—	—
41	Matured Long-Term Debt (239)	—	—	—

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)	---	(322,874)	1,857,711
44	Miscellaneous Current and Accrued Liabilities (242)	268	64,707,660	78,874,474
45	Obligations Under Capital Leases-Current (243)	---	---	---
46	Federal Income Taxes Accrued for Prior Years (244)	---	---	---
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)		784,578,270	583,333,792
51	DEFERRED CREDITS			
52	Customer Advances for Construction (252)	268	---	---
53	Accumulated Deferred Investment Tax Credits (255)	266-267	9,634,547	8,642,444
54	Deferred Gains from Disposition of Utility Plant (256)	---	---	---
55	Other Deferred Credits (253)	269	219,604,309	155,029,692
56	Other Regulatory Liabilities	278	90,449,186	90,661,285
57	Unamortized Gain on Reacquired Debt (257)	260	---	---
58	Accumulated Deferred Income Taxes (281-284)	272-277	763,406,918	771,839,046
59	TOTAL Deferred Credits (Enter Total of lines 52 thru 58)		1,083,094,960	1,026,172,467
60	Total Liabilities and Other Credits (Enter Total of lines 15, 23, 31, 50, and 59)		\$4,081,575,712	\$3,869,469,700

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	1,615,936,361	\$1,747,409,101
3	Operating Expenses			
4	Operation Expenses (401)	320-325	1,226,191,394	1,424,746,186
5	Maintenance Expenses (402)	320-325	32,287,662	29,341,827
6	Depreciation Expense (403)	336-338	78,192,720	93,191,170
7	Amort. & Depl. of Utility Plant (404-405)	336-338	7,235,721	6,520,383
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)	-	2,828,988	2,828,988
12	(Less) Regulatory Credits (407.4)	-	-	-
13	Taxes Other Than Income Taxes (408.1)	262-263E	53,088,278	46,854,906
14	Income Taxes - Federal (409.1)	262-263E	35,405,768	(40,871,557)
15	- Other (409.1)	262-263E	3,154,924	2,519,317
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	176,166,843	103,615,496
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-277	160,124,563	42,819,013
18	Investment Tax Credit Adj. - Net (411.4)	266	(992,103)	(1,652,662)
19	(Less) Gains from Disp. of Utility Plant (411.6)		-	-
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)		3,018,098	3,042,107
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		1,456,453,730	1,627,317,148
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		159,482,631	\$120,091,953

STATEMENT OF INCOME FOR THE YEAR (Continued)

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.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.
8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.
10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
		\$1,615,936,361	\$1,747,409,101			2
						3
		1,226,191,394	1,424,746,186			4
		32,287,662	29,341,827			5
		78,192,720	93,191,170			6
		7,235,721	6,520,383			7
		-	-			8
		-	-			9
		-	-			10
		2,828,988	2,828,988			11
		-	-			12
		53,088,278	46,854,906			13
		35,405,768	(40,871,557)			14
		3,154,924	2,519,317			15
		176,166,843	103,615,496			16
		160,124,563	42,819,013			17
		(992,103)	(1,652,662)			18
		-	-			19
		-	-			20
		-	-			21
		3,018,098	3,042,107			22
						23
		1,456,453,730	1,627,317,148			24
		\$159,482,631	\$120,091,953			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010	
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL Current Year (c)	TOTAL Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)	-	\$159,482,631	\$120,091,953
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)		2,497,952	2,555,880
30	(Less) Costs and Exp. of Merchandising, Jobbing & Contract Work (416)		2,241,564	2,545,479
31	Revenues From Nonutility Operations (417)		39,173	(68,997)
32	(Less) Expenses of Nonutility Operations (417.1)		384	5,391
33	Nonoperating Rental Income (418)		-	-
34	Equity in Earnings of Subsidiary Companies (418.1)	119	7,800,471	26,387,481
35	Interest and Dividend Income (419)		8,749,524	7,925,470
36	Allowance for Other Funds Used During Construction (419.1)		297,467	1,173,647
37	Miscellaneous Nonoperating Income (421)		(17,743)	207,679
38	Gain on Disposition of Property (421.1)		(69)	9,351,295
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		17,124,827	44,981,585
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)		-	-
42	Miscellaneous Amortization (425)	340	-	-
43	Miscellaneous Income Deductions (426.1-426.5)	340	3,439,731	3,113,523
44	TOTAL Other Income Deductions (Enter Total of lines 41 thru 43)		3,439,731	3,113,523
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263E	30,000	519,376
47	Income Taxes-Federal (409.2)	262-263E	(602,218)	1,925,549
48	Income Taxes-Other (409.2)	262-263E	15,181	360,518
49	Provision for Deferred Inc. Taxes (410.2)	234,272-277	-	-
50	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234,272-277	583,270	-
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)		(1,140,307)	2,805,443
54	Net Other Income and Deductions (Enter Total of lines 39, 44, 53)		14,825,403	39,062,619
55	INTEREST CHARGES			
56	Interest on Long-Term Debt (427)		54,354,238	54,354,238
57	Amort. of Debt Disc. and Expense (428)	258-259	692,842	695,559
58	Amortization of Loss on Reacquired Debt (428.1)		1,850,433	1,661,836
59	(Less) Amort. of Premium on Debt-Credit (429)	258-259	-	-
60	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		-	-
61	Interest on Debt to Assoc. Companies (430)	340	529,625	2,427,577
62	Other Interest Expense (431)	340	8,919,654	9,436,258
63	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		191,958	631,214
64	Net Interest Charges (Enter Total of 56 thru 63)		66,154,834	67,944,254
65	Income Before Extraordinary Items (Enter Total of lines 25, 54, and 64)		108,153,200	91,210,318
66	EXTRAORDINARY ITEMS			
67	Extraordinary Income (434)		-	-
68	(Less) Extraordinary Deductions (435)		-	-
69	Net Extraordinary Items (Enter Total of line 67 less line 68)		-	-
70	Income Taxes-Federal and Other (409.3)	262-263E	-	-
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)		-	-
72	Net Income (Enter Total of lines 65 and 71)		\$108,153,200	\$91,210,318

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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		\$32,872,237
5	Account 281		
6	Account 282		92,070,885
7	Account 283		51,223,721
8	Account 284		
9	Account 244		
10	Total Account 410.1 (on pages 114-15 line 16)		\$176,166,843
11	Total Account 410.2 (on pages 117 line 49)		
12			
13			
14	Credits to Account 411 from:		
15			
16	Account 190		\$20,769,609
17	Account 281		
18	Account 282		7,086,997
19	Account 283		132,267,957
20	Account 284		
21	Reconciling Adjustments A/C 186-96		
22	Total Account 411.1 (on pages 114-15 line 17)		\$160,124,563
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		(992,103)
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*		(\$992,103)
35	Net Reconciling Adjustments Account 411.5**		
36	Net Reconciling Adjustments Account 420***		
* on pages 114-15 line 18 ** on page 117 line 51 *** on page 117 line 52			

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2010
 RECONCILIATION OF DEFERRED INCOME TAX EXPENSE

ISD	Total Utility	Other Income	Total Company	Line No.
				1
				2
				3
	\$32,872,237		\$32,872,237	4
	0		0	5
	92,070,885		92,070,885	6
	51,223,721		51,223,721	7
	0		0	8
	0		0	9
\$0	\$176,166,843			10
		\$0		11
				12
				13
				14
				15
	\$20,769,609		\$20,769,609	16
	0		0	17
	7,086,997		7,086,997	18
	132,267,957		132,267,957	19
	0		0	20
	0		0	21
\$0	\$160,124,563			22
		\$583,270		23
				24
				25
				26
				27
\$0	\$0		\$0	28
	(992,103)		(992,103)	29
	0		0	30
	0		0	31
	0		0	32
	0		0	33
\$0	(\$992,103)			34
				35
		\$0		36

STATEMENT OF RETAINED EARNINGS FOR THE YEAR

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

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		435,539,250
2	Changes (Identify by prescribed retained earnings accounts)		-
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		
5	Credit: Miscellaneous Adjustment		-
6	Credit:		
7	Credit:		
8	TOTAL Credits to Retained Earnings (Account 439)		-
9	FAS 158 Pension Adjustments		-
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (Account 439)		-
14	Balance Transferred from Income (Account 433 less Account 418.1)		100,352,729
15	Appropriations of Retained Earnings (Account 436)		
16			
17			
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		-
22	Dividends Declared - Preferred Stock (Account 437)		
23	Redeemable Cumulative Preferred Stock - \$2.05 - Series		-
24			
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		-

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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)		70,000,000
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)		70,000,000
36	Transfers from Acct. 216.1, Unappropriated Undistrib. Subsidiary Earnings		9,600,000
37	Balance - End of Year (Enter Total of lines 1 thru 36)		\$475,491,979
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)		-
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)		-
45	TOTAL Appropriated Retained Earnings (Accounts 215,215.1)		-
46	TOTAL Retained Earnings (Account 215,215.1,216)		-
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
47	Balance - Beginning of Year (Debit or Credit)		5,269,779
48	Equity in Earnings for Year (Credit) (Account 418.1)		7,800,471
49	(Less) Dividends Received (Debit)		9,600,000
50	Other Changes (Explain)		-
51	Balance - End of Year (Enter Total of lines 47 thru 50)		3,470,250

STATEMENT OF CASH FLOWS

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.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

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)	\$108,153,200
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	96,611,256
5	Amortization of Cost to Achieve	2,828,988
6		
7		
8	Deferred Income Taxes (Net)	15,459,010
9	Investment Tax Credit Adjustment (Net)	(992,103)
10	Net (Increase) Decrease in Receivables	70,267,655
11	Net (Increase) Decrease in Inventory	445,677
12	Net (Increase) Decrease in Allowances Inventory	
13	Net Increase (Decrease) in Payables and Accrued Expenses	87,446,362
14	Net (Increase) Decrease in Other Regulatory Assets	0
15	Net Increase (Decrease) in Other Regulatory Liabilities	4,507,839
16	(Less) Allowance for Other Funds Used During Construction	297,467
17	(Less) Undistributed Earnings from Subsidiary Companies	(33,699,529)
18	Other Investments	0
19	Other Current and Deferred Assets and Liabilities	(77,240,013)
20	Loss/(Gain) of the Disposition of Property and Subsidiary Investments	(24,000)
21	Debt Expense Amortization	2,543,275
22	Other Operating	3,064,290
23	Net Cash Provided by (Used in) Operating Activities:	
24	(Total of lines 2 thru 22)	\$346,473,498
25		
26	Cash Flows from Investment Activities:	
27	Construction and Acquisition of Plant (including land):	
28	Gross Additions to Utility Plant (less nuclear fuel)	(130,520,089)
29	Gross Additions to Nuclear Fuel	
30	Gross Additions to Common Utility Plant	
31	Gross Additions to Nonutility Plant	0
32	(Less) Allowance for Other Funds Used During Construction	(297,467)
33	Other:	
34	Net Property Retirements	0
35	Removal Cost	(15,200,349)
36	Cash Outflows for Plant (Total of lines 28 thru 36)	(145,422,971)
37		
38	Acquisition of Other Noncurrent Assets (d)	
39	Proceeds from Disposal of Noncurrent Assets (d)	9,369,071
40		
41	Investment in & Advances to Assoc. and Subsidiary Companies	0
42	Contributions & Advances from Assoc. and Subsidiary Companies	
43	Disposition of Investments in (and Advances to)	25,000,000
44	Associated and Subsidiary Companies	0
45		
46	Purchase of Investment Securities (a)	
47	Proceeds from Sales of Investment Securities (a)	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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)	
48	Loans Made or Purchased		
49	Collections on Loans		
50			
51	Net (Increase) Decrease in Receivables		(167,275)
52	Net (Increase) Decrease in Inventory		
53	Net (Increase) Decrease in Allowances Held for Speculation		
54	Net Increase (Decrease) in Payables and Accrued Expenses		(
55	Other:		
56	Other		
57			
58			
59			
60	Net Cash Provided by (Used in) Investing Activities		
61	(Total of lines 36 thru 55)		(111,221,175
62			
63	Cash Flows from Financing Activities:		
64	Proceeds from Issuance of:		
65	Long-Term Debt (b)		(
66	Preferred Stock		
67	Common Stock		
68	Other:		
69	Other		
70	Net Increase in Short-Term Debt (c)		(191,559,192
71	Other:		
72	Capital Contribution by Parent Company		25,000,000
73			
74	Cash Provided by Outside Sources (Total of lines 66 thru 73)		(166,559,192
75			
76	Payments for Retirement of:		
77	Long-Term Debt (b)		(
78	Preferred Stock		
79	Common Stock		
80	Other:		
81	Other		(
82	Net Decrease in Short-Term Debt (c)		
83	Dividends on Preferred Stock		
84	Dividends on Common Stock		(70,000,000
85	Net Cash Provided by (Used in) Financing Activities		
86	(Total of lines 75 thru 85)		(236,559,192
87			
88	Net Increase (Decrease) in Cash and Cash Equivalents		
89	(Total of lines 24, 61, 86)		(\$1,306,869
90			
91	Cash and Cash Equivalents at Beginning of Year		1,531,529
92			
93	Cash and Cash Equivalents at End of Year		224,660

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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		(973,174)	(2,247,824)			
2			(1,275,000)			
3		85,943	85,943			
4		85,943	(1,189,057)	91,210,318	90,021,261	
5		(887,231)	(3,436,881)			
6			977,149			
7		89,524	89,524			
8		89,524	1,066,673	108,153,200	109,219,873	
9		(797,707)	(2,370,208)			
	*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.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
NOTES TO FINANCIAL STATEMENTS (Continued)			
Item 6			
A. Cash Flow Statement			
Cash And Cash Equivalents (Lines 91 and 93)			
	2010	2009	
Cash (131)	\$224,660	\$1,531,529	
Working Funds (135)	-	-	
Temporary Cash Investments (136)	-	-	
Total Cash and Cash Equivalents	\$224,660	\$1,531,529	
Interest Paid (Net of amount capitalized)	\$61,568,011	\$68,616,538	
Income Taxes Paid (received)	(69,682)	(\$7,756,881)	
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 (GAAP). The principal differences of this basis of accounting from GAAP include: accounting for majority-owned subsidiaries on the equity basis, the classification of certain deferred income taxes and related regulatory assets and liabilities, the exclusion of current maturities of long-term debt from current liabilities, the classification of non-legal removal costs, accounting for the Performance Excellence Process Costs to Achieve until June 2010*, and financial statement presentation of Deferred Environmental Remediation Costs.			
The "Notes to the Consolidated Financial Statements" from MichCon's 2010 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 123.3 through 123.29.			
The consolidation policy discussed in Note 1, Basis of Presentation, on page 123.3 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.			
As of January 1, 2007, MichCon adopted ASC 740 Accounting for Uncertainty in Income Taxes-an Interpretation of FASB Statement No. 109, (FIN 48). The MPSC has not adopted ASC 740, therefore, the ASC 740 liabilities are classified in MPSC account 283, Accumulated Deferred Income Taxes-Other. As of December 31, 2009, MichCon had approximately \$12 million of ASC 740 liabilities for GAAP purposes. As of December 31, 2010, MichCon had approximately \$2 million of ASC 740 liabilities for GAAP purposes. The ASC 740 liabilities were classified in MPSC account 283, Accumulated Deferred Income Taxes-Other. Therefore, there were no ASC 740 liabilities separately reported for Form P-522 purposes.			

NOTES TO FINANCIAL STATEMENTS (Continued)

Accounting for the Performance Excellence Process (PEP) / Cost to Achieve (CTA)

In September 2006, the MPSC approved the settlement of Case No. U-14907, MichCon's Performance Excellence Process (PEP) accounting case. Per the order, for MPSC Form P-522 reporting purposes, incremental costs to achieve (CTA) the PEP savings during 2006-08 were deferred in the period they were expensed. The non-pension component was recorded as a Regulatory Asset with ten year amortization of each annual layer beginning the subsequent year, and the pension component was recorded as a reduction to the Negative Pension Liability.

For the annual financial statements provided to the SEC (GAAP), these costs were not deferred until the order in MichCon's general rate case U-15985 was issued in June 2010 approving rate recovery of the CTA regulatory asset. At June 30, 2010, for GAAP reporting purposes, MichCon deferred and recognized in income \$32 million (\$20 million after-tax) of previously expensed CTA. Per order in case U-14907, the non-pension component was recorded as a Regulatory Asset net of accumulated amortization through May 2010, and the pension component was recorded as a reduction to the Negative Pension Liability.

The accounts impacted by CTA for reporting periods 2009 and 2010 are shown below, as recorded in the MPSC Form P-522 and GAAP statements. As a result of the CTA entries recorded on the GAAP books during 2010, there will no longer be a difference in basis of accounting between GAAP and the MPSC Form P-522 with respect to PEP accounting.

			MPSC Form P-522 (1)		GAAP (2)	
<u>Income Statement</u>						
<u>Acct</u>		<u>Description</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
Cr. 930.2		CTA Deferral	(128,189)	-	-	(32,336,563)
Dr. 407.3		CTA Amortization	<u>2,828,988</u>	<u>2,828,988</u>	-	<u>1,650,243</u>
		Net Expense/(Deferral), Pretax	2,700,799	2,828,988	-	(30,686,320)
<u>Balance Sheet</u>			Balance at Dec. 31		Balance at Dec. 31	
<u>Acct</u>		<u>Description</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
Dr. 186		CTA Regulatory Asset	28,289,878	28,289,878	-	28,289,878
Cr. 186		CTA Amortization	<u>(6,211,548)</u>	<u>(9,040,536)</u>	-	<u>(9,040,536)</u>
		CTA Regulatory Asset, Net	22,078,330	19,249,342	-	19,249,342
Dr. 253		Negative Pension Reg Liab, CTA impact	<u>11,436,978</u>	<u>11,436,978</u>	-	<u>11,436,978</u>
		Net Balance Sheet, CTA impact	33,515,308	30,686,320	-	30,686,320

(1) MPSC Form P-522 reporting

Per the September 2006 order in MichCon's Performance Excellence Process (PEP) accounting case U-14907, MichCon deferred CTA in the period the expense was incurred during 2006-2008 with ten year amortization of each annual layer beginning the subsequent year.

The entry of \$128,189 in account 930.2 related to a correction to the 2008 CTA deferral.

(2) GAAP reporting

Per the June 2010 order in MichCon's general rate case U-15985 approving recovery of the CTA regulatory asset, MichCon deferred \$32,336,563 of CTA cost incurred during 2006-2008, net of accumulated amortization through May 2010.

Amortization of \$1,650,243 for 7 months (June-Dec 2010) was subsequently recorded in account 407.3.

MICHIGAN CONSOLIDATED GAS COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — BASIS OF PRESENTATION

Corporate Structure

MichCon is a Michigan corporation organized in 1898. MichCon is an indirect, wholly-owned subsidiary of DTE Energy. MichCon is a public utility subject to regulation by the MPSC and the FERC. MichCon is engaged in the purchase, storage, transportation, gathering, distribution and sale of natural gas to approximately 1.2 million customers throughout Michigan and the sale of storage and transportation capacity.

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

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 management to use estimates and assumptions that impact reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from the Company’s estimates.

Certain prior year balances were reclassified to match the current year’s financial statement presentation.

Principles of Consolidation

The Company consolidates all majority owned subsidiaries and investments in entities in which it has 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 the Company does not influence the operating policies of an investee, the cost method is used. The Company eliminates all intercompany balances and transactions.

Effective January 1, 2010, the Company adopted the provisions of ASU 2009-17, *Amendments to FASB Interpretation 46(R)*. ASU 2009-17 changed the methodology for determining the primary beneficiary of a VIE from a quantitative risk and rewards-based model to a qualitative determination. There is no grandfathering of previous consolidation conclusions. As a result, the Company re-evaluated all prior VIE and primary beneficiary determinations. The requirements of ASU 2009-17 were adopted on a prospective basis.

The Company evaluates whether an entity is a VIE whenever reconsideration events occur. The Company consolidates VIEs for which it is the primary beneficiary. If the Company is not the primary beneficiary and an ownership interest is held, the VIE is accounted for under the equity method of accounting. When assessing the determination of the primary beneficiary, the Company considers all relevant facts and circumstances, including: the power, through voting or similar rights, to direct the activities of the VIE that most significantly impact the VIE’s economic performance and the obligation to absorb the expected losses and/or the right to receive the expected returns of the VIE. The Company performs ongoing reassessments of all VIEs to determine if the primary beneficiary status has changed.

NOTE 2 — SIGNIFICANT ACCOUNTING POLICIES

Revenues

Revenues from the sale, delivery and storage of natural gas are recognized as services are provided. MichCon records revenues for gas provided but unbilled at the end of each month. Rates for MichCon include provisions to adjust billings for fluctuations in cost of natural gas and certain other costs. Revenues are adjusted for differences between actual costs and the amounts billed in current rates. Under or over recovered revenues related to these cost tracking mechanisms are recorded on the Consolidated Statement of Financial Position and are recovered or returned to customers through adjustments to the billing factors. See Note 9 for further discussion of cost recovery mechanisms.

MichCon has an RDM that is designed to minimize the impact on revenues of changes in average customer usage of natural gas. The June 2010 MPSC order in MichCon's 2009 rate case provided for, among other items, the implementation of a pilot gas RDM effective July 1, 2010. The gas RDM enables MichCon to recover or refund the change in revenue resulting from the difference in weather-adjusted average sales per customer compared to the base average sales per customer established in the MPSC order. The RDM addresses changes in customer usage due to general economic conditions and conservation, but does not shield MichCon from the impacts of lost customers or the impact of weather on customer usage. The RDM is subject to review by the MPSC after the initial one-year pilot program.

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.

(in Millions)	Net Unrealized Gains on Derivatives	Benefit Obligations	Accumulated Other Comprehensive Loss
December 31, 2009	\$ (1)	\$ (1)	\$ (2)
Current period change	<u>—</u>	<u>—</u>	<u>—</u>
December 31, 2010	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ (2)</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.

Receivables

Accounts receivable are primarily composed of trade receivables and unbilled revenue. Our accounts receivable are stated at net realizable value.

The allowance for doubtful accounts is generally calculated using the aging approach that utilizes rates developed in reserve studies. The Company establishes an allowance for uncollectible accounts based on historical losses and management's assessment of existing economic conditions, customer trends, and other factors. Customer accounts are generally considered delinquent if the amount billed is not received by the due date, typically 21 days, however, factors such as assistance programs may delay aggressive action. MichCon assesses late payment fees on trade receivables based on contractual past-due terms established with customers. Customer accounts are written off when collection efforts have been exhausted, generally one year after service has been terminated.

Unbilled revenues of \$157 million and \$171 million are included in customer accounts receivable at December 31, 2010 and 2009, respectively.

Notes Receivable

Notes receivable, or financing receivables, are primarily comprised of capital lease receivables and loans.

Notes receivable are typically considered delinquent when payment is not received for periods ranging from 60 to 120 days. The Company ceases accruing interest (nonaccrual status), considers a note receivable impaired, and establishes an allowance for credit loss when it is probable that all principal and interest amounts due will not be collected in accordance with the contractual terms of the note receivable. Cash payments received on nonaccrual status notes receivable, that do not bring the account contractually current, are first applied to contractually owed past due interest, with any remainder applied to principle. Accrual of interest is generally resumed when the note receivable becomes contractually current.

In determining the allowance for credit losses for notes receivable, we consider the historical payment experience and other factors that are expected to have a specific impact on the counterparty's ability to pay. In addition, the Company monitors the credit ratings of the counterparties from which we have notes receivable.

Inventories

MichCon generally values materials and supplies at average cost.

Gas inventory of \$43 million and \$44 million as of December 31, 2010 and 2009, respectively, is determined using the last-in, first-out (LIFO) method. At December 31, 2010, the replacement cost of gas remaining in storage exceeded the LIFO cost by \$147 million. At December 31, 2009, the replacement cost of gas remaining in storage exceeded the LIFO cost by \$218 million.

Gas Customer Choice Deferred Asset

Gas Customer Choice Deferred Asset represents gas provided to MichCon by suppliers of gas for customers that participate in the Customer Choice program. As the gas is sold and billed to Customer Choice customers, primarily in the December through March heating season, this asset is reduced. At the end of an April through March cycle each year, any balance is reconciled and settled with the various suppliers.

Property, Retirement and Maintenance, and Depreciation, Depletion and Amortization

Property is stated at cost and includes construction-related labor, materials, overheads and an allowance for funds used during construction (AFUDC). The cost of properties retired, less salvage value, is charged to accumulated depreciation. Expenditures for maintenance and repairs are charged to expense when incurred.

MichCon bases depreciation provisions on straight-line and units-of-production rates approved by the MPSC.

Capitalized software costs are classified as Property, plant and equipment and the related amortization is included in Accumulated depreciation and amortization, on the Consolidated Statements of Financial Position. The Company capitalizes the costs associated with computer software it develops or obtains for use in its business. The Company amortizes capitalized software costs on a straight-line basis over the expected period of benefit, primarily 15 years.

Long-Lived Assets

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 costs to sell.

Excise and Sales Taxes

The Company records the billing of excise and sales taxes as a receivable with an offsetting payable to the applicable taxing authority, with no net 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.

Investments in Debt and Equity Securities

The Company generally classifies investments in debt and equity securities as trading and has recorded such investments at market value with unrealized gains or losses included in earnings.

Stock-Based Compensation

The Company received an allocation of costs from DTE Energy associated with stock-based compensation. Our allocation for 2010, 2009 and 2008 for stock-based compensation expense was approximately \$7 million, \$7 million and \$5 million, respectively.

Asset Gains, net

In 2009, MichCon sold certain gathering and processing assets resulting in a gain of \$21 million and recognized a gain of \$9 million on the sale of base gas. In 2008, MichCon sold base gas resulting in a gain of \$22 million and recognized a gain on the sale of land of \$2 million. Proceeds from each of the base gas sales were received in January of the subsequent year.

Subsequent Events

The Company has evaluated subsequent events through March 17, 2011, the date that these financial statements were available to be issued.

Other Accounting Policies

See the following notes for other accounting policies impacting the Company's consolidated financial statements:

<u>Note</u>	<u>Title</u>
3	New Accounting Pronouncements
4	Fair Value
5	Financial and Other Derivative Instruments
7	Asset Retirement Obligation
9	Regulatory Matters
10	Income Taxes
15	Retirement Benefits and Trusteed Assets

NOTE 3 — NEW ACCOUNTING PRONOUNCEMENTS

Variable Interest Entity

In June 2009, the FASB issued ASU 2009-17, *Amendments to FASB Interpretation 46(R)*. This standard amends the consolidation guidance that applies to VIEs and affects the overall consolidation analysis under ASC 810-10, *Consolidation*. The amendments to the consolidation guidance affect all entities and enterprises currently within the scope of ASC 810-10, as well as qualifying special purpose entities that are currently outside the scope of ASC 810-10. Accordingly, the Company reconsidered its previous ASC 810-10 conclusions, including (1) whether an entity is a VIE, (2) whether the enterprise is the VIE's primary beneficiary, and (3) what type of financial statement disclosures are required. ASU 2009-17 is effective as of the beginning of the first fiscal year that begins after November 15, 2009. The adoption of ASU 2009-17 on January 1, 2010 had no impact on the Consolidated Financial Statements. See Note 1.

Fair Value Measurements and Disclosures

In January 2010, the FASB issued ASU 2010-06, *Improving Disclosures about Fair Value Measurements*. ASU 2010-06 requires details of transfers in and out of Level 1 and 2 fair value measurements and the gross presentation of activity within the Level 3 fair value measurement roll forward. The new disclosures are required of all entities that are required to provide disclosures about recurring and nonrecurring fair value measurements. The Company adopted ASU 2010-06 effective January 1, 2010, except for the gross presentation of the Level 3 fair value measurement roll forward which is effective for annual reporting periods beginning after December 15, 2010 and for interim reporting periods within those years.

NOTE 4 — FAIR VALUE

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants' use in pricing assets or liabilities. These inputs can be readily observable, market corroborated or generally unobservable inputs. The Company makes certain assumptions it believes that market participants would use in pricing assets or liabilities, including assumptions about risk, and the risks inherent in the inputs to valuation techniques. Credit risk of the Company and its counterparties is incorporated in the valuation of assets and liabilities through the use of credit reserves, the impact of which is immaterial at December 31, 2010 and 2009. The Company believes it uses valuation techniques that maximize the use of observable market-based inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. All assets and liabilities are required to be classified in their entirety based on the lowest level of input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability, and may affect the valuation of the asset or liability and its placement within the fair value hierarchy. The Company classifies fair value balances based on the fair value hierarchy defined as follows:

- Level 1 — Consists of unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the reporting date.
- Level 2 — Consists of inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- Level 3 — Consists of unobservable inputs for assets or liabilities whose fair value is estimated based on internally developed models or methodologies using inputs that are generally less readily observable and supported by little, if any, market activity at the measurement date. Unobservable inputs are developed based on the best available information and subject to cost-benefit constraints.

The following table presents assets measured and recorded at fair value on a recurring basis as of December 31, 2010:

(in Millions)	Level 1	Level 2	Level 3	Balance at December 31, 2010
Assets:				
Investments (1)	\$ 1	\$ —	\$ —	\$ 1
Net Assets December 31, 2010	\$ 1	\$ —	\$ —	\$ 1

(1) Excludes cash surrender value of life insurance investments.

Investments hold money market debt securities through a publicly traded institutional mutual fund, valued using quoted market prices in actively traded markets.

Fair Value of Financial Instruments

The fair value of long-term debt is determined by using quoted market prices when available and a discounted cash flow analysis based upon estimated current borrowing rates when quoted market prices are not available. The table below shows the fair value and the carrying value for long-term debt securities. Certain other financial instruments, such as notes payable, customer deposits and notes receivable are not shown as carrying value approximates fair value.

	December 31, 2010		December 31, 2009	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Long-Term Debt	\$981 million	\$889 million	\$942 million	\$889 million

NOTE 5 — FINANCIAL AND OTHER DERIVATIVE INSTRUMENTS

The Company recognizes all derivatives at their fair value on the Consolidated Statements of Financial Position unless they qualify for certain scope exceptions, including the 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 value for the derivative 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.

The Company's primary market risk exposure is associated with commodity prices, credit and interest rates. MichCon has risk management policies to monitor and manage market risks.

Commodity Price Risk

The Company has fixed-priced contracts for portions of its expected gas supply requirements through March 2014. These gas supply contracts are designated and qualify for the normal purchases and sales exemption and are therefore accounted for under the accrual method. We may also sell forward storage and transportation capacity contracts. Forward firm storage and transportation contracts are not derivatives and are therefore accounted for under the accrual method.

Credit Risk

The Company is exposed to credit risk if customers or counterparties do not comply with their contractual obligations. MichCon maintains 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. The Company generally uses 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, 2010 provision for credit losses, the Company's exposure to counterparty nonperformance is not expected to have a material adverse effect on the Company's financial statements.

Interest Rate Risk

MichCon occasionally uses treasury locks and other interest rate derivatives to hedge the risk associated with interest rate market volatility. In 2004, MichCon entered into an interest rate derivative to limit its sensitivity to market interest rate risk associated with the issuance of long-term debt. Such instrument was designated as a cash flow hedge. The Company 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.

NOTE 6 — PROPERTY, PLANT AND EQUIPMENT

Summary of property by classification as of December 31:

(in Millions)	2010	2009
Property, Plant and Equipment		
Distribution	\$ 2,460	\$ 2,386
Storage	395	383
Transportation and Other	962	984
Total	<u>3,817</u>	<u>3,753</u>
Less Accumulated Depreciation		
Distribution	(1,019)	(972)
Storage	(108)	(113)
Transportation and Other	(495)	(527)
Total	<u>(1,622)</u>	<u>(1,612)</u>
Net Property, Plant and Equipment	<u>\$ 2,195</u>	<u>\$ 2,141</u>

No AFUDC was capitalized during 2010 and AFUDC capitalized in 2009 was approximately \$2 million.

The composite depreciation rate for MichCon was 2.5% in 2010, 3.1% in 2009, and 3.2% in 2008. In March 2010, the MPSC issued an order reducing MichCon's composite depreciation rates effective April 1, 2010.

The average estimated useful life for gas distribution and transportation property was 62 years and 61 years, respectively, at December 31, 2010.

The gross carrying amount and accumulated amortization of capitalized software costs at December 31, 2010 were \$96 million and \$51 million, respectively. The gross carrying amount and accumulated amortization of capitalized software costs at December 31, 2009 were \$98 million and \$50 million, respectively. Capitalized software costs amortization expense was \$7 million in 2010, \$7 million in 2009 and \$6 million in 2008. Amortization expense for capitalized software costs is estimated to be \$7 million annually for 2011 through 2015.

The Company amortizes capitalized software costs on a straight-line basis over the expected period of benefit, ranging from 5 to 15 years.

NOTE 7 — ASSET RETIREMENT OBLIGATIONS

The Company has conditional retirement obligations for gas pipeline retirement costs. To a lesser extent, MichCon has 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 Company defers timing differences that arise in the expense recognition of legal asset retirement costs that are currently recovered in rates.

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 to 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 2010 follows:

(in Millions)

Asset retirement obligations at January 1, 2010	\$ 114
Accretion	7
Liabilities settled	(3)
Asset retirement obligations at December 31, 2010	<u>\$ 118</u>

NOTE 8 — RESTRUCTURING

Restructuring Costs

In 2005, the Company initiated a company-wide review of its operations called the Performance Excellence Process. The Company incurred CTA restructuring expense for employee severance, early retirement programs and other costs which include project management and consultant support. In September 2006, the MPSC issued an order approving a settlement agreement that allowed MichCon, commencing in 2006, to defer the incremental CTA. Further, the order provided for MichCon to amortize the CTA deferrals over a ten-year period beginning with the year subsequent to the year the CTA was deferred. The September 2006 order did not provide a regulatory recovery mechanism for MichCon, therefore MichCon expensed CTA incurred during the period 2006 through 2008. The Company incurred restructuring expense, net of amounts deferred and capitalized of \$10 million in 2008. The June 2010 MPSC order provided for MichCon's recovery of the regulatory unamortized balance of CTA. At June 30, 2010, MichCon deferred and recognized in income approximately \$32 million (\$20 million after-tax) of previously expensed CTA. The non-pension component of CTA of approximately \$21 million is included in Regulatory assets. The pension component of CTA of approximately \$11 million is included in Regulatory liabilities. MichCon amortized approximately \$2 million of deferred CTA costs in 2010. Amounts expensed are recorded in Operation and maintenance expense on the Consolidated Statements of Operations. Deferred amounts are recorded in Regulatory assets and Regulatory liabilities on the Consolidated Statements of Financial Position. See Note 9.

NOTE 9 — REGULATORY MATTERS

Regulation

MichCon's business is 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. MichCon's MPSC-approved rates charged to customers have historically been designed to allow for the recovery of costs, plus an authorized rate of return on our investments. MichCon operates natural gas storage and transportation facilities in Michigan as intrastate facilities regulated by the MPSC and provides intrastate storage and transportation services pursuant to an MPSC-approved tariff.

MichCon also provides interstate storage and transportation services in accordance with an Operating Statement on file with the FERC. The FERC's jurisdiction is limited and extends to the rates, non-discriminatory requirements and terms and conditions applicable to storage and transportation provided by MichCon in interstate markets. FERC granted MichCon authority to provide storage and related services in interstate commerce at market-based rates. MichCon provides transportation services in interstate commerce at cost-based rates approved by the MPSC and filed with the FERC.

We are subject to the requirements of other regulatory agencies with respect to safety, the environment and health.

Regulatory Assets and Liabilities

MichCon is required to record regulatory assets and liabilities for certain transactions that would have been treated as revenue or expense in non-regulated businesses. Continued applicability of regulatory accounting treatment 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 discontinuance of this accounting treatment for regulatory assets and liabilities for our business and may 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 use of regulatory assets and liabilities and that all regulatory assets and liabilities are recoverable or refundable in the current rate environment.

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

(in Millions)

Assets

	2010	2009
Recoverable pension and postretirement costs		
Pension	\$ 413	\$ 409
Postretirement costs	152	150
Recoverable uncollectible expense	90	134
Deferred income taxes – Michigan Business Tax	64	64
Deferred environmental costs	41	40
Unamortized loss on reacquired debt	30	32
Cost to achieve Performance Excellence Process	19	—
Other	11	1
	<u>820</u>	<u>830</u>
Less amount included in current assets	(42)	(53)
	<u>\$ 778</u>	<u>\$ 777</u>

Liabilities

Asset removal costs	\$ 347	\$ 349
Negative pension offset	129	133
Refundable income taxes	77	88
Deferred income taxes — Michigan Business Tax	56	56
Refundable self implemented rates	26	—
Accrued GCR refund	8	25
Other	5	—
	<u>648</u>	<u>651</u>
Less amount included in current liabilities and other liabilities	(34)	(25)
	<u>\$ 614</u>	<u>\$ 626</u>

As noted below, regulatory assets for which costs have been incurred have been included (or are expected to be included, for costs incurred subsequent to the most recently approved rate case) in MichCon's rate base, thereby providing a return on invested costs. Certain regulatory assets do not result from cash expenditures and therefore do not represent investments included in rate base or have offsetting liabilities that reduce rate base.

ASSETS

- *Recoverable pension and postretirement costs* — The Company recognizes actuarial gains or losses and prior service costs that arise during the period but that are not immediately recognized as components of net periodic benefit costs as a regulatory asset since the traditional rate setting process allows for the recovery of pension and postretirement costs. The asset will reverse as the deferred items are recognized as benefit expenses in net income. (1)
- *Recoverable uncollectible expense* — Receivable for the MPSC approved uncollectible expense tracking 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 as the related taxable temporary differences reverse and flow through current income tax expense. (1)

- *Deferred environmental costs* — The MPSC approved the deferral of investigation and remediation costs associated with former MGP sites. Amortization of deferred costs is over a ten-year period beginning in the year after costs were incurred, with recovery (net of any insurance proceeds) through base rate filings.
- *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.
- *Cost to achieve Performance Excellence Process (PEP)* — The MPSC authorized the deferral of costs to implement the PEP. These costs consist of employee severance, project management and consultant support. These costs are amortized over a ten-year period beginning with the year subsequent to the year the costs were deferred.

(1) Regulatory assets not earning a return.

LIABILITIES

- *Asset removal costs* — The amount collected from customers for the funding of future asset removal activities.
- *Negative pension offset* — The Company's negative pension costs are not included as a reduction to its authorized rates; therefore, the Company is accruing a regulatory liability to eliminate the impact on earnings of the negative pension expense accrued. This regulatory liability will reverse to the extent the Company's pension expense is positive in future years.
- *Refundable income taxes* — Income taxes refundable to our customers representing the difference in property-related deferred income taxes payable 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.
- *Refundable self implemented rates* — Amounts refundable to customers for base rates implemented by MichCon in excess of amounts authorized in MPSC orders.
- *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.

2010 Gas Rate Case Filing

MichCon filed a rate case on July 27, 2010 based on a fully projected 2011 test year. The filing with the MPSC requested a \$51 million increase in revenues. During the pendency of this proceeding, MichCon continuously evaluated its case and determined that it no longer desired to pursue the relief requested. On December 13, 2010, the MPSC approved MichCon's request to withdraw this rate filing.

2009 Gas Rate Case Filing

On June 3, 2010, the MPSC issued an order in MichCon's June 9, 2009 rate case filing. The MPSC approved an annual revenue increase of \$119 million. Included in the approved increase in revenues was a return on equity of 11% on an expected permanent capital structure of 50.4% equity and 49.6% debt. The rate order includes a \$22 million impact of lower depreciation rates as ordered by the MPSC in March 2010, effective April 1, 2010. Since the final rate relief ordered was less than the Company's self-implemented rate increase of \$170 million effective on January 1, 2010, the MPSC ordered refunds for the period the self-implemented rates were in effect. On January 20, 2011, the MPSC issued an order authorizing this refund to be applied as credits to customer bills during the February 2011 billing period. MichCon has a refund liability of approximately \$26 million, including interest at December 31, 2010 representing the refund due customers.

Other key aspects of the MPSC order include the following:

- Continued application of an Uncollectible Expense Tracking Mechanism with two modifications. The base amount was increased prospectively from \$37 million to \$70 million with an 80/20 percent sharing of the expenses (modified from 90/10) above or below the base amount.
- Implementation of a pilot RDM, that will require MichCon to recover or refund the change in distribution revenue resulting from the difference in weather-adjusted average sales per customer by rate schedule compared to the base average sales per customer by rate schedule established in the MPSC order for the period July 1, 2010 to June 30, 2011.
- Approval of the recovery of regulatory unamortized balance of CTA, which the Company had previously expensed. See Note 8.

2008 MichCon Depreciation Filing

On March 18, 2010, the MPSC issued an order reducing MichCon's composite depreciation rates from 2.97% to 2.38% effective April 1, 2010.

MichCon UETM

In March 2010, MichCon filed an application with the MPSC for approval of its UETM for 2009 requesting approximately \$59 million consisting of \$51 million of costs related to 2009 uncollectible expense and associated carrying charges and \$8 million of under-collections for the 2007 UETM. On December 21, 2010, the MPSC approved MichCon's request with new surcharges applicable to services rendered beginning on January 1, 2011.

Gas Cost Recovery Proceedings

The GCR process is designed to allow MichCon to recover all of its gas supply costs if incurred under reasonable and prudent policies and practices. The MPSC reviews these costs, policies and practices for prudence in annual plan and reconciliation filings.

The following table summarizes MichCon's GCR reconciliation filing currently pending with the MPSC:

<u>GCR Year</u>	<u>Date Filed</u>	<u>Net Over-Recovery, Including Interest</u>	<u>GCR Cost of Gas Sold</u>
2009-2010	June 2010	\$5.9 million	\$1.0 billion

2010-2011 Plan Year — In December 2009, MichCon filed its GCR plan case for the 2010-2011 GCR plan year. The MPSC issued an order in this case in September 2010 authorizing MichCon to charge a maximum of \$7.06 per Mcf, adjustable monthly by a contingent factor. The MPSC also approved MichCon's proposed fixed price gas purchasing program and provided clarification regarding treatment of certain affiliate purchases.

2011-2012 Plan Year — In December 2010, MichCon filed its GCR plan case for the 2011-2012 GCR plan year. MichCon filed for a maximum base GCR factor of \$5.89 per Mcf adjustable monthly by a contingency factor.

Gas Main Renewal and Gas Meter Move Out Programs

The June 3, 2010 MPSC gas rate case order required MichCon to make filings related to gas main renewal and meter move-out programs. In a July 30, 2010 filing, MichCon proposed to implement a 10-year gas main renewal program beginning in 2012 which would require capital expenditures of approximately \$17 million per year for renewing gas distribution mains, retiring gas mains, and where appropriate and when related to the gas main renewal or retirement activity, relocate inside meters to outside locations and renew service lines.

In a September 30, 2010 filing, MichCon proposed to implement a 10-year gas meter move out program beginning in 2012 which would require capital expenditures of approximately \$22 million per year primarily for relocation of inside meters to the outside of residents' houses. Recovery of costs associated with these two programs is expected to be provided through these filings or future MichCon rate cases.

Energy Optimization (EO) Plan

In March 2009, MichCon filed an EO Plan with the MPSC as required under Michigan Public Act 295 of 2008. The EO Plan application is designed to help each customer class reduce their gas usage by: (1) building customer awareness of energy efficiency options and (2) offering a diverse set of programs and participation options that result in energy savings for each customer class. In March 2010, MichCon filed an amended EO Plan with the MPSC. MichCon's amended EO Plan proposed the recovery of EO expenditures for the period 2010-2015 of \$150 million and further requested approval of surcharges that are designed to recover these costs, including a financial incentive mechanism. The MPSC approved the amended EO Plan and the surcharge and tariff sheets reflecting the exclusion of the financial incentive mechanism. The disposition of the financial incentive mechanism is expected to be addressed in the EO reconciliation case. In April 2010, MichCon filed a reconciliation for the 2009 plan year. The MichCon reconciliation included an underrecovery of \$0.2 million, net of incentives of \$0.9 million. On February 8, 2011, the MPSC issued an order approving MichCon's 2009 EO reconciliation filing, including financial incentives.

Other

The Company is unable to predict the outcome of the unresolved 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 10 — INCOME TAXES

Income Tax Summary

MichCon is 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. MichCon has an income tax receivable of \$48 million at December 31, 2010, and \$38 million at December 31, 2009 due from DTE Energy.

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

(Dollars in Millions)	2010	2009	2008
Income tax expense at 35% statutory rate	\$ 69	\$ 46	\$ 41
Depreciation	(7)	(7)	(7)
State and local income taxes, net of federal benefit	9	3	3
Life insurance trust	—	—	3
Other, net	(3)	(2)	(2)
Total	<u>\$ 68</u>	<u>\$ 40</u>	<u>\$ 38</u>
Effective income tax rate	<u>34.3%</u>	<u>30.0%</u>	<u>32.2%</u>

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
(in Millions)			
Current income taxes			
Federal	\$ (5)	\$ (21)	\$ (30)
State and other income tax expense	<u>3</u>	<u>4</u>	<u>4</u>
Total current income taxes	(2)	(17)	(26)
Deferred federal and other income tax expense			
Federal	60	56	63
State and other income tax expense	<u>10</u>	<u>1</u>	<u>1</u>
Total deferred income taxes	<u>70</u>	<u>57</u>	<u>64</u>
Total	<u>\$ 68</u>	<u>\$ 40</u>	<u>\$ 38</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. Consistent with rate making treatment, deferred taxes are offset in the table below for temporary differences which have related regulatory assets and liabilities.

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

	<u>2010</u>	<u>2009</u>
(in Millions)		
Property, plant and equipment	\$ (341)	\$ (201)
Pension and benefits	(127)	(108)
Net operating loss	76	—
Other comprehensive income	1	1
Other, net	<u>(25)</u>	<u>(9)</u>
	<u>\$ (416)</u>	<u>\$ (317)</u>
Current deferred income tax assets	\$ 38	\$ 46
Long term deferred income tax liabilities	<u>(454)</u>	<u>(363)</u>
	<u>\$ (416)</u>	<u>\$ (317)</u>
Deferred income tax liabilities	\$ (935)	\$ (797)
Deferred income tax assets	<u>519</u>	<u>480</u>
	<u>\$ (416)</u>	<u>\$ (317)</u>

The above table excludes unamortized investment tax credits of \$9 million and \$10 million at December 31, 2010 and 2009, respectively. Investment tax credits are deferred and amortized to income over the average life of the related property.

Uncertain Tax Positions

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	<u>2010</u>	<u>2009</u>
(in Millions)		
Balance at January 1	\$ 12	\$ 11
Additions for tax positions of current years	—	2
Reductions for tax positions of prior years	(1)	(1)
Settlements	<u>(9)</u>	<u>—</u>
Balance at December 31	<u>\$ 2</u>	<u>\$ 12</u>

Unrecognized tax benefits at December 31, 2010, if recognized, would not have a significant impact on our effective rate.

The Company recognizes interest and penalties pertaining to income taxes in Interest expense and Other expenses, respectively, on our Consolidated Statements of Operations. The Company had \$0.1 million and \$1 million of accrued interest at December 31, 2010 and December 31, 2009, respectively. The Company had no accrued penalties pertaining to income taxes at December 31, 2010 and

December 31, 2009. We had \$(1) million interest benefit in relation to income tax for the year ended December 31, 2010 and \$1 million interest expense in relation to income tax for the years ended December 31, 2009.

In 2010, DTE Energy and its subsidiaries settled a federal tax audit for the 2007 and 2008 tax years, which resulted in the recognition of \$9 million of unrecognized tax benefits by MichCon. In 2009, DTE Energy and its subsidiaries settled a federal tax audit for the 2004 through 2006 tax years. The resulting change to unrecognized tax benefits was not significant.

Michigan Business Tax

In July 2007, the Michigan Business Tax (MBT) was enacted by the State of Michigan to replace the Michigan Single Business Tax 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. Legislation was also enacted, in 2007, 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. The MBT is accounted for as an income tax.

The MBT consolidated deferred tax liability balance is \$74 million as of December 31, 2010 and is reported net of the related federal tax benefit. The MBT deferred tax asset balance is \$56 million as of December 31, 2010 and is reported net of the related federal deferred tax liability. The regulated asset balance is \$64 million and the regulated liability balance is \$56 million as of December 31, 2010 and is further discussed in Note 9.

NOTE 11 — LONG-TERM DEBT AND PREFERRED SECURITIES

Long-Term Debt

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

(in Millions)	2010	2009
First Mortgage Bonds, interest payable semi-annually		
7.06% series due 2012	\$ 40	\$ 40
8.25% series due 2014	80	80
Senior notes, interest payable semi-annually		
5.26% series due 2013	60	60
5.94% series due 2015	140	140
6.04% series due 2018	100	100
5.00% series due 2019	120	120
6.36% series due 2020	50	50
6.44% series due 2023	25	25
6.78% series due 2028	75	75
5.70% series due 2033	200	200
	890	890
Less: unamortized discount	(1)	(1)
Total	\$ 889	\$ 889

Substantially all of the net properties of MichCon are subject to the lien of its mortgage. Should MichCon fail to timely pay its 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:

(in Millions)	2011	2012	2013	2014	2015	2016 and thereafter	Total
Amount to mature	\$ —	\$ 40	\$ 60	\$ 80	\$ 140	\$ 570	\$ 890

Preferred and Preference Securities — Authorized and Unissued

At December 31, 2010, MichCon 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 12 — SHORT-TERM CREDIT ARRANGEMENTS AND BORROWINGS

In August 2010, MichCon entered into an amended and restated \$250 million, two-year unsecured revolving credit agreement and a new \$175 million, three-year unsecured revolving credit agreement with a syndicate of 23 banks and may be used for general corporate borrowings, but are intended to provide liquidity support for the Company's commercial paper program. No one bank provides more than 8.25% of the commitment in any facility. Borrowings under the facilities are available at prevailing short-term interest rates.

The above agreements require the Company to maintain a total funded debt to capitalization ratio of no more than 0.65 to 1. In the agreements, "total funded debt" means all indebtedness of the Company and its consolidated subsidiaries, including capital lease obligations, hedge agreements and guarantees of third parties' debt, but excluding contingent obligations, nonrecourse and junior subordinated debt and, except for calculations at the end of the second quarter, certain MichCon short-term debt. "Capitalization" means the sum of (a) total funded debt plus (b) "consolidated net worth," which is equal to consolidated total stockholders' equity of the Company and its consolidated subsidiaries (excluding pension effects under certain FASB statements), as determined in accordance with accounting principles generally accepted in the United States of America. At December 31, 2010, the total funded debt to total capitalization ratio for MichCon is 0.46 to 1. Should MichCon have delinquent obligations of at least \$50 million to any creditor, such delinquency will be considered a default under its credit agreements.

At December 31, 2010, the Company had outstanding commercial paper of \$150 million, resulting in net availability under the combined facilities of \$275 million. At December 31, 2009, the Company had outstanding commercial paper of \$327 million.

The weighted average interest rates for short-term borrowings were 0.4% and 0.7% at December 31, 2010 and 2009, respectively.

NOTE 13 — OPERATING LEASES

Lessee — MichCon leases certain property under operating lease arrangements expiring at various dates through 2025. Some leases contain renewal options. Future minimum lease payments under non-cancelable leases at December 31, 2010 were:

(in Millions)	Operating Leases
2011	\$ 1
2012	1
2013	<u>1</u>
Total minimum lease payments	<u>\$ 3</u>

Rental expense for operating leases was \$1 million in 2010, 2009 and 2008.

Lessor — MichCon leases a portion of its pipeline system to the Vector Pipeline 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, 2010, are as follows:

(in Millions)	
2011	\$ 9
2012	9
2013	9
2014	9

2015	9
Thereafter	<u>44</u>
Total minimum future lease receipts	89
Residual value of leased pipeline.....	40
Less unearned income.....	<u>(56)</u>
Net investment in capital lease	73
Less current portion	<u>(2)</u>
	<u>\$ 71</u>

NOTE 14 — 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. The facilities, which produced gas, have been designated as manufactured gas plant (MGP) sites. MichCon owns, or previously owned, 14 former MGP sites. Investigations have revealed contamination related to the by-products of gas manufacturing at each site. In addition to the MGP sites, the Company is 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, MichCon recognizes a liability and corresponding regulatory asset for estimated investigation and remediation costs at former MGP sites. As of December 31, 2010 and December 31, 2009, the Company had \$36 million, accrued for remediation.

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. The Company anticipates the cost amortization methodology approved by the MPSC for MichCon, which allows MichCon to amortize the MGP costs over a ten-year period beginning with the year subsequent to the year the MGP costs were incurred, will prevent environmental costs from having a material adverse impact on the Company's results of operations.

Labor Contracts

There are several bargaining units for the Company's represented employees. The majority of our represented employees are under a contract that expires in October 2013.

Purchase Commitments

As of December 31, 2010, the Company was party to numerous long-term purchase commitments relating to a variety of goods and services required for its business. These agreements primarily consist of long-term gas purchase and transportation agreements. The Company estimates that these commitments will be approximately \$1.3 billion through 2051. MichCon also estimates that 2011 capital expenditures will be approximately \$180 million. The Company has made certain commitments in connection with expected capital expenditures.

Bankruptcies

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

Other Contingencies

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

See Note 9 for a discussion of contingencies related to Regulatory Matters.

NOTE 15 — RETIREMENT BENEFITS AND TRUSTEED ASSETS

Measurement Date

In 2008, the Company changed the measurement date of its pension and postretirement benefit plans from November 30 to December 31. As a result, the Company recognized an adjustment of \$3 million (\$2 million after tax) and \$4 million to retained earnings and regulatory liabilities, respectively, which represents approximately one month of pension and postretirement benefit costs for the period December 1, 2007 to December 31, 2008.

Pension Plan Benefits

MichCon participates in various plans that provide pension and other postretirement benefits for MichCon and its affiliates. MichCon is allocated net periodic benefit costs (credits) for its share of the amounts of the combined plans. In prior years, MichCon served as the plan sponsor for a pension plan for represented employees that changed in 2008 to be sponsored by DTE Energy Corporate Services, LLC (LLC), a subsidiary of DTE Energy, which also became the plan sponsor for all plans of DTE Energy and its affiliates. The changes in plan sponsorship did not change the pension cost or contributions allocated to MichCon, or the benefits of plan participants. Disclosures in the following tables of benefit obligations and plan assets, components of net periodic benefit cost (credit), and changes in benefit obligations and assets include amounts allocated to MichCon for all plans.

The Company's policy is to fund pension costs by contributing amounts consistent with the Pension Protection Act of 2006 provisions and additional amounts it deems appropriate. The Company does not expect to make a contribution to its pension plans in 2011. At the discretion of management, consistent with the Pension Protection Act of 2006 and depending on financial market conditions, the Company anticipates making contributions of up to approximately \$80 million over the next five years.

In its April 2005 final rate order, the MPSC approved the deferral of the non-capitalized portion of the Company's negative pension expense. In 2010 and 2009, the Company deferred \$(4) million and \$23 million, respectively, as a regulatory liability.

Net pension credit includes the following components:

(in Millions)	2010	2009	2008
Service cost	\$ 12	\$ 9	\$ 10
Interest cost	42	42	40
Expected return on plan assets	(81)	(87)	(93)
Amortization of:			
Net loss	17	2	—
Prior service cost	—	—	1
Net pension credit	<u>\$ (10)</u>	<u>\$ (34)</u>	<u>\$ (42)</u>

(in Millions)	<u>2010</u>	<u>2009</u>
Other changes in plan assets and benefit obligations recognized in Other comprehensive income and Regulatory assets		
Net actuarial loss	\$ 22	\$ 37
Amortization of net actuarial gain	<u>(17)</u>	<u>(1)</u>
Total recognized in Regulatory assets (liabilities)	<u>\$ 5</u>	<u>\$ 36</u>
 Total recognized in Net pension credit and Regulatory assets (liabilities)	 <u>\$ (5)</u>	 <u>\$ 2</u>
 Estimated amounts to be amortized from Regulatory assets into net periodic benefit cost during next fiscal year		
Net actuarial loss	<u>\$ 27</u>	<u>\$ 17</u>

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

(in Millions)	<u>2010</u>	<u>2009</u>
Accumulated benefit obligation, end of year	<u>\$ 709</u>	<u>\$ 667</u>
Change in projected benefit obligation		
Projected benefit obligation, beginning of year	\$ 722	\$ 627
Service cost	11	9
Interest cost	41	42
Actuarial loss	35	87
Benefits paid	<u>(42)</u>	<u>(43)</u>
Projected benefit obligation, end of year	<u>\$ 767</u>	<u>\$ 722</u>
 Change in plan assets		
Plan assets at fair value, beginning of year	\$ 842	\$ 749
Actual return on Plan assets	94	136
Benefits paid	<u>(42)</u>	<u>(43)</u>
Plan assets at fair value, end of year	<u>\$ 894</u>	<u>\$ 842</u>
 Funded status of the Plans, December 31	 <u>\$ 127</u>	 <u>\$ 120</u>
Amounts recorded as:		
Noncurrent assets	\$ 178	\$ 154
Current liabilities	(1)	(1)
Noncurrent liabilities	<u>(50)</u>	<u>(33)</u>
	<u>\$ 127</u>	<u>\$ 120</u>
 (in Millions)		
Amounts recognized in Regulatory assets and Accumulated other comprehensive loss		
Net actuarial loss	\$ 419	\$ 414
Prior service cost	<u>(4)</u>	<u>(4)</u>
	<u>\$ 415</u>	<u>\$ 410</u>
 Regulatory assets	 \$ 413	 \$ 409
Other comprehensive loss	<u>2</u>	<u>1</u>
	<u>\$ 415</u>	<u>\$ 410</u>

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

	2010	2009	2008
Projected benefit obligation			
Discount rate	5.50%	5.90%	6.90%
Rate of compensation increase	4.00%	4.00%	4.00%
Net pension costs			
Discount rate	5.90%	6.90%	6.50%
Rate of compensation increase	4.00%	4.00%	4.00%
Expected long-term rate of return on Plan assets	8.75%	8.75%	8.75%

The Company employs a 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. The long-term portfolio return is also established employing a consistent formal process, with due consideration of diversification, active investment and rebalancing. As a result of this process, the Company is lowering its long-term rate of return assumptions for its pension plans to 8.50% for 2011. The Company believes this rate is a reasonable assumption for the long-term rate of return on its plan assets for 2011 given its investment strategy.

At December 31, 2010, the benefits related to the Company's qualified and nonqualified pension plans expected to be paid in each of the next five years and in the aggregate for the five fiscal years thereafter are as follows:

(In millions)	
2011	\$ 42
2012	44
2013	44
2014	44
2015	47
2016 – 2020	255
Total	<u>\$ 476</u>

The Company employs a total return investment approach whereby a mix of equities, fixed income and other investments are used to maximize the long-term return on plan assets consistent with prudent levels of risk, with consideration given to the liquidity needs of the plan. 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. Fixed income securities generally include corporate bonds of companies from diversified industries, mortgage-backed securities, and U.S. Treasuries. Other assets such as private equity and hedge funds are used to enhance long-term returns while improving portfolio diversification. Derivatives may be utilized in a risk controlled manner, to potentially increase the portfolio beyond the market value of invested assets and reduce portfolio investment risk. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies, and quarterly investment portfolio reviews.

Target allocations for plan assets as of December 31, 2010 are listed below:

U.S. Large Cap Equity Securities	22%
U.S. Small Cap and Mid Cap Equity Securities	5
Non U.S. Equity Securities	20
Fixed Income Securities	25
Hedge Funds and Similar Investments	20
Private Equity and Other	8
	<u>100%</u>

Fair Value Measurements at December 31, 2010(a)

(in Millions)	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Balance at December 31, 2010</u>
Asset Category:				
Short-term investments (b)	\$ —	\$ 11	\$ —	\$ 11
Equity securities				
U.S. Large Cap(c)	213	12	—	225
U.S. Small/Mid Cap(d)	57	2	—	59
Non U.S(e)	89	70	—	159
Fixed income securities(f)	19	189	—	208
Other types of investments				
Hedge Funds and Similar Investments(g)	59	23	95	177
Private Equity and Other(h)	—	—	55	55
Total	\$ 437	\$ 307	\$ 150	\$ 894

Fair Value Measurements at December 31, 2009(a)

(in Millions)	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Balance at December 31, 2009</u>
Asset Category:				
Short-term investments (b)	\$ —	\$ 21	\$ —	\$ 21
Equity securities				
U.S. Large Cap(c)	217	10	—	227
U.S. Small/Mid Cap(d)	51	1	—	52
Non U.S(e)	76	40	—	116
Fixed income securities(f)	15	198	—	213
Other types of investments				
Hedge Funds and Similar Investments(g)	—	—	160	160
Private Equity and Other(h)	—	—	53	53
Total	\$ 359	\$ 270	\$ 213	\$ 842

(a) See Note 4 — Fair Value for a description of levels within the fair value hierarchy.

(b) This category predominantly represents certain short-term fixed income securities and money market investments that are managed in separate accounts or commingled funds. Pricing for investments in this category are obtained from quoted prices in actively traded markets or valuations from brokers or pricing services.

(c) This category comprises both actively and not actively managed portfolios that track the S&P 500 low cost equity index funds. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(d) This category represents portfolios of small and medium capitalization domestic equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(e) This category primarily consists of portfolios of non-U.S. developed and emerging market equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(f) This category includes corporate bonds from diversified industries, U.S. Treasuries, and mortgage backed securities. Pricing for investments in this category is obtained from quoted prices in actively traded markets and quotations from broker or pricing services. Non-exchange traded securities and exchange-traded securities held in commingled funds are classified as Level 2 assets.

(g) This category includes a diversified group of funds and strategies that attempt to capture financial market inefficiencies. In 2009, pricing for investments in this category was based on limited observable inputs as there was little, if any, publicly available pricing. Valuations for assets in this category may be based on relevant publicly-traded securities, derivatives, and privately-

traded securities. In 2010, pricing for investments in this category included quoted prices in active markets and quotations from broker or pricing services. Non-exchanged traded securities held in commingled funds are classified as Level 2 assets.

- (h) This category includes a diversified group of funds and strategies that primarily invests in private equity partnerships. Pricing for investments in this category is based on limited observable inputs as there is little, if any, publicly available pricing. Valuations for assets in this category may be based on discounted cash flow analyses, relative publicly-traded comparables and comparable transactions.

The pension trust holds debt and equity securities directly and indirectly through commingled funds and institutional mutual funds. Exchange-traded debt and equity securities held directly are valued using quoted market prices in actively traded markets. The commingled funds and institutional mutual funds which hold exchange-traded equity or debt securities are valued based on underlying securities, using quoted prices in actively traded markets. Non-exchange traded fixed income securities are valued by the trustee based upon quotations available from brokers or pricing services. A primary price source is identified by asset type, class or issue for each security. The trustees monitor prices supplied by pricing services and may use a supplemental price source or change the primary price source of a given security if the trustees challenge an assigned price and determine that another price source is considered to be preferable. MichCon has obtained an understanding of how these prices are derived, including the nature and observability of the inputs used in deriving such prices. Additionally, MichCon selectively corroborates the fair values of securities by comparison of market-based price sources.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

(in Millions)

	<u>Hedge Funds and Similar Investments</u>	<u>Private Equity and Other</u>	<u>Total</u>
Beginning Balance at January 1, 2010	\$ 160	\$ 53	\$ 213
Total realized/unrealized gains (losses)	16	7	23
Purchases, sales and settlements	(81)	(5)	(86)
Ending Balance at December 31, 2010	<u>\$ 95</u>	<u>\$ 55</u>	<u>\$ 150</u>

The amount of total gains (losses) for the period attributable to the change in unrealized gains or losses related to assets still held at the end of the period

<u>\$ 9</u>	<u>\$ 5</u>	<u>\$ 14</u>
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(in Millions)

	<u>Hedge Funds and Similar Investments</u>	<u>Private Equity and Other</u>	<u>Total</u>
Beginning Balance at January 1, 2009	\$ 155	\$ 52	\$ 207
Total realized/unrealized gains (losses)	10	(3)	7
Purchases, sales and settlement	(5)	4	(1)
Ending Balance at December 31, 2009	<u>\$ 160</u>	<u>\$ 53</u>	<u>\$ 213</u>

The amount of total gains (losses) for the period attributable to the change in unrealized gains or losses related to assets still held at the end of the period

<u>\$ 11</u>	<u>\$ (3)</u>	<u>\$ 8</u>
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The Company also participates in defined contribution retirement savings plans for DTE Energy and its affiliates. Participation in one of these plans is available to substantially all represented and non-represented employees. The Company matches 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 each of the years 2010, 2009, and 2008.

Other Postretirement Benefits

The Company participates in plans sponsored by LLC that provide certain postretirement health care and life insurance benefits for employees who are eligible for these benefits. The Company's policy is to fund certain trusts to meet our postretirement benefit

obligations. Separate qualified Voluntary Employees Beneficiary Association (VEBA) trusts exist for represented and non-represented employees. In 2010, the Company contributed \$70 million to the VEBA trusts, including a transfer of \$25 million from the MichCon Grantor Trust. The Company contributed \$45 million to the VEBA trusts in January 2011. At the discretion of management, subject to MPSC requirements, the Company does not plan on making additional contributions to the VEBA trusts in 2011. Net postretirement cost includes the following components:

(in Millions)	2010	2009	2008
Service cost	\$ 14	\$ 13	\$ 14
Interest cost	28	30	27
Expected return on plan assets	(23)	(18)	(17)
Amortization of			
Net loss	9	7	5
Prior service cost	1	1	1
Net transition obligation	3	3	3
Net postretirement cost	<u>\$ 32</u>	<u>\$ 36</u>	<u>\$ 33</u>

(in Millions)	2010	2009
Other changes in plan assets and APBO recognized in regulatory assets		
Net actuarial (gain) loss	\$ 31	\$ (16)
Amortization of net actuarial gain	(9)	(7)
Prior service credit	(16)	—
Amortization of prior service credit	(1)	(1)
Amortization of transition obligation	(3)	(3)
Total recognized in regulatory assets	<u>\$ 2</u>	<u>\$ (27)</u>
Total recognized in net postretirement cost and regulatory assets	<u>\$ 34</u>	<u>\$ 9</u>

Estimated amounts to be amortized from regulatory assets into net periodic benefit cost during next fiscal year

Net actuarial loss	\$ 13	\$ 8
Prior service cost (credit)	(2)	1
Net transition obligation	1	3
	<u>\$ 12</u>	<u>\$ 12</u>

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

(in Millions)	2010	2009
Change in accumulated postretirement benefit obligation		
Accumulated postretirement benefit obligation, beginning of year	\$ 488	\$ 466
Service cost	14	13
Interest cost	28	30
Plan amendments	(16)	—
Actuarial loss	39	3
Benefits paid and Medicare Part D	(25)	(24)
Accumulated postretirement benefit obligation, end of year	<u>\$ 528</u>	<u>\$ 488</u>
Change in plan assets		
Plan assets at fair value, beginning of year	\$ 270	\$ 118
Company contributions	70	115
Actual return on plan assets	32	37
Benefits paid	(26)	—
Plan assets at fair value, end of year	<u>\$ 346</u>	<u>\$ 270</u>
Funded status at fair value, December 31	<u>\$ (182)</u>	<u>\$ (218)</u>
Noncurrent liabilities	<u>\$ (182)</u>	<u>\$ (218)</u>

Amounts recognized in regulatory assets

Net loss	\$ 158	\$ 136
Prior service cost (credit)	(8)	2
Net transition obligation	<u>2</u>	<u>12</u>
Regulatory Asset — postretirement costs	<u>\$ 152</u>	<u>\$ 150</u>

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Projected benefit obligation			
Discount rate	5.50%	5.90%	6.90%
Net benefit costs			
Discount rate	5.90%	6.90%	6.50%
Expected long-term rate of return on plan assets	8.75%	8.75%	8.75%
Health care trend rate pre-65	7.00%	7.00%	7.00%
Health care trend rate post-65	7.00%	7.00%	6.00%
Ultimate health care trend rate	5.00%	5.00%	5.00%
Year in which ultimate reached	2016	2016	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 \$7 million and increased the accumulated benefit obligation by \$54 million at December 31, 2010. 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 \$7 million and would have decreased the accumulated benefit obligation by \$80 million at December 31, 2010.

At December 31, 2010, 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:

(in Millions)	
2011	\$ 27
2012	27
2013	32
2014	34
2015	35
2016 - 2020	<u>196</u>
Total	<u>\$ 351</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.

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 \$2 million in 2010, \$4 million in 2009, and \$3 million in 2008.

At December 31, 2010, the gross amount of federal subsidies expected to be received in each of the next two years is estimated to be \$2 million in 2011 and 2012, respectively.

Target allocations for plan assets as of December 31, 2010 are listed below:

U.S. Equity Securities	25%
Non U.S. Equity Securities	20
Fixed Income Securities	25
Hedge Funds and Similar Investments	20
Private Equity and Other	<u>10</u>
	100%

Fair Value Measurements at December 31, 2010(a)

(in Millions)	Level 1	Level 2	Level 3	Balance at December 31, 2010
Asset Category:				
Short-term investments(b)	\$ —	\$ 3	\$ —	\$ 3
Equity securities				
U.S. Large Cap(c)	42	21	—	63
U.S. Small/Mid Cap(d)	20	19	—	39
Non U.S(e)	27	41	—	68
Fixed income securities(f)	1	85	—	86
Other types of investments				
Hedge Funds and Similar Investments(g)	26	16	30	72
Private Equity and Other(h)	—	—	15	15
Total	\$ 116	\$ 185	\$ 45	\$ 346

Fair Value Measurements at December 31, 2009(a)

(in Millions)	Level 1	Level 2	Level 3	Balance at December 31, 2009
Asset Category:				
Short-term investments(b)	\$ —	\$ 5	\$ —	\$ 5
Equity securities				
U.S. Large Cap(c)	46	25	—	71
U.S. Small/Mid Cap(d)	14	16	—	30
Non U.S(e)	23	22	—	45
Fixed income securities(f)	3	73	—	76
Other types of investments				
Hedge Funds and Similar Investments(g)	—	—	29	29
Private Equity and Other(h)	—	—	14	14
Total	\$ 86	\$ 141	\$ 43	\$ 270

(a) See Note 4 — Fair Value for a description of levels within the fair value hierarchy.

(b) This category predominantly represents certain short-term fixed income securities and money market investments that are managed in separate accounts or commingled funds. Pricing for investments in this category are obtained from quoted prices in actively traded markets or valuations from brokers or pricing services.

(c) This category comprises both actively and not actively managed portfolios that track the S&P 500 low cost equity index funds. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(d) This category represents portfolios of small and medium capitalization domestic equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(e) This category primarily consists of portfolios of non-U.S. developed and emerging market equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(f) This category includes corporate bonds from diversified industries, U.S. Treasuries, and mortgage backed securities. Pricing for investments in this category is obtained from quoted prices in actively traded markets and quotations from broker or pricing services. Non-exchange traded securities and exchange-traded securities held in commingled funds are classified as Level 2 assets.

(g) This category includes a diversified group of funds and strategies that attempt to capture financial market inefficiencies. In 2009, pricing for investments in this category was based on limited observable inputs as there was little, if any, publicly available pricing. Valuations for assets in this category may be based on relevant publicly-traded securities, derivatives, and privately-

traded securities. In 2010, pricing for investments in this category included quoted prices in active markets and quotations from broker or pricing services. Non-exchanged traded securities held in commingled funds are classified as Level 2 assets.

- (h) This category includes a diversified group of funds and strategies that primarily invests in private equity partnerships. Pricing for investments in this category is based on limited observable inputs as there is little, if any, publicly available pricing. Valuations for assets in this category may be based on discounted cash flow analyses, relative publicly-traded comparables and comparable transactions.

The VEBA trusts hold debt and equity securities directly and indirectly through commingled funds and institutional mutual funds. Exchange-traded debt and equity securities held directly are valued using quoted market prices in actively traded markets. The commingled funds and institutional mutual funds which hold exchange-traded equity or debt securities are valued based on underlying securities, using quoted prices in actively traded markets. Non-exchange traded fixed income securities are valued by the trustee based upon quotations available from brokers or pricing services. A primary price source is identified by asset type, class or issue for each security. The trustees monitor prices supplied by pricing services and may use a supplemental price source or change the primary price source of a given security if the trustees challenge an assigned price and determine that another price source is considered to be preferable. MichCon has obtained an understanding of how these prices are derived, including the nature and observability of the inputs used in deriving such prices. Additionally, MichCon selectively corroborates the fair values of securities by comparison of market-based price sources.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

(in Millions)

	<u>Hedge Funds and Similar Investments</u>	<u>Private Equity and Other</u>	<u>Total</u>
Beginning Balance at January 1, 2010	\$ 29	\$ 14	\$ 43
Total realized/unrealized gains (losses)	3	3	6
Purchases, sales and settlements	(5)	1	(4)
Ending Balance at December 31, 2010	<u>\$ 27</u>	<u>\$ 18</u>	<u>\$ 45</u>

The amount of total gains (losses) for the period attributable to the change in unrealized gains or losses related to assets still held at the end of the period

\$ 2 \$ 2 \$ 4

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

(in Millions)

	<u>Hedge Funds and Similar Investments</u>	<u>Private Equity and Other</u>	<u>Total</u>
Beginning Balance at January 1, 2009	\$ 24	\$ 12	\$ 36
Total realized/unrealized gains (losses)	2	1	3
Purchases, sales and settlements	3	1	4
Ending Balance at December 31, 2009	<u>\$ 29</u>	<u>\$ 14</u>	<u>\$ 43</u>

The amount of total gains (losses) for the period attributable to the change in unrealized gains or losses related to assets still held at the end of the period

\$ 2 \$ 1 \$ 3

Healthcare Legislation

In March 2010, the Patient Protection and Affordable Care Act (PPACA) and the Health Care and Education Reconciliation Act (HCERA) were enacted into law (collectively, the "Act"). The Act is a comprehensive health care reform bill. A provision of the PPACA repeals the current rule permitting deduction of the portion of the drug coverage expense that is offset by the Medicare Part D subsidy, effective for taxable years beginning after December 31, 2012.

MichCon's retiree healthcare plan includes the provision of postretirement prescription drug coverage ("coverage") which is included in the calculation of the recorded other postemployment benefit (OPEB) obligation. Because the Company's coverage meets certain criteria, MichCon is eligible to receive the Medicare Part D subsidy. With the enactment of the Act, the subsidy will continue to not be subject to tax, but an equal amount of prescription drug coverage expenditures will not be deductible. Income tax accounting rules require the impact of a change in tax law be recognized in continuing operations in the Consolidated Statements of Operations in the period that the tax law change is enacted.

This change in tax law required a remeasurement of the Deferred Tax Asset related to the OPEB obligation and the Deferred Tax Liability related to the OPEB Regulatory Asset. The net impact of the remeasurement is \$4 million and has been deferred as a Regulatory Asset as the traditional rate setting process allows for the recovery of income tax costs.

Grantor Trust

The Company maintains a Grantor Trust to fund other postretirement benefit obligations 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 the Company can revoke the trust subject to providing the MPSC with prior notification. MichCon accounts for its investment at fair value with unrealized gains and losses recorded to earnings.

NOTE 16 — RELATED PARTY TRANSACTIONS

The Company has agreements with affiliated companies to provide storage and transportation services and for the purchase of natural gas. The Company also has an agreement with a DTE Energy affiliate where it is charged for its use of their shared capital assets. A shared services company accumulates various corporate support services expenses and charges 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:

(in Millions)	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenues			
Storage and transportation services	\$ 2	\$ 2	\$ 2
Other services	3	5	3
Costs			
Gas purchases	2	3	28
Other services and interest	20	20	22
Corporate expenses	118	123	134
Other			
Dividends declared	70	50	37
Dividends paid	70	50	50
Capital contribution (1)	25	—	62

(in Millions)	<u>December 31</u>	
	<u>2010</u>	<u>2009</u>
Assets		
Accounts and notes receivable (2)	\$ 54	\$ 54
Prepaid pension assets	178	154
Liabilities & Equity		
Accounts payable (2)	24	21

Short-term borrowings	137	115
Other liabilities		
Accrued pension liability	50	33
Accrued postretirement liability	182	218

-
- (1) The 2008 amount consists of \$50 million representing a capital contribution from parent company and \$12 million related to the transfer of four carbon dioxide processing facilities from an affiliated company to MichCon.
- (2) 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, 2010
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)	3,553,893,576	
4	Property Under Capital Leases	-	
5	Plant Purchased or Sold	-	
6	Completed Construction not Classified	-	
7	Experimental Plant Unclassified	-	
8	TOTAL (Enter Total of lines 3 thru 7)	3,553,893,576	
9	Leased to Others	-	
10	Held for Future Use	888,048	
11	Construction Work in Progress	86,570,635	
12	Acquisition Adjustments	-	
13	TOTAL Utility Plant (Enter Total of lines 8 - 12)	3,641,352,259	
14	(Less) Accum. Prov. for Depr., Amort., & Depl.	1,845,266,361	
15	Net Utility Plant(Enter Total of line 13 less 14)	1,796,085,898	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
17	In Service:		
18	Depreciation	1,844,938,748	
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)	1,844,938,748	
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	327,613	
29	Amortization		
30	TOTAL Held for Future Use(Enter Total lines 28 & 29)	327,613	
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)	1,845,266,361	

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
3,553,893,576					3
-					4
-					5
-					6
-					7
3,553,893,576					8
-					9
888,048					10
86,570,635					11
-					12
3,641,352,259					13
1,845,266,361					14
1,796,085,898					15
					16
					17
1,844,938,748					18
					19
					20
					21
1,844,938,748					22
					23
					24
					25
					26
					27
327,613					28
					29
327,613					30
					31
					32
1,845,266,361					33

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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	97,660,622	4,240,792	
5		TOTAL Intangible Plant	97,671,276	4,240,792	
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	-	-	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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	
(6,056,891)	-	-	95,844,523	303	4	
(6,056,891)	-	-	95,855,177		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			AN ORIGINAL	December 31, 2010
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	529,020	-
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	568,604	-
37	329	Other Structures	-	-
38	330	Producing Gas Wells - Well Construction		-
39	331	Producing Gas Wells - Well Equipment	121,148	-
40	332	Field Lines	8,811,925	-
41	333	Field Compressor Station Equipment	321,002	-
42	334	Field Meas. and Reg. Sta. Equipment	2,381,166	12,887
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	13,970,429	12,887
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	13,970,429	12,887
60		SNG Production Plant (Submit Supplemental S	-	-
61		TOTAL Production Plant	13,970,429	12,887
62		3. Natural Gas Storage and Processing Plant		
63		Underground Storage Plant		
64	350.1	Land	8,379,036	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2010	
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
(22,126)	-	-	(18,288)	325.1	28
-	-	-	1,989	325.2	29
-	-	-	-	325.3	30
-	-	-	529,020	325.4	31
-	-	-	3,000	325.5	32
-	-	-	-	325.6	33
-	-	-	-	326	34
-	-	-	30,051	327	35
(7,171)	-	-	561,433	328	36
-	-	-	-	329	37
-	-	-	-	330	38
-	-	-	121,148	331	39
(628,307)	-	-	8,183,618	332	40
-	-	-	321,002	333	41
(27,656)	-	-	2,366,397	334	42
-	-	-	-	335	43
-	-	-	35,414	336	44
-	-	-	-	337	45
-	-	-	1,163,272	338	46
(685,260)	-	-	13,298,056		47
					48
-	-	-	-	340.1	49
-	-	-	-	340.2	50
-	-	-	-	341	51
-	-	-	-	342	52
-	-	-	-	343	53
-	-	-	-	344	54
-	-	-	-	345	55
-	-	-	-	346	56
-	-	-	-	347	57
-	-	-	-	348	58
(685,260)	-	-	13,298,056		59
-	-	-	-		60
(685,260)	-	-	13,298,056		61
					62
					63
-	-	-	8,379,036	350.1	64

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2010
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year	Additions (c)
65	350.2	Rights-of-Way	359,561	93,126
66	351	Structures and Improvements	18,726,801	310,498
67	352	Wells	90,239,388	11,207
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	31,215,736	5,818,117
72	354	Compress Station Equipment	163,145,303	3,574,160
73	355	Measuring and Reg. Equipment	12,669,720	228,244
74	356	Purification Equipment	21,426,825	147,545
75	357	Other Equipment	-	-
76	358.2	Asset Retirement Cost UG Storage Plant	393,498	165,404
77		TOTAL Underground Storage Plant	347,327,091	10,348,300
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	347,327,091	10,348,300

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010
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.
-	-	-	452,687	350.2	65
-	-	-	19,037,299	351	66
(102,890)	-	-	90,147,705	352	67
-	-	-	1,127,815	352.1	68
-	-	-	-	352.2	69
-	-	-	(356,592)	352.3	70
(156,355)	-	-	36,877,498	353	71
(152,124)	-	-	166,567,339	354	72
(1,605)	-	-	12,896,359	355	73
(94,716)	-	-	21,479,654	356	74
-	-	-	-	357	75
-	-	-	558,902	358	76
(507,689)	-	-	357,167,701		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
(507,689)	-	-	357,167,701		102

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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	2,299,307	13,013		
106	365.3	Rights-of-way	16,549,589	-		
107	366	Structures and Improvements	16,550,776	293,123		
108	367	Mains	343,850,535	2,187,114		
109	368	Compressor Station Equipment	76,198,589	1,935,983		
110	369	Measuring and Reg. Station Equipment	48,680,744	694,263		
111	370	Communication Equipment	-	-		
112	371	Other Equipment	-	-		
	372	Asset Retire Cost Transmission	290,854	-		
113		TOTAL Transmission Plant	505,569,321	5,123,496		
114		5. Distribution Plant				
115	374.1	Land	2,150,046	142,351		
116	374.2	Land Rights	922,815	-		
117	375	Structures and Improvements	12,184,019	543,063		
118	376	Mains	1,060,364,566	24,128,123		
119	377	Compressor Station Equipment	-	-		
120	378	Meas. & Reg. Station Equip.-General	112,286,235	9,239,854		
121	379	Meas. & Reg. Station Equip.-City Gate	45,611,605	6,572,137		
122	380	Services	721,083,187	27,537,361		
123	381	Meters	154,426,964	6,191,724		
124	382	Meter Installations	153,256,186	14,641,837		
125	383	House Regulators	-	-		
126	384	House Reg. Installations	-	-		
127	385	Industrial Meas. & Reg. Station Equip.	68,414,789	-		
128	386	Other Prop. on Customer's Premises	-	-		
129	387	Other Equipment	-	-		
	388	Asset Retire Cost Distribution	11,831,401	-		
130		TOTAL Distribution Plant	2,342,531,813	88,996,449		
131		6. General Plant				
132	389.1	Land	1,559,465	-		
133	389.2	Land Rights	-	-		
134	390	Structures and Improvements	59,575,465	916,923		
135	391	Office Furniture and Equipment	3,941,526	150,253		
136	391.1	Computers & Computer Related Equipment	7,673,608	239,823		
137	392	Transportation Equipment	55,325,270	1,320,241		
138	393	Stores Equipment	632,398	-		
139	394	Tools, Shop & Gargage Equipment	23,660,995	661,416		
140	395	Laboratory Equipment	1,216,396	-		

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2010	
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
(16,126)	-	-	2,296,195	365.2	105
-	-	-	16,549,589	365.3	106
(22,152)	-	-	16,821,746	366	107
(279,212)	-	-	345,758,437	367	108
(231,669)	-	-	77,902,903	368	109
45,148	-	-	49,420,155	369	110
-	-	-	-	370	111
-	-	-	-	371	112
	-	-	290,854	372	
(504,011)	-	-	510,188,805		113
					114
-	-	-	2,292,397	374.1	115
-	-	-	922,815	374.2	116
(9,046)	-	-	12,718,036	375	117
(12,511,802)	-	-	1,071,980,887	376	118
-	-	-	-	377	119
(707,263)	-	-	120,818,826	378	120
(124,299)	-	-	52,059,444	379	121
(5,145,059)	-	-	743,475,489	380	122
(3,191,016)	-	-	157,427,671	381	123
(9,985,748)	-	-	157,912,275	382	124
-	-	-	-	383	125
-	-	-	-	384	126
-	-	-	68,414,789	385	127
-	-	-	-	386	128
-	-	-	-	387	129
-	-	-	11,831,401	388	
(31,674,233)	-	-	2,399,854,029		130
					131
-	-	-	1,559,465	389.1	132
-	-	-	-	389.2	133
(125,927)	-	-	60,366,460	390	134
(46,296)	-	-	4,045,484	391	135
(186,347)	-	-	7,727,083	391.1	136
(2,275,359)	-	-	54,370,152	392	137
(33,842)	-	-	598,556	393	138
(1,129,345)	-	-	23,193,067	394	139
(186,381)	-	-	1,030,014	395	140

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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	14,510,485	85,459		
142	397	Communication Equipment	29,219,511	325,493		
143	398	Miscellaneous Equipment	4,202,619	2,990		
144		Subtotal (Lines 132 thru 143)	201,517,738	3,702,598		
145	399	Other Tangible Property	-	-		
146		TOTAL General Plant	201,517,738	3,702,598		
147		TOTAL (Account 101 and 106)	3,508,587,668	112,424,522		
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	3,508,587,668	112,424,522		

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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.	
(933,722)	-	-	13,662,223	396	141	
(22,506,463)	-	-	7,038,541	397	142	
(266,846)	-	-	3,938,763	398	143	
(27,690,529)	-	-	177,529,807		144	
-	-	-	-	399	145	
(27,690,529)	-	-	177,529,807		146	
(67,118,613)	0	0	3,553,893,576		147	
-	-	-	-	101.1	148	
-	-	-	-	102	149	
-	-	-	-	(102)	150	
-	-	-	-			
-	-	-	-	103	151	
(67,118,613)	-	-	3,553,893,576		152	

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL DECEMBER 31, 2010				
GAS PLANT HELD FOR FUTURE USE (Account 105)				
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. 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.				
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)
	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)			
2	Compressor Station, Measuring Station, and City Gate Station Structures and Improvements stored at Kalkaska Office and Warehouse, Kalkaska Township, Kalkaska County	Primarily in October and November 1995	Ongoing investigation with the plant to be verified its use in 2011	257,525
7	Compressor Station and Measuring Station Equipment stored at Kalkaska Office and Warehouse, Kalkaska Township, Kalkaska County	Primarily in October, November 1995 and February, December 1996 March 2001	Ongoing investigation with the plant to be verified its use in 2011	403,651
45	TOTAL			\$661,176

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010
PRODUCTION PROPERTIES HELD FOR FUTURE USE (Account 105.1)				
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.				
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.				
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)			
2				
3				
4	Prod. Wells (various)	various dates		\$226,872
5				
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46	TOTAL			\$226,872

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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		
2	plant monthly.		
3			
4	DISTRIBUTION PLANT (1 Items)	10,008,169	
5	Cathodic Protection	4,852,566	
6	Main Renewals	4,647,248	
7	Public Improvements	10,412,061	
8	System Reliability	4,323,365	
9	Service Renewals	7,670,604	
10	New Market	6,630,644	
11	Service Alterations	1,755,975	
12	Revenue Protection	71,910	
13			
14			
15	GENERAL PLANT		
16	Vehicles- Various	6,244,496	
17	NGV Vehicles	1,654,631	
18			
19			
20			
21	INTANGIBLE PLANT: (3 Items)	2,140,785	
22			
23			
24			
25			
26			
27	UNDERGROUND STORAGE (42 Items)	2,964,112	
28	Compression Clean Burn	1,422,053	
29	Compressor Station	1,794,987	
30			
31			
32			
33			
34			
35			
36			
37			
38	TRANSMISSION PLANT (31 Items)	2,860,771	
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			
50			
51	DISTRIBUTION PLANT (2 Items)	632,357	
52	Jamestown Distribution	1,820,683	
53	AMI-Automated Meter Intergration	1,412,276	
54	In Test Meters	1,688,196	
55	Gas Initiative	618,718	
56	Pipeline Integrity	4,349,376	
57			
58	GENERAL PLANT (61 Items)	2,971,623	
59	Scada System Enhancements -CC	2,106,956	
60	Structures and Improvements-Allen Road	1,516,073	
61			
62			
63			
64			
65			
66			
67			
68			
69			
70	TOTAL	\$86,570,635	\$0

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	\$8,963,677	\$102,511,863
2	Supervision, Engineering and Transportation -		
3	Joint Expense	22,424,598	\$102,511,863
4	Pensions and Employee Benefits Capitalized	13,911,684	\$102,511,863
5	Allowance for Funds Used During Construction	489,425	\$102,511,863
6	Payroll Taxes	1,185,667	\$102,511,863
7			
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33			
34	Total	\$46,975,051	

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 2010 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.

Note: See Page 217 for amounts capitalized.

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010							
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	\$ 1,834,493,261	\$ 1,833,767,348	\$ 725,913							
2	Depreciation Provisions for Year, Charged to										
3	(403) Depreciation Expense	78,073,180	78,059,143	14,037							
4	(403.1) Depreciation Expense	119,540	119,540								
5	(404 & 405) Amortization Expense Intangible Plant	7,235,721	7,235,721								
6	Transportation Expenses-Clearing	8,134,000	8,134,000								
7	Other Clearing Accounts										
8	Other Accounts (Specify): (411) Accretion Expense	3,018,098	3,018,098								
9	TOTAL Deprec. Prov. for Year (Enter total of lines 3 thru 8)	96,580,539	96,566,502	14,037							
10	Net Charges for Plant Retired:										
11	Book Cost of Plant Retired	67,527,642	67,118,613	409,029							
12	Cost of Removal	15,219,109	15,219,108	1							
13	Salvage (Credit)	(18,761)	(18,761)								
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	82,727,990	82,318,960	409,030							
15	Other Debit or Credit Items (Describe): (2)	(3,079,449)	(3,076,142)	(3,307)							
16											
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	1,845,266,361	1,844,938,748	327,613							
Section B. Balances at End of Year According to Functional Classifications											
18	Production-Manufactured Gas	14,729,941	14,402,328	327,613							
19	Production and Gathering-Natural Gas	50,936,583	50,936,583								
20	Intangible Plant - Gas	128,904,896	128,904,896								
21	Underground Gas Storage	-									
22	Other Storage Plant (FAS 143/FIN 47)	(2,387,146)	(2,387,146)								
23	Retirement Work In Progress	217,394,994	217,394,994								
24	Transmission	13,337,174,901	13,337,174,901								
25	Distribution	98,512,192	98,512,192								
26	General										
27	TOTAL (Enter Total of lines 18 thru 26)	\$ 13,845,266,361	\$ 13,844,938,748	\$ 327,613							
Notes: (2) OTHER DEBIT AND CREDIT ITEMS CONSISTS OF THE FOLLOWING: <table style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 60%;">ARO Related Adjustments</td> <td style="text-align: right;">\$ (3,018,099)</td> </tr> <tr> <td>Non-Utility</td> <td style="text-align: right;">\$ (61,351)</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ (3,079,449)</td> </tr> </table>						ARO Related Adjustments	\$ (3,018,099)	Non-Utility	\$ (61,351)		\$ (3,079,449)
ARO Related Adjustments	\$ (3,018,099)										
Non-Utility	\$ (61,351)										
	\$ (3,079,449)										

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	\$32,418,515	\$43,542,050	0	0	\$75,960,565
2	Gas Delivered to Storage (contra Account)	0	131,406,639			131,406,639
3	Gas Withdrawn from Storage (contra Account)	(70)	(131,852,316)			(131,852,386)
4	Other Debits or Credits (Net)	0	0			0
5	Balance at End of Year	\$32,418,445	\$43,096,373	0	0	\$75,514,818
6	Mcf	62,536,175	43,291,066			105,827,241
7	Amount Per Mcf	\$0.51840	\$0.99550			\$0.71357

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

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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	\$ 724,427	\$ -	\$ 724,427	
4	Storage Field Land and Land Rights	-	-	-	
5	Edmore Field	761,548	-	761,548	
6	Computer Equipment - MRCS	-	-	-	
7	Leased Water Heaters	981,615	-	981,615	
8	Minor Items	73,995	-	73,995	
9		\$ 2,541,585	\$ -	\$ 2,541,585	
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	\$ 608,966			
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.				
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	-			
12	Cost of Removal	-			
13	Salvage (Credit)	-			
14	TOTAL Net Charges (Enter Total of lines 10 thru 13)	-			
15	Other Debit or Credit Items (Describe):	-			
16	Plant In Service	-			
17	Balance, End of Year (Enter Total of lines 1, 9, 14, and 16)	\$ 670,317			

INVESTMENTS (Accounts 123, 124, 136)

1. Report below Investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.

2. Provide a subheading for each account and list thereunder the information called for:

(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.

(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

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)	\$ 1,814,217	\$ -
10			
11			
12	Total Account 124	\$ 1,814,217	\$ -
13			
14			
15			
16	<u>Account 136</u>		
17			
18			
19			
20			
21	Total Account 136	\$ -	\$ -
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			

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

advances due from officers, directors, stockholders, or employees. 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
\$ 20,039		\$ 1,794,178	-	-	9
					10
\$ 20,039		\$ 1,794,178	\$ -	\$ -	11
					12
					13
					14
					15
					16
					17
					18
					19
\$ -		\$ -	\$ -	\$ -	20
					21
					22
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					29
					30
					31

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)					
1. Report below investments in Account 123.1, 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 418.1					
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	6-29-84			
2	COMMON STOCK				
3	(PAR VALUE \$1 PER SHARE, 1,000				
4	SHARES AT 12-31-98)			0	
5	ADDITIONAL PAID-IN CAPITAL			(717,150)	
6	EQUITY IN EARNINGS				
7	Total			(717,150)	
8	BLUE LAKE HOLDINGS, INC.	6-25-91			
9	COMMON STOCK				
10	(PAR VALUE \$.01 PER SHARE, 10			0	
11	SHARES AT 12/31/98)			7,490,192	
12	ADDITIONAL PAID-IN CAPITAL			0	
13	OTHER COMPREHENSIVE INCOME			1,045,199	
14	EQUITY IN EARNINGS			8,535,391	
15	Total				
16	MICHCON PIPELINE COMPANY	5-26-95			
17	COMMON STOCK				
18	(PAR VALUE \$.01 PER SHARE, 1000			10	
19	SHARES AT 12/31/98)			46,513,846	
20	ADDITIONAL PAID-IN CAPITAL			4,224,580	
21	EQUITY IN EARNINGS			50,738,436	
22	Total				
23					
24					
25					
26					
27					
28					
29					
30					
31	Total Cost of Account 123.1		Total	58,556,677	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2009	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (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 123.1.					
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.	
		0		1	
		0		2	
		(717,150)		3	
		1,131		4	
1,131	0	1,131		5	
1,131	0	(716,019)		6	
		0		7	
		7,490,192		8	
		0		9	
2,308,533	(600,000) (1)	2,753,732		10	
2,308,533	(600,000)	10,243,924		11	
		10		12	
	(31,900,000) (3)	(31,900,000)		13	
	(155,408) (2)	46,358,436		14	
5,490,807	(9,000,000) (1)	715,387		15	
5,490,807	(41,055,408)	15,173,833		16	
				17	
				18	
				19	
				20	
				21	
				22	
				23	
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				43	
				44	
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				46	
				47	
				48	
				49	
				50	
				51	
7,800,471	(41,655,408)	24,701,738		52	

(1) Dividends Declared
 (2) Misc Equity Adj for MichCon Pipeline
 (3) Over return of Capital

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2010
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)	729,503	896,778
2	Customer Accounts Receivable (Account 142)	335,682,213	263,249,253
3	Other Accounts Receivable (Account 143) (Disclose any capital stock subscriptions received)	96,915,661 (1)	55,172,365 (1)
4	Total	433,327,377	319,318,396
5	Less: Accumulated Provision for Uncollectible Accounts - Cr. (Accounts 144)	130,987,057	89,482,853
6	Total, Less Accumulated Provision for Uncollectible Accounts	\$302,340,320	\$229,835,543
7			
8			
9			
10			
11			
12	(1) Includes amount receivable from Employees	(839,193)	(82,874)
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 See Note (2) (b)	Merchandise, Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	130,075,498	129,993	0	781,567	130,987,058
2	Prov. for uncollectibles for year	53,529,404	60,141	0	390,655	53,980,200
3	Accounts written off	(106,188,255)	(62,652)	0	(425,807)	(106,676,714)
4	Coll. of accounts written off	11,128,513	8,416	0	55,380	11,192,309
5	Adjustments (explain):	0	0	0	0	0
6	Balance end of Year	88,545,160	135,898	0	801,795	89,482,853
7						
8	(2) The uncollectible provision per the balance sheet does not include direct expense charged to the income statement, which					
9	is primarily related to low income match write offs:					
10	Provision for uncollectibles-utility	53,529,404				
	Provision for uncollectibles-merch.	60,141				
11	Directly charged to expense	4,842,523				
12	Uncollectibles Expense (acct 904)	58,432,068				
13						

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2010
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)	Co ID	Balance Beginning of Year (b)	Total for Year		Balance End of Year (e)	Interest For Year (f)
				Debits (c)	Credits (d)		
1	Account 145						
2	MichCon Development Company	222	11,733	0	11,733	0	107
3	Saginaw Bay Lateral Limited Partnership	228	33,456	3,791	37,247	0	-
4	MichCon Pipeline Company	224	-	29,505	-	29,505	-
5	MichCon Fuel Service Company	282	-	1,279,436	307,133	972,303	282
6							
7							
8							
9							
10							
11							
12							
13	Total Account 145		45,189	1,312,732	356,113	1,001,808	389

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, 2010		
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146) (Continued)							
Line No.	Particulars (a)	Co. ID	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	DTE Energy Company	100	1,703	46,415,333	46,413,965	3,071	
3	DTE Energy Resources, Inc.	101	150	2,672	2,803	19	
4	DTE Biomass Energy, Inc.	102	-	642	641	1	
5	Westside Gas Producers LLC	133	-	327	327	-	
6	DTE Energy Trading, Inc.	136	169,259	4,994,569	5,040,779	123,049	
7	DTE Energy Services, Inc.	139	4	4,939	4,928	16	
8	South Romeo Gas Storage Company	142	-	250,799	217,357	33,442	
9	EES Coke Battery, LLC	145	186,013	1,115,989	1,116,007	185,995	
10	DTE Stoneman LLC	150		3,600	3,600		
11	DTE East China, LLC	178	8,500	102,000	102,000	8,500	
12	DTE Coal Services, Inc.	186	-	2,465	2,463	2	
13	DTE Peptec Inc	191	-	54	54	-	
14	Syndeco Realty Corp	194	-	207	207	-	
15	Detroit Edison Company	202	24,752,004	2,125,980,335	2,153,736,298	(3,003,959)	
16	Edison Illumination Co.	204	27	1,479	1,506	-	
17	DTE Energy Technologies	210	3,054	3,054	6,108	-	
18	DTE Energy Ventures	216	1,970	42,226	42,947	1,249	
19	MichCon Pipeline Company	224	5,043	34,933,411	34,269,392	669,062	
20	MichCon Gathering Company	225	253,099	9,251,537	9,352,918	151,718	
21	Saginaw Bay Pipeline Company	226	18,107	392,593	395,348	15,352	
22	Saginaw Bay Lateral Company	227	12,748	18,550	31,298	-	
23	Saginaw Bay Lateral Limited Partnership	228	1,548	3,840	5,388	-	
24	Thunder Bay Gathering Company	231	23,477	50,662	74,139	-	
25	MichCon Lateral Company	232	244,221	4,320,292	4,449,836	114,677	
26	Citizens Gas Fuel Company	234	-	140	44	96	
27	MCN Energy Enterprises	236	13	12	25	-	
28	DTE Gas Storage Pipeline & Processing Co.	237	-	290,341	280,413	9,928	
29	DTE Millenium Company	251	-	37,824	32,958	4,866	
30	DTE Dearborn LLC	261	2,958	3,613	6,571	-	
31	DTE Gas Storage Company	267	479,555	3,683,405	3,952,840	210,119	
32	Shelby Storage LLC	271	-	257,039	255,111	1,929	
33	MichCon Fuel Service Company	282	-	582,039	509,496	72,543	
34	Jordan Valley Pipeline Company	288	9,741	14,258	23,999	-	
35	DTE Terra Hayes Gathering Company	289	1,884	5,233	7,117	-	
36	Tums/Olund Lake Pipeline Company	290	64	131	195	-	
37	DTE Gas Resources	292	-	166	165	1	
38	Washington 10 Storage Corporation	316	3,838	987,068	746,193	244,713	
39	DTE Pontiac North LLC	338	-	695	695	-	
40	DTE Pittsburgh, LLC	350	-	2,196	2,196	-	
41	DTE Energy Corporate Services, LLC	388	2,573,068	64,352,979	64,071,245	2,854,802	
42							
43	Total Account 146		28,752,048	2,298,108,716	2,325,159,572	1,701,191	\$ -
44							
45	Total of Accounts 145 and 146		\$28,797,237	\$2,299,421,448	\$2,325,515,685	\$2,702,999	\$397

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010
MATERIALS AND SUPPLIES				
1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material. Nonmajor companies may report total on line 4. 2. Give an explanation of important inventory adjustments during 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.				
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)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)		6,401,684	
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)		6,702,741	
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	13,477,605 (1)	13,104,425 (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)	2,812,893	3,417,757	
16				
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	16,290,498	16,522,182	
(1)	Plant Materials and Operating Supplies (Account 154)			
	Construction and Operating			
	Materials and Supplies:			
	Pipe-steel and plastic	606,814		
	Fittings, valves, regulators, meter connections	3,383,655		
	Automotive and gas plant equipment parts	1,511,680		
	Appliance parts and installation materials	1,494,707		
	Gas Odorant	0		
	Truck Stock and other base stock	2,772,849		
	Other Materials	2,401,244		
	Uniforms and hand tools	382,879		
	Stationary and office supply forms	10,874		
	Forms	3,165		
	Sub-Total	12,567,867	0	
	Materials and supplies in transit	0	0	
	Materials and supplies - Unassigned costs:			
	Freight on materials	404,328		
	Sales and use taxes	505,410		
	Sub-Total	909,738	0	
	Inventory adjustments in suspense			
	TOTAL Account 154	\$13,477,605	\$0	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010		
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					
2	Prepaid Rents	122,215				
3	Prepaid Taxes (262-263)	10,153,016				
4	Prepaid Interest					
5	Gas Prepayments (226-227)					
6	Miscellaneous Prepayments: (1)	861,867				
7	TOTAL	\$11,137,098				
Notes: (1) Miscellaneous Prepayments: Flex Spending Account Deposit Prepaid MPSC Fee					Balance at End of Year (In Dollars) 71,100 790,767 861,867	
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						
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20						
21						
22						
23						
24						
25						
26						
27						
28	TOTAL	\$0	\$0		\$0	\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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 (174)	0	485 & 431	0	0
3					
4	Revenue Decoupling Mechanism Deferred Debits (186)	5,073,541		0	5,073,541
5					
6	Deferred MGP Environmental Testing/Clean-up Costs (186)	2,421,844	253	2,423,685	41,064,833
7					
8					
9	Cost to Achieve per Rate Order - U-14909 (186)	0	930.2	2,828,987	19,249,342
10					
11	Unamortized Loss on Retirement of Debt (189)	30,449,438	428	32,299,871	29,804,856
12					
13	Long Term UETM (186)	18,131,348	174	51,294,895	48,164,982
14	Current Receivable UETM (174)	40,965,518	142	52,288,541	41,606,657
15					
16	Minimum Pension Liability (186)	36,011,000	228.3	29,706,000	564,844,000
17	Post Retirement costs (186)	6,010,558		0	6,010,558
18					
19	Accumulated Deferred Michigan Business Tax (186)	11,044,167	283 & 410	10,850,433	64,082,931
20					
21	Total Regulatory Assets				\$819,901,700
22					
23					
24					
25					
26					
27	(1) Balance also includes amounts reserved, but not yet paid. The following				
28	is a reconciliation of the net MGP Regulatory Asset balance:				
29	Deferred MGP Environmental Testing/Clean-up Costs (186), page 233				\$41,064,833
30	Less: Environmental Remediation Expenses-MGP (253), page 269				(21,247,826)
31	Current Environmental Reserves MGP (242), page 268				(8,747,208)
32	Legal I&D Reserve (228.2)				(1,500,000)
33	Net MGP Regulatory Asset				\$9,569,799
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	\$150,107,414		\$181,692,412	\$839,041,298

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 (a)	Balance at Beginning of Year (b)	CREDITS			Balance at End of Year (f)
			Debits (c)	Account Charged (d)	Amount (e)	
1	REG ASSET-FAS 87 MIN PENSION LIABILITY	556,578,022	37,972,000	228.3	29,706,022	564,844,000
2	PREPAID PENSION	154,297,000	25,348,000	228.3	2,040,000	177,605,000
3	N/R - VECTOR PIPELINE LEASE	136,105,778	7,114,133	172	72,567,556	70,652,355
4	ACCUM. DEF. MICHIGAN BUSINESS TAX	63,889,198	11,044,167	283,410.1	10,850,434	64,082,931
5	UETM - UNCOLLECTIBLE TRACKER	81,328,529	18,131,348	485,430	51,294,895	48,164,982
6	REG ASSET-ENVIRONMENTAL COSTS	41,066,674	2,421,844	253,930.2	2,423,685	41,064,833
7	DEFERRED COSTS TO ACHIEVE	22,078,329	-	407.3	2,828,987	19,249,342
8	MEDICARE SUBSIDY SUMMARY	-	6,010,558	-	-	6,010,558
9	REG ASSET-REVENUE DECOUPLING MECHANISM	-	5,073,541	-	-	5,073,541
10	FINANCING EXPENSE ST DEBT	4,853,079	2,368,323	181	3,231,075	3,990,327
11	LT RECEIVABLES - EMPLOYEES	967,276	-	Various	16,572	950,704
12	DEF. TAXES ON AFUDC EQUITY	-	262,055	283	73,961	188,094
13						
14						
15						
16						
17						
18						
19						
20	Note to Line 3, N/R - Vector Pipeline Lease: MichCon has historically reported the Vector Lease on their balance sheet as a "net" investment for GAAP purposes and as a "gross" investment for regulatory accounting (RAAP) purposes. It has been determined that accounting treatment as a "net" investment is most appropriate for GAAP. Since there is no regulatory requirement to account for this on the RAAP books as a "gross" investment which includes unearned interest revenue, the decision has been made to restate MichCon's MPSC balance sheet effective December 31, 2010.					
21						
22						
23						
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27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40		-	-		-	-
41		-	-		-	-
42		-	-		-	-
43						
44	TOTAL	1,061,163,885	115,745,969		175,033,187	1,001,876,667

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
ACCUMULATED DEFERRED INCOME TAXES (Account 190)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes.					
2. At Other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited To Account 410.1 (c)	Amounts Credited To Account 411.1 (d)	
1	Electric				
2					
3					
4					
5					
6					
7	Other				
8	TOTAL Electric (Enter Total of lines 2 thru 7)				
9	Gas				
10	Bad Debts	\$47,589,871	\$14,526,471	(\$721,007)	
11	Veba	111,198,901		1,183,350	
12	Tax Basis Adjustments	48,225,744	146,835	3,562,027	
13	Lost Gas	1,152	2,492,057	712,663	
14	Vacation Liability	5,852,952	678,467	140,648	
15	Other	160,208,676	\$15,028,407	15,891,928	
16	TOTAL Gas (Enter Total of lines 10 thru 15)	\$373,077,296	\$32,872,237	\$20,769,609	
17	Other (Specify)				
18	TOTAL (Account 190) (Enter Total of lines 8, 16, & 17)	\$373,077,296	\$32,872,237	\$20,769,609	
19	Classification of Total:				
20	Federal Income Tax				
21	State Income Tax				
22	Local Income Tax				
NOTES					
In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts under Other.					
Other Line 15					
	Post 1992 Misc. Deferrals	\$142,476,232	\$177,870	\$16,328	
	Inventory Capitalized	89,226	14,565,950	103,881	
	Vector Pipeline	2,976,724		660,100	
	Environmental Insurance Recovery	655,282	284,587		
	Long-term DFIT Assets	7,936,529			
	Stock Compensation	1,007,950		111,619	
	MBT	5,066,733			
	Net Operating Loss			15,000,000	
	Total Other	\$160,208,676	\$15,028,407	\$15,891,928	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010			
ACCUMULATED DEFERRED INCOME TAXES (Account 190)							
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
-	-		-		-	\$32,342,393	10
-	-		6,010,558		-	106,371,693	11
-	-					51,640,936	12
-	-					(1,778,242)	13
-	-					5,315,133	14
0	0	See below	686,350	See below	302,274	160,688,121	15
\$0	\$0		\$6,696,908		\$302,274	\$354,580,034	16
							17
							18
\$0	\$0		\$6,696,908		\$302,274	\$354,580,034	19
							20
							21
							22
NOTES (Continued)							
-	-		\$686,350		\$135,674	\$141,764,014	
-	-					(14,372,843)	
-	-					3,636,824	
-	-					370,695	
-	-				166,600	8,103,129	
-	-					1,119,569	
-	-					5,066,733	
-	-					15,000,000	
\$0	\$0		\$686,350		\$302,274	\$160,688,121	

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2010				
CAPITAL STOCK (Accounts 201 and 204)				
1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement 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. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.				
Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	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				
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MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2010						
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
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						14
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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)			
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.			
(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.			
(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.			
(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.			
(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.			
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, 2009	\$133,900,000	
4	NO TRANSACTIONS DURING 2010	-	
5			
6	BALANCE, DECEMBER 31, 2010	133,900,000	\$133,900,000
7			
8			
9	<u>ACCOUNT 210 GAIN ON RESALE OR CANCELLATION OF REACQUIRED CAPITAL STOCK</u>		
10			
11	BALANCE, DECEMBER 31, 2009	12,525	
12	NO TRANSACTIONS DURING 2010	-	
13			
14	BALANCE, DECEMBER 31, 2010	12,525	12,525
15			
16			
17			
18	<u>ACCOUNT 211 MISCELLANEOUS PAID-IN-CAPITAL</u>		
19			
20	BALANCE, DECEMBER 31, 2009	365,348,552	
21	CAPITAL CONTRIBUTION - CASH	25,000,000	
22	CAPITAL REDUCTION - ASSET	(155,411)	
23			
24	BALANCE, DECEMBER 31, 2010	\$390,193,141	390,193,141
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38	Total	\$524,105,666	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Consolidated Gas Company	(1) ☒ An Original (2) ☐ A Resubmission		Dec. 31, 2010
SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED DURING THE YEAR			
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. 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. 3. Include in the identification of each class and series of security, as appropriate, the interest or dividend		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. 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. 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.	
<u>Mortgage Bonds Retired</u> No Bond Retirements in 2010. <u>Securities Issued</u> No New Issuances in 2010.			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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	Mortgage Bonds:				
3					
4	8.25% Series due 2014	09-26-94	05-01-14	80,000,000	
5	5.7% Snr Note due 2033	02-20-03	03-15-33	200,000,000	
6	5% Snr Note due 2019	10-04-04	10-01-19	120,000,000	
7	7.06% Series due 2012	05-20-97	05-01-12	40,000,000	
8	5.26% 2008 Series A Snr Note due 2013	04-11-08	04-15-13	60,000,000	
9	6.04% 2008 Series B Snr Note due 2018	04-11-08	04-15-18	100,000,000	
10	6.44% 2008 Series C Snr Note due 2023	04-11-08	04-15-23	25,000,000	
11	6.78% 2008 Series F Snr Note due 2028	06-26-08	06-15-28	75,000,000	
12	5.94% 2008 Snr Note due 2015	08-20-08	09-01-15	140,000,000	
13	6.36% 2008 Snr Note due 2020	08-20-08	09-01-20	50,000,000	
14					
15					
16	Other Bonds:				
17					
18					
19					
20					
21					
22	Total Account 221 Bonds			890,000,000	
23					
24					
25					
26					
27					
28	Account 224 - Other				
29					
30	Total Account 224 Other				
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	Total			\$890,000,000	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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
8.25	6,600,000				4
5.70	11,396,804 (1)				5
5.00	6,146,434 (1)				6
7.06	2,824,000				7
5.26	3,156,000				8
6.04	6,040,000				9
6.44	1,610,000				10
6.78	5,085,000				11
5.94	8,316,000				12
6.36	3,180,000				13
					14
					15
					16
					17
					18
					19
					20
					21
	54,354,238	-	-		22
					23
					24
					25
					26
					27
					28
					29
	-	-	-		30
					31
					32
					33
(1) Interest on these instruments is being reported net of OCI cash flow hedge					34
					35
					36
					37
					38
					39
	\$ 54,354,238	\$ -	\$ -		40

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL			December 31, 2010		
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	5.7% 2003A due 2033	200,000,000	1,897,181	02-20-03	03-15-33
7	5% 2004E Snr Note due 2019	120,000,000	2,408,975	10-04-04	10-01-19
8	7.06% Series due 2012	40,000,000	434,119	05-20-97	05-01-12
9	5.26% 2008 Series A Snr Note due 2013	60,000,000	416,035	04-11-08	04-15-13
10	6.04% 2008 Series B Snr Note due 2018	100,000,000	652,076	04-11-08	04-15-18
11	6.44% 2008 Series C Snr Note due 2023	25,000,000	213,248	04-11-08	04-15-23
12	6.78% 2008 Series F Snr Note due 2028	75,000,000	521,224	06-26-08	06-15-28
13	5.94% 2008 Snr Note due 2015	140,000,000	735,093	08-20-08	09-01-15
14	6.36% 2008 Snr Note due 2020	50,000,000	239,830	08-20-08	09-01-20
15					
16					
17					
18	TOTAL ACCOUNT 181	\$890,000,000	\$8,217,781		
19					
20					
21	UNAMORTIZED PREMIUM ON OTHER BONDS				
22					
23					
24	TOTAL ACCOUNT 225	\$0	\$0		
25					
26					
27	UNAMORTIZED DISCOUNT ON FIRST MORTGAGE BONDS				
28					
29	8 1/4% Series due 2014	80,000,000	680,000	09-26-94	05-01-14
30	5.7% 2003A due 2033	200,000,000	726,000	02-20-03	03-15-33
31	5.0% 2004e due 2019	120,000,000	487,200	10-04-04	10-01-19
32					
33	TOTAL ACCOUNT 226	\$400,000,000	\$1,893,200		
34					
35					
36					
37					
38					
39					
40					

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
154,784		(35,719)	119,065	5
1,464,116		(63,093)	1,401,023	6
1,566,703		(160,689)	1,406,014	7
67,769		(29,043)	38,726	8
273,051		(83,023)	190,028	9
539,899		(65,135)	474,764	10
188,782		(14,206)	174,576	11
481,710		(26,101)	455,609	12
592,489	0	(104,557)	487,932	13
212,641		(19,935)	192,706	14
				15
				16
				17
\$5,541,944	\$0	(\$601,501)	\$4,940,443	18
				19
				20
	0		0	21
				22
				23
\$0	\$0	\$0	\$0	24
				25
				26
				27
				28
150,361		(34,699)	115,662	29
560,278		(24,144)	536,134	30
316,856		(32,498)	284,358	31
				32
\$1,027,495	0	(\$91,341)	\$936,154	33
				34
				35
				36
				37
				38
				39
				40

UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (ACCOUNTS 189, 257)

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.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
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.
4. Show loss amounts by enclosing the figures in parentheses.
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.

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	9 3/4% series due 2000					
3	Refunding with 7.06% 1997-B due 2012 - 110005	6/30/1997	12,000,000	(1,009,562)	157,785	90,056
4						
5						
6	7.8% due 2017					
7	6.75% due 2023					
8	7-1/2% due 2020					
9	7% due 2025					
10	6.2% due 2038					
11	Refunding with 5.7% 2003A due 2033 - 110003	02/20/2003	172,174,000	(25,916,511)	20,186,739	19,138,715
12						
13	1999 6.85% Senior Note due 2038					
14	1999 6.85% Senior Note due 2039					
15	Refunding with 5.0% 2004E due 2019 - 110004	10/4/2004	107,327,000	(3,523,365)	2,303,042	2,056,439
16						
17	8% series due 2002					
18	6.45% 1998 MOPPRS due 2038					
19	Refunding with 6.78% 2008 Series F					
20	Senior Notes due 2028 - 110010	6/30/2008	75,000,000	(9,746,617)	9,007,723	8,519,646
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41			\$ 366,501,000	\$ (40,196,055)	\$ 31,655,289	\$ 29,804,856
42	<u>Account 257</u>					
43	None					
44	No Redemption or Issuance in 2010.					
45						
46						
47						
48						
49						
50						
51						
52						
53						
54						
55						

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010		
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	For Gas in Underground Storage	Various (1)	Various (1)	Various(1)	(149,990,575)
2	Paper Debt	and Other Working Capital				
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13	In August 2010, MichCon completed an early renewal of its \$181.25 million of its syndicated revolving credit facility before the scheduled expiration in October 2010. The new \$175 million 3-year facility will expire in August 2013. In August 2010, MichCon amended and restated its \$243.75 million syndicated revolving credit facility before its scheduled expiration in April 2011. The facility's expiration date was extended to August 2012, the size increased to \$250 million. The 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.					
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
	TOTAL					(\$149,990,575)

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010		
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	Account 233					
2	DTE Energy Company	115,086,308	1,467,898,042	1,486,459,587	133,647,852	350,629
3	MichCon Development Corporation	-	97,134	129,904	32,770	22
4	Blue Lake Holdings, Inc.	1,304,982	2,509,030	4,658,664	3,454,616	8,664
5	MichCon Pipeline Company	34,738,571	105,587,194	70,848,623	-	150,948
6	MichCon Gathering Company	1,511,946	24,641,474	29,596,398	6,466,869	15,795
7	Saginaw Bay Pipeline Company	161,037	803,739	1,016,558	373,857	1,500
8	Saginaw Bay Lateral Company	30,539	49,152	18,613	-	
9	Thunder Bay Gathering Company	342,549	962,279	619,730	-	
10	MichCon Lateral Company	554,270	4,263,300	3,822,769	113,739	2,067
11	Hawes Pipeline, LLC	41,185	82,370	41,185	-	
12	DTE Michigan Holding Inc	249,396	587,878	338,482	-	
13	Jordan Valley Pipeline Company	186,645	359,054	172,409	-	
14	DTE Terra Hayes Gathering Company	108,751	216,477	107,726	-	
15	Tums/Olund Lake Pipeline Company	2,072	4,075	2,003	-	
16						
17						
18	Total (Account 233)	154,318,251	1,608,061,198	1,597,832,650	144,089,703	529,625
19						
20						
21	Note: Notes Payable to associated companies arise from the Inter-Company Loan Agreement.					
22						
23						
24						
25	Purpose: To provide a line of credit from associated companies.					
26	Maturity Date: N/A					
27	Interest Rate: Annually modified fixed rate.					
28						
29						
30						
31						
32						
33						

PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)

Line No.	Particulars (a)	Balance Beginning of Year (b)	Debits (c)	Totals for Year Credits (d)	Balance End of Year (e)	Interest for Year (f)
1	<u>Account 234</u>					
2	DTE Energy Company	1,496,627	109,840,882	108,792,662	448,408	
3	DTE Energy Resources, LLC	150	2,525	2,395	19	
4	DTE Biomass Energy, Inc	-	639	639	-	
5	Westside Gas Prod LLC	-	3	3	-	
6	DTE Energy Trading	5,794	760,193	761,179	6,781	
7	DTE Energy Services, Inc.	4,871	15,490	13,882	3,263	
8	Sth Romeo Gas Strg Co LLC	-	23,387	25,753	2,366	
9	EES Coke Battery, LLC	12	24	12	-	
10	DTE Stoneman, LLC	-	3,600	3,600	-	
11	DTE ES Operations	-	34	34	-	
12	DTE Coal Services, Inc	-	1,014	1,014	-	
13	DTE Peplec, Inc	-	54	54	-	
14	Syndeco Realty Corp	-	3,640	3,640	-	
15	The Detroit Edison Co.	16,967,113	172,439,905	159,502,673	4,029,881	
16	Edison Illumting Co Detr	27	94	67	-	
17	DTE Energy Technologies	416	831	416	-	
18	DTE Energy Ventures	65	2,102	2,146	109	
19	MichCon Pipeline Company	63,043	1,255,987	1,192,959	14	
20	MichCon Gathering Company	17,003	18,656,483	19,070,857	431,377	
21	Saginaw Bay Pipeline Cmpy	63,308	847,611	784,977	674	
22	Saginaw Bay Lateral Comp	1,426	6,860	5,435	-	
23	Saginaw Bay Lat Mich Lmtd	86	274	189	-	
24	Thunder Bay Gathering Co	2,017	19,769	17,752	-	
25	MichCon Lateral Company	10,778	227,538	224,999	8,239	
26	Citizens Gas Fuel Company	-	179	356	178	
27	MCN Energy Enterprise, In	247	10,261	10,015	-	
28	DTE Pipeline Company	-	34,140	34,618	479	
29	DTE Millennium Company	-	3,302	3,992	690	
30	DTE Dearborn, LLC	348	6,228	5,880	-	
31	DTE Gas Storage Company	55,943	462,600	451,981	45,324	
32	Shelby Storage LLC	-	33,517	33,635	118	
33	MichCon Fuel Services Co.	-	180,028	180,068	40	
34	Jordan Valley Pipeline Co	928	2,381	1,453	-	
35	DTE Terra Hayes Gathering	415	1,154	739	-	
36	Tums/Olund Lake Pipeline	19	56	37	-	
37	DTE Gas Resources	-	164	164	-	
38	Wash 10 Storage Corp	44	45,190	46,155	1,009	
39	DTE Pontiac North, LLC	-	316	316	-	
40	DTE Pittsburgh, LLC	-	2,550	2,550	-	
41	DTE Eng Corp Svcs LLC	21,400,872	351,998,643	349,949,677	19,351,906	
42						
43						
44	Total (Account 234)	40,091,549	656,889,647	641,128,973	24,330,876	
	Total	194,409,800	2,264,950,845	2,238,961,624	168,420,579	529,625

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2010
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)		\$108,153,200
6	Allocation of Net income for the year		
7	Add Federal income tax expenses		39,473,136
8			
9	Total pre-tax income		147,626,336
10			
11	Add: Taxable income not reported on books		
12	SEE PAGE 261-C		12,830,471
13			
14			
15	Add: Deductions recorded on books not deducted from return		
16	SEE PAGE 261-C		64,550,380
17			
18			
19	Subtract : Income recorded in books not included in return		
20	SEE PAGE 261-C		(8,097,938)
21			
22			
23	Subtract: Deductions on return not charged against book income		
24	SEE PAGE 261-C		(176,207,907)
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		\$40,701,342

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2010
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.
\$159,482,631			1
			2
			3
			4
			5
102,447,057	5,706,143		6
40,586,354	(1,113,218)		7
			8
143,033,411	4,592,925		9
			10
			11
12,830,471	0		12
			13
			14
			15
63,063,445	1,486,935		16
			17
			18
			19
(297,467)	(7,800,471)		20
			21
			22
			23
(176,207,907)	0		24
			25
			26
			27
			28
			29
			30
			31
			32
			33
			34
			35
			36
			37
			38
			39
			40
			41
			42
\$42,421,953	(\$1,720,611)		43

MICHIGAN CONSOLIDATED GAS COMPANY A RESUBMISSION December 31, 2010		
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	Reserve for Lost Gas	\$2,036,181
4	Contribution in Aid of Construction	9,942,991
5	Other Miscellaneous	851,299
6	Line 12 Subtotal	12,830,471
7		
8		
9		
10	Line 16: Deductions Recorded On Books Not Deducted From Return:	
11	Uncollectible Tracker	\$44,486,569
12	Charitable Contributions	1,460,000
13	Cost to Achieve Amortization	2,828,988
14	Loss on Reacquired Debt	1,850,433
15	Vector Pipeline Lease	1,886,000
16	State Deferred Tax Expense	9,797,321
17	Other Miscellaneous	2,241,069
18	Line 16 Subtotal	\$64,550,380
19		
20		
21		
22	Line 20: Income Recorded In Books Not Included in Return:	
23	Equity Earnings in Subsidiaries	\$7,800,471
24	AFUDC Equity	297,467
25	Line 20 Subtotal	\$8,097,938
26		
27		
28		
29	Line 24: Deductions On Return Not Charged Against Book Income:	
30	Tax Depreciation over Book Depreciation	\$20,356,886
31	Property Tax	4,909,319
32	SFAS 106 Adjustment	16,080,457
33	ACRS & MACRS Dispositions	14,715,000
34	Repairs Allowance	17,239,000
35	Removal Costs	10,546,000
36	Section 263A Adjustment	41,617,000
37	Bad Debt Reserve	41,504,204
38	Revenue Decoupling Mechanism	5,073,541
39	Other Miscellaneous	4,166,500
40	Line 24 Subtotal	\$176,207,907
41		
42		

MICHIGAN CONSOLIDATED GAS COMPANY		A RESUBMISSION	December 31, 2010
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			Line No.
Utility	Other		
			1
			2
\$2,036,181	\$0		3
9,942,991	0		4
851,299	0		5
12,830,471	0		6
			7
			8
			9
			10
\$44,486,569	\$0		11
0	1,460,000		12
2,828,988	0		13
1,850,433	0		14
1,886,000	0		15
9,797,321	0		16
2,214,134	26,935		17
\$63,063,445	\$1,486,935		18
			19
			20
			21
			22
\$0	\$7,800,471		23
297,467	0		24
\$297,467	\$7,800,471		25
			26
			27
			28
			29
\$20,356,886	\$0		30
4,909,319	0		31
16,080,457	0		32
14,715,000	0		33
17,239,000	0		34
10,546,000	0		35
41,617,000	0		36
41,504,204	0		37
5,073,541	0		38
4,166,500	0		39
\$176,207,907	\$0		40
			41
			42

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
CALCULATION OF FEDERAL INCOME TAX			
Line No.		Total Amount	
1	Estimated Federal taxable income for the current year (page 261A)	\$40,701,342	
2			
3	Show Computation of estimated gross Federal income tax applicable to line 1:		
4	\$40,701,342 * 35 %	14,245,470	
5			
6			
7			
8	TOTAL	\$14,245,470	
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	(\$17,809,249)	
16	Last year's estimated gross Federal income tax expense	(38,946,008)	
17	Increased (decreased) gross Federal income tax expense	21,136,759	
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			
25	R & D credit	(750,000)	
26	Tax Reserves	(337,511)	
27	Audit Settlement	508,832	
28			
29			
30			
31	Total Current Federal Income Tax	\$34,803,550	
32	Expense:		
33	409.1 (page 114, line 14)	\$35,405,768	
34	409.2 (page 117, line 47)	(\$602,218)	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010	
CALCULATION OF FEDERAL INCOME TAXES (continued)				
Utility	Other	Line No.		
		1		
		2		
		3		
		4		
		5		
		6		
		7		
		8		
		9		
\$14,847,688	(\$602,218)	10		
		11		
		12		
		13		
		14		
(\$17,809,249)	0	15		
(\$38,946,008)	0	16		
\$21,136,759	\$0	17		
		18		
		19		
		20		
		21		
		22		
		23		
	0	24		
(750,000)		25		
(337,511)		26		
508,832		27		
		28		
		29		
		30		
\$35,405,768	(\$602,218)	31		
		32		
\$35,405,768		33		
	(\$602,218)	34		

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL		December 31, 2010	
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	\$279,158	-
4	Federal Unemployment	271	-
5	Federal Income - Accrual	(7,269,633)	-
6	- Prepaid	-	-
7	Subtotal Federal Taxes	(6,990,204)	-
8			
9	State Taxes - Other than Income		
10			
11	Michigan Unemployment	640	-
12	Michigan Use	(54,432)	-
13	Michigan Severance	491,876	-
14	Michigan Single Business	(26,922)	-
15	M.P.S.C. Fee	-	\$861,814
16	Subtotal State Taxes - Other than Income	411,162	861,814
17			
18	Property and State/Local Income Taxes		
19			
20	Property - Accrued	-	-
21	- Prepaid	-	10,389,025
22			-
23	State/Local Income Taxes	(2,144,682)	-
24	Subtotal Local Taxes	(2,144,682)	10,389,025
25			
26	Other Taxes		
27			
28	Corporate Allocated Payroll Tax	-	-
29	Other Tax Expense	-	-
30	Subtotal Other Taxes	-	-
31			
32			
33	Total A/C 236	(\$8,723,724)	\$11,250,839
34	Income Tax Prior Year - A/C 244, 245	-	-
35	Other Tax Prior Year - A/C 244.1, 245.1		
36			
37			

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL				December 31, 2010	
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
\$8,685,328	\$8,640,214	-	\$324,272	-	3
224,003	156,867	-	67,407	-	4
2,060,211	0	-	(5,209,422)	-	5
		-	-	-	6
10,969,542	8,797,081	0	(4,817,743)	-	7
					8
					9
					10
212,530	213,059	-	111	-	11
2,358,315	2,143,736	-	160,147	-	12
-	491,876	-	-	-	13
26,922	-	-	-	-	14
2,823,912	2,752,865	-	-	790,767	15
5,421,679	5,601,536	0	160,258	790,767	16
					17
					18
		-	-	-	19
41,904,029	41,668,020	-	-	\$10,153,016	20
		-	-	-	21
3,021,105	(69,682)		946,105	-	22
44,925,134	41,598,338	0	946,105	10,153,016	23
					24
					25
					26
57,731	57,731	-	-	-	27
	0	-	-	-	28
57,731	57,731	0	0	0	29
					30
					31
\$61,374,086	\$56,054,686	\$0	(\$3,711,380)	10,943,783	32
\$0	0	\$0	\$0	-	33
\$0	0		\$0		34
					35
					36
					37

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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	\$ -	\$8,663,878
4	Federal Unemployment	-	205,399
5	Federal Income - Accrual	-	35,405,768
6	- Prepaid	-	
7	Subtotal Federal Taxes	0	44,275,045
8			
9	State Taxes - Other than Income		
10			
11	Michigan Unemployment	-	185,689
12	Michigan Use	-	
13	Michigan Severance	-	
14	Michigan Single Business	-	
15	M.P.S.C. Fee		2,823,912
16	Subtotal State Taxes - Other than Income	-	3,009,601
17			
18	Property and State/Local Income Taxes		
19			
20	Property - Accrued	-	
21	- Prepaid	-	40,658,546
22			
23	State/Local Income Taxes	-	3,154,924
24	Subtotal Property and State/Local Income Taxes	0	43,813,470
25			
26	Other Taxes		
27			
28	Corporate Allocated Payroll Tax		540,215
29	Other Tax Expense		10,639
30	Subtotal Other Taxes	0	550,854
31			
32			
33	Total A/C 236	\$0	\$91,648,970
34	Income Tax Prior Year - A/C 244, 245	-	\$0
35	Other Tax Prior Year - A/C 244.1, 245.1	-	\$0
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	21,450		-
4	Federal Unemployment	18,604		-
5	Federal Income - Accrual	(32,743,339)		-
6	- Prepaid	-	-	-
7	Subtotal Federal Taxes	(32,703,285)	0	0
8				
9	State Taxes - Other than Income			
10				
11	Michigan Unemployment	26,841		-
12	Michigan Use	2,358,315	2,358,315	-
13	Michigan Severance	-		-
14	Michigan Single Business	26,922		-
15	M.P.S.C. Fee		-	-
16	Subtotal State Taxes - Other than Income	2,412,078	2,358,315	0
17				
18	Property and State/Local Income Taxes			
19				
20	Property - Accrued	-	-	-
21	- Prepaid	1,215,483	-	-
23	State/Local Income Taxes	(149,000)	-	-
24	Subtotal Property and State/Local Income Taxes	1,066,483	0	0
25				
26	Other Taxes			
27				
28	Corporate Allocated Payroll Tax	(482,484)		
29	Other Tax Expense	(10,639)		
30	Subtotal Other Taxes	(493,123)	0	0
31				
32				
33	Total A/C 236	(\$29,717,847)	\$2,358,315	\$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				

(Show utility department where applicable and account charged)							Line No.
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)	
							1
							2
-	-	-	-	-	-	21,450	3
-	-	-	-	-	-	18,604	4
-	-	-	-	-	-	(32,743,339)	5
-	-	-	-	-	-	-	6
0	0	0	0	0	0	(32,703,285)	7
							8
							9
-	-	-	-	-	-	26,841	10
-	-	-	-	-	-	-	11
-	-	-	-	-	-	0	12
-	-	-	-	-	-	26,922	13
-	-	-	-	-	-	-	14
0	0	0	0	0	0	53,763	15
							16
							17
	0	-	-	-	-	-	18
-	-	-	-	-	-	1,215,483	19
-	-	-	-	-	-	(149,000)	20
0	0	0	0	0	0	1,066,483	21
							22
							23
						(482,484)	24
						(10,639)	25
0	0	0	0	0	0	(493,123)	26
							27
							28
\$0	\$0	\$0	\$0	\$0	\$0	(\$32,076,162)	29
-	-	-	-	-	\$0	\$0	30
-	-	-	-	-	-	-	31
							32
							33
							34
							35
							36
							37

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

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.
2. Fill in columns for all line items as appropriate.

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	\$4,724		
4	7%	255-10	30,677		
5	Subtotal Pre - 1970		35,401		
6					
7	JDITC: POST - 1970				
8	4%	255-20	353,514		
9	6%	255-20	-		
10	7%	255-20	137,427		
11	4% & 6%	255-20	-		
12	8% & 10%	255-20	9,108,205		
13	Subtotal POST - 1970		9,599,146		
14					
15	ITC - Regroup base on depreciation case				
16	Total		-		-
17					
18					
19					
20	Total		9,634,547		-
21	Other				
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35	Total				

NOTES

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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	
411-42	(\$4,724)		\$0	41.57	2	
411-42	(30,677)		0	37.43	3	
	(35,401)		0		4	
					5	
					6	
					7	
411-42		(353,514)	-	39.21	8	
411-42		-	-		9	
411-42		(137,427)	-	35.69	10	
411-42		-	-		11	
411-42		(9,108,205)	-	34.55	12	
	0	(9,599,146)	-		13	
					14	
	(956,702)	9,599,146	8,642,444		15	
	(956,702)	9,599,146	8,642,444		16	
					17	
					18	
					19	
	(992,103)	-	8,642,444		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, 2010
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	Reg. Liability - Self Implementation Surcharge	25,708,846	
2	Accrued Vacation	10,142,618	
3	Over Collection Gas Sales Revenue	9,246,684	
4	Current Environmental Reserves MGP	8,747,208	
5	Gas Exchange / Imbalance Payable	7,426,856	
6	Accrued Wages	4,521,945	
7	Accrued Employee Incentives	3,183,600	
8	Accrued Health Care	2,734,200	
9	Current Environmental Reserves Non MGP	1,517,797	
10	DTE Foundation Contribution	1,310,000	
11	Current Pension Benefits	1,083,000	
12	Tax Liability - Other	1,008,000	
13	Employee Deductions	567,788	
14	Low Income Energy Fund Accrual	430,518	
15	Current Portion - End User Transportation (EUT) Revenue	326,700	
16	Customer Assistance Day Matching	311,200	
17	Current Portion - Workers Comp	211,661	
18	Capacity Reserve Charges Refund	183,502	
19	Flexible Spending	148,631	
20	Escheat Liability	35,539	
21	Other Current Liabilities Accrual	28,181	
22			
23			
24			
25	TOTAL	\$78,874,474	

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)		
Line No.	List Advances by Department (a)	Balance at End of Year (b)
31		
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	Regulated Liability - Pension Offset	121,195,335	926	7,979,596	15,487,840	128,703,579
2	Unearned Interest Revenue Vector	63,375,382	419	63,375,382	-	-
3	Environmental Remediation Expenses - MGP	26,400,743	186 & 930.2	7,129,511	1,976,594	21,247,826
4	Environmental Remediation Expenses - Non MGP	4,099,274	923	1,114,353	371,774	3,356,695
5	Gas Customer Choice Deposits	1,871,033	Cash	1,989,928	1,030,606	911,711
6	Environmental Insurance Recovery	1,525,901	186	1,816,736	293,016	2,181
7	Deferred Compensation	1,136,515	Var	826,342	493,197	803,370
8	Regulated Refunds Pending Approval	126	Var	6,468	10,672	4,330
9						
10						
11						
12						
13						
14						
15						
16	Note to Line 2, Unearned Interest Revenue Vector: MichCon has historically reported the Vector Lease on their balance sheet as a "net" investment for GAAP purposes and as a "gross" investment for regulatory accounting (RAAP) purposes. It has been determined that accounting treatment as a "net" investment is most appropriate for GAAP. Since there is no regulatory requirement to account for this on the RAAP books as a "gross" investment which includes unearned interest revenue, the decision has been made to restate MichCon's MPSC balance sheet effective December 31, 2010.					
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	\$ 219,604,309		\$ 84,238,316	\$ 19,663,699	\$ 155,029,692

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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.		\$205,016,413	\$92,070,885	\$7,086,997	
4	Other (Define)		0	0	0	
5	TOTAL (Enter total of lines 2 - 4)	282	205,016,413	92,070,885	7,086,997	
6	Other (Specify) Non-Utility					
7						
8						
9	TOTAL Account 282 (Enter total of lines 5 thru 8)		\$205,016,413	\$92,070,885	\$7,086,997	
10	Classification of Total					
11	Federal Income Tax		\$205,016,413	\$92,070,885	\$7,086,997	
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	\$54,398,973		\$6,801,576	
	FASB 96 Plant Excess DFIT	191-RA	(28,486,060)			
	Liberalized Depr. - Pre 1981	282-10	(2,920,618)			
	Liberalized Depr. - Post 1980	282-20	178,542,726	91,723,650	285,421	
	Accumulated DFIT - Depreciation	282-50	3,877,492	347,235		
	FASB 96 Non Plant Excess DFIT & Reg As	191-RB	(396,100)			
	SUBTOTAL		205,016,413	92,070,885	7,086,997	
	LINE 4 GAS					
	SUBTOTAL - LINE 5 GAS		205,016,413	92,070,885	7,086,997	
	LINE 6					
	OTHER - NON UTILITY LIBERALIZED DEPRECIATION					
	SUBTOTAL - LINE 6 OTHER		0	0	0	
	GRAND TOTAL ACCOUNT 282-XX		\$0	\$0	\$0	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010			
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	\$0		\$4,431,413		\$0	\$294,431,714	3
			0		0	0	4
0	0		4,431,413		0	294,431,714	5
							6
							7
							8
\$0	\$0		\$4,431,413		\$0	\$294,431,714	9
							10
\$0	\$0		\$4,431,413		\$0	\$294,431,714	11
							12
							13
NOTES (Continued)							
						\$47,597,397	
		286	4,295,736			(\$24,190,324)	
						(2,920,618)	
		228.4	135,677			270,116,632	
						4,224,727	
						(396,100)	
0	0		4,431,413		0	294,431,714	
0	0		4,431,413		0	294,431,714	
0	0		0		0	0	
\$0	\$0		\$0		\$0	\$0	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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)	\$37,893,014	(\$4,993,086)	\$27,374,358
10	Property Taxes	(283-20)	21,777,956	1,718,262	893,599
11	Misc. Deferrals	(283-QI)	381,794,028	27,114,353	
12					
13	ACRS/MACRS & Retirement Plant	(283-QL)	989,753		
14	MARS Project	(283-QG)	22,482,098		
15	Other		93,453,656	27,384,192	104,000,000
16	TOTAL Gas (Total of lines 9 thru 15)		558,390,505	51,223,721	132,267,957
17	Other (Specify)				
18					
19					
20					
21					
22	TOTAL (Account. 283) (Enter Total of lines 7, 16, & 17)		\$558,390,505	\$51,223,721	\$132,267,957
23	Classification of TOTAL				
24	Federal Income Tax		\$547,102,666	\$41,354,130	\$132,267,957
25	State Income Tax		\$11,287,839	\$9,869,591	\$0
26	Local Income Tax				

NOTES

Other Gas (Line 15)					
GCR Undercollections	(283-80)	\$2,646,264			
FAS 133 MTM	(283-00)	(473,885)			
FAS 96 Excessive Deferrals	(253-PB)	598,843			
VEBA	(283-QJ)	79,394,595	17,514,601		
DFIT State/Local Tax		3,443,642	9,869,591		
MBT DTA (Legislative Fix)		(52,823,000)			
MBT (Legislative Fix) - Federal & State Gross-up		(\$3,222,000)			
MBT DTL (Pre 2010)		60,216,066			
MBT DTL (Pre 2010) - Federal & State Gross-up		3,673,131			
AFUDC Equity		0			
Net Operating Loss		0			104,000,000
Total Other Gas		93,453,656	27,384,192		104,000,000

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
						5,525,570	9
						22,602,619	10
	511,000					408,397,381	11
							12
						989,753	13
						22,482,098	14
	72,270	See Below	652,652	See Below	8,319	17,409,911	15
	583,270		652,652		8,319	477,407,332	16
							17
							18
							19
							20
							21
\$0	\$583,270		\$652,652		\$8,319	\$477,407,332	22
\$0	\$511,000	\$0	\$238,228	\$0	\$0	\$455,916,067	
	\$72,270		414,424		8,319	21,491,265	
						0	

NOTES (Continued)

						\$2,646,264	
		228.3	50,134			(423,751)	
						598,843	
						96,909,196	
	72,270			228.3	8,319	13,232,644	
		278	208,000			(52,615,000)	
		278	12,690			(\$3,209,310)	
		186	182,599			60,398,665	
		186	11,135			3,684,266	
		186	188,094			188,094	
						(104,000,000)	
	72,270		652,652		8,319	17,409,911	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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	Accum. Deferred Michigan Business Tax (283)	254	220,690	\$0	\$55,824,310
2	Energy Optimization Regulatory Liability (254)	485 & 431	2,095,124	\$6,823,650	\$5,579,917
3	SFAS 109 Plant Regulatory Liability (286)	190	4,295,736	\$0	<u>\$29,257,058</u>
4					
5	Regulatory Liabilities Subtotal				<u>\$90,661,285</u>
6					
7	<u>Regulatory Liabilities in Other Accounts</u>				
8	SFAS 109 Plant Excess Deferred FIT (285)	411	6,801,576	0	\$47,597,396
9					
10	Overcollected Gas Sales Revenue (242)	485 & 431	\$47,616,684	31,890,954	\$9,246,684
11					
12	Refund Provision - Self-Implemented Surcharges (242)		\$0	25,708,846	\$25,708,846
13					
14	Refunds Payable (253)	Var	6,468	10,672	\$4,330
15					
16	Pension Regulatory Liability (253)	926	\$7,979,596	15,487,840	<u>\$128,703,580</u>
17					
18	Total Regulatory Liabilities in Other Accounts				<u>\$211,260,836</u>
19					
20	Total Regulatory Liabilities				<u>\$301,922,121</u>
21	REGULATORY ACCOUNTING ADJUSTMENT				
22					
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					
	TOTAL		\$69,015,874	\$79,921,962	\$301,922,121

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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	991,783,014	1,068,661,464
3	481 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	249,125,190	305,343,508
5	Large (or Ind.) (See Instr. 6)	6,411,905	14,756,227
6	482 Other Sales to Public Authorities	-	-
7	484 Interdepartmental Sales (2)	559,308	5,887,145
8	TOTAL Sales to Ultimate Consumers	1,247,879,417	1,394,648,344
9	483 Sales for Resale	-	-
10	TOTAL Nat. Gas Service Revenues	1,247,879,417	1,394,648,344
11	Revenues from Manufactured Gas	-	-
12	TOTAL Gas Service Revenues	1,247,879,417	1,394,648,344
13	OTHER OPERATING REVENUES		
14	485 Intracompany Transfer	-	-
15	487 Forfeited Discounts	14,026,096	13,306,647
16	488 Misc. Service Revenues	48,854,805	43,223,158
17	489 Rev. from Trans. of Gas of Others	260,127,689	206,153,792
18	490 Sales of Prod. Ext. from Nat. Gas	-	-
19	491 Rev. from Nat. Gas Proc. by Others	-	-
20	492 Incidental Gasoline and Oil Sales	-	-
21	493 Rent from Gas Property	108,089	98,389
22	494 Interdepartmental Rents	806,592	1,396,202
23	495 Other Gas Revenues	45,047,438	68,552,756
24	TOTAL Other Operating Revenues	368,970,709	332,730,944
25	TOTAL Gas Operating Revenues	1,616,850,126	1,727,379,288
26	(Less) 485 Provision for Rate Refunds		
	Gas Cost Recovery	(18,164,184)	24,626,306
	UETM/ Safety Tracker	(7,238,085)	(50,154,904)
	Lost Gas Deferred (1)	2,036,181	4,644,837
	Energy Optimization	4,706,080	853,948
	Ref Prov	19,573,773	-
	Total Provision for Rate Refunds	913,765	(20,029,813)
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	1,615,936,361	1,747,409,101
28	Sales by Communities (Incl. Main Line Sales to Resid. and Comm. Custrs.)	1,240,908,204	
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	6,411,905	
30	Sales for Resale	-	
31	Other Sales to Pub. Auth. (Local Dist. Only)	-	
32	Gas Customer Choice Revenue	559,308	
33	TOTAL (Same as Line 10, Columns (b) and (d))	1,247,879,417	

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
90,904,006	102,202,736	950,018	974,043	2
				3
23,361,002	29,666,680	65,863	70,749	4
674,579	1,608,151	370	416	5
-	-	-	-	6
277,424	496,638	-	-	7
115,217,011	133,974,205	1,016,251	1,045,208	8
-	-	-	-	9
115,217,011	133,974,205	1,016,251	1,045,208	10
				11
		NOTES		12
				13
				14
				15
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				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
114,265,008				28
674,579				29
0				30
0				31
277,424				32
115,217,011				33

(1) In order to reduce volatility in monthly lost gas expense, month to month deferrals are used.

(2) Includes gas sales related to reconciliation of Gas Customer Choice Program.

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 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 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	69,641,425	48,506,110
3	489 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	40,112,662	25,377,763
5	Large (or Ind.) (See Instr. 6)	907,824	456,647
6	TOTAL Sales to Ultimate Customers	110,661,911	74,340,520
7			
8	OTHER OPERATING REVENUES		
9			
10	489 Other Choice Revenues	1,386,423	1,236,192
11			
12	TOTAL Other Operating Revenues	112,048,334	75,576,712
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.)	109,754,087	
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	907,824	
30	Year End Reconciliation		
31	Other Choice Revenue	1,386,423	
32			
33	TOTAL (Same as Line 12, Columns (b))	112,048,334	

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
18,846,802	18,507,746	175,884	160,581	2
				3
12,445,036	10,509,197	22,266	18,628	4
329,122	212,428	125	102	5
31,620,960	29,229,371	198,275	179,311	6
				7
				8
				9
				10
NOTES				11
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				26
				27
31,291,838				28
329,122				29
1,164,944				30
				31
				32
32,785,904				33

Name of Respondent Michigan Consolidated Gas Company	This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2010
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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 ft General Ledger, Supple Page 11 & 12

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, 2010		
625-A. SALES DATA FOR THE YEAR							
(For the State of Michigan)							
Line No.	Class of Service (a)	Average Number of Customers per month (b)	Gas Sold Mcf* (c)	Revenue (Show to nearest dollar) (d)	AVERAGES		
					Mcf* per Customer (e)	Revenue Per Customer (f)	Revenue per Mcf* (g)
1	AB. Residential service						
2	A. Residential service	17,587	966,781	\$11,362,585	54.97	\$646.08	\$11.75
3	B. Residential space heating service	932,431	90,437,197	980,420,429	96.99	1,051.47	10.84
4	CD. Commercial service						
5	C. Commercial service, except space heating	3,513	1,238,290	13,064,427	352.46	3,718.62	10.55
6	D. Commerical service	62,350	22,251,198	236,060,763	356.88	3,786.06	10.61
7	E. Industrial service	370	678,289	6,411,905	1,831.56	17,313.87	9.45
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	139,475	559,308			4.01
11	I. Other sales						
12	A-I. Total sales to ultimate customers	1,016,251	115,711,230	1,247,879,417	113.86	\$1,227.92	\$10.78
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	1,016,251	115,711,230	\$1,247,879,417	113.86	\$1,227.92	\$10.78
15	K. Other gas revenues			\$368,970,709			
16	A-K. TOTAL GAS OPERATING REVENUE			\$1,616,850,126			

* 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

1. Report below the distribution of customers, sales and revenue for the year by individual rate schedules.
(See definitions on first page of this section).
2. Column (a).—List all rate schedules by identification number or symbol. Where the same rate schedule designation applies to different rates in different zones, cities or districts, list separately data for each such area in which the schedule is available.
3. Column (b).—Give the type of service to which the rate schedule is applicable, i.e., cooking, space heating, commercial heating, commercial cooking, etc.
4. Column (c).—Using the 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.
5. Column (d).—Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 625A, page 305B.
6. Columns (e) and (f).—For each rate schedule listed, enter the total number of Mcf sold to, and revenues received from customers billed under that rate schedule. The totals of these columns should equal the totals shown on line 12, Schedule 625A. If the utility sells gas to ultimate customers under special contracts, the General Ledger, Supple Page 11 & 12
(f) check with those entered on line 12 Schedule 625A.
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	Total Integrated Natural Gas System:					
2	Rate GS-1	General Service	C,D&E	66,175	23,699,634	\$250,937,768
3	Rate A	Res.& Res. Heat use	A&B	920,403	84,841,269	924,085,099
4	Rate 2A	Res.& Res. Heat use	A&B	5,296	3,699,678	36,390,115
5	Rate AS	Res.& Res. Heat use	A&B	24,319	2,617,152	26,750,412
6	No. 3A	Res. heating	B	0	0	0
7	Rate GS-2	Comm. & Ind. use	C, D&E	26	469,502	4,511,690
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	32	241,171	2,306,513
12						
13	Customer Refunds					0
14	Surcharges:	Energy Optimization				14,091,252
15		MichCon Conservation Co.				0
16						
17	Gas Customer Choice		A,B,C,D,E		139,475	559,308
18	Total Unbilled				3,349	(11,752,740)
19						
20	Total Company			1,016,251	115,711,230	\$1,247,879,417

* 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	22,316	11,759,795	\$36,459,795
3	Rate A	Res.& Res. Heat use	A&B	167,339	16,055,829	\$58,295,795
4	Rate 2A	Res.& Res. Heat use	A&B	2,099	1,938,614	\$5,017,374
5	Rate AS	Res.& Res. Heat use	A&B	6,446	726,029	\$2,164,941
6	Rate GS-2	Comm. & Ind. use	C, D&E	13	255,928	\$606,169
7	Rate S	Comm. Heating - Schools	D	61	521,380	\$1,185,376
8						
9	Program Year-End Reconciliation				1,171,351	
10						
11	Choice Unbilled				537,300	\$3,135,889
12						
13	Energy Optimization Surcharge					\$3,796,572
14						
15						
16						
17						
18						
19						
20	Total Company			198,274	32,966,226	\$110,661,911

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

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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	JP Morgan Venture	MichCon Citygate	421-10	219	
2	Other	Other	421-10	1	
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19				220	
20					
21					
22					
23					
24					
25					
26					
27					
28					
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41					
42					

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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)	
					1
					2
					3
					4
					5
					6
					7
					8
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					10
					11
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					41
					42

REVENUE FROM TRANSPORTATION OF GAS OF OTHERS-NATURAL GAS (Account 489)

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.
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.
3. Enter the average number of customers per company and/or by rate schedule.
4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Also specify the Commission order or regulation authorizing such transaction.

Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk) (a)	Average Number of Customers per Month (b)	Distance Transported (In miles) (c)
1	Transportation of Gas		
2	INTRASTATE TRANSPORTATION		
3	Atlas Gas & Oil (6)	1	Various
4	Cargill Incorporated	1	Various
5	Citigroup Energy	1	Various
6	Consumers Energy	1	Various
7	Linn Midwest Energy (6)	1	Various
8	Merrill Lynch Commodities	1	Various
9	MI Gas Utilities	1	Various
10	Oneok	1	Various
11	Powerex Corp	1	Various
12	Samson	1	Various
13	Sempra Energy Trading LLC	1	Various
14	Sequent Energy Candada Corp	1	Various
15	Total Gas & Power	1	Various
16	Union Gas Ltd	1	Various
17	United Energy Trading CAN	1	Various
18	Various Intrastate	28	Various
19			
20	ST	496	Various
21	LT	119	Various
22	XLT	19	Various
23	XXLT	1	Various
24	Special Contract - Customer A	1	Various
25	Special Contract - Customer B	1	Various
26	Special Contract - Customer C	1	Various
27	Aggregates		
28	Other (Includes Liquidated Damages, Standby Charges, EO Surcharge and other)		Various
29	Total End User Transportation	638	Various
30	Gas Customer Choice	198,274	Various
31	Choice supplier revenue - adjustments + billing fees		
32	TOTAL INTRASTATE TRANSPORTATION	198,955	
33			
34	INTERSTATE TRANSPORTATION		
35	ANR Pipeline Company (1) & (7)	1	142 Miles
36	BG Energy Merchants (5)	1	Various
37	Bluewater Gas Storage LLC (5)	1	Various
38	BP Canada Energy (5)	1	Various
39	CIMA Energy (5)	1	Various
40	*DTE Energy Trading (5)	1	Various
41	Enterprise Products Operating LLC (5)	1	Various
42	Gavilon LLC (5)	1	Various
43	Iberdrola Renewables (5)	1	Various
44	NJR Services (5)	1	Various
45	Panhandle Easter Pipeline (5)	1	Various
46	Sequent Energy Management (5)	1	Various
47	Shell Energy NA (5)	1	Various
48	Tenaska Gas Storage (5)	1	Various
49	Tenaska Marketing Ventures (5)	1	Various
50	Tidal Energy Marketing (5)	1	Various
51	Wisconsin Gas (5)	1	Various
52	Wisconsin Public Service (5)	1	Various
53	Various Interstate	7	Various
54			
55	Title Transfer Charges		
56			
57	Exelon	2,191	
58			
59			
TOTAL		201,171	

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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 (d)	Mcf of Gas Delivered (e)	Revenue (f)	Average Revenue per Mcf of Gas Delivered (In cents) (g)	FERC Tariff Rate Schedule Designation (h)	Line No.	
					1	
					2	
1,131,219	1,131,219	\$165,635	14.64 ¢		3	
1,518,725	1,518,032	\$290,256	19.12 (8)		4	
1,824,009	1,824,009	\$195,878	10.74		5	
2,357,830	2,366,394	\$627,780	26.53 (8)		6	
1,642,925	1,642,925	\$240,522	14.64 ¢		7	
1,133,982	1,134,109	\$230,817	20.35 ¢		8	
1,772,672	1,759,251	\$254,790	14.48 (8)		9	
4,205,772	4,205,758	\$520,063	12.37 ¢		10	
12,631,239	12,631,239	\$2,233,315	17.68 (8)		11	
1,494,817	1,494,817	\$218,879	14.64 ¢		12	
3,123,823	3,123,322	\$516,128	16.52 (8)		13	
8,169,117	8,169,117	\$1,258,265	15.40 (8)		14	
3,893,653	3,893,674	\$709,201	18.21 (8)		15	
1,216,329	1,216,329	\$27,375	2.25 (8)		16	
3,271,208	3,271,208	\$571,424	17.47 ¢		17	
4,418,226	4,424,143	\$2,232,182	50.45 ¢		18	
					19	
	16,882,640	\$27,575,252	163.33 ¢		20	
	33,308,244	\$25,761,327	77.34 ¢		21	
	32,644,907	\$17,907,917	54.86 ¢		22	
	4,938,926	\$1,369,978	27.74 ¢		23	
	13,442,113	\$1,571,043	11.69 ¢		24	
	3,412,996	\$561,040	16.44 ¢		25	
	593,573	\$215,143	36.25 ¢		26	
	1,704,672	\$4,750,122	278.65 ¢		27	
	(289,329)	\$6,310,946			28	
106,278,542	106,638,742	\$86,022,768	80.67 ¢		29	
33,899,412	32,966,226	\$110,661,911	335.68 ¢		30	
		\$1,386,423			31	
193,983,500	193,410,514	\$208,363,612	107.73		32	
					33	
					34	
86,984,160	86,984,160	\$17,381,261	19.98 (8)	ST92-1997/ST93-4518	35	
2,829,551	2,829,544	\$321,999	11.38 (8)		36	
5,982,047	5,982,047	\$404,931	6.77		37	
13,925,853	13,926,702	\$1,163,775	8.36		38	
28,159,375	28,159,397	\$4,002,473	14.21 (8)		39	
6,715,538	6,715,538	\$988,200	14.72		40	
1,047,169	1,047,169	\$107,241	10.24		41	
2,685,665	2,685,648	\$642,524	23.92 (8)		42	
11,043,659	11,043,659	\$1,459,590	13.22 (8)		43	
5,124,937	5,124,937	\$849,829	16.58 (8)		44	
14,222,037	14,222,034	\$6,586,930	46.31 (8)		45	
4,469,159	4,468,672	\$621,647	13.91		46	
2,128,612	2,128,612	\$308,552	14.50 (8)		47	
2,950,633	2,950,633	\$2,191,456	74.27 (8)		48	
9,202,584	9,202,584	\$1,375,155	14.94 (8)		49	
6,913,407	6,913,401	\$733,158	10.60 (8)		50	
4,215,864	4,215,864	\$3,899,044	92.49 (8)		51	
2,969,870	2,969,870	\$2,245,994	75.63 (8)		52	
2,856,350	2,855,999	\$569,447	19.94 (8)		53	
					54	
		\$1,460,875			55	
					56	
4,772,089	4,903,986	\$4,449,996	90.74		57	
					58	
					59	
413,182,059	412,740,970	\$260,127,689				

MICHIGAN CONSOLIDATED GAS COMPANY	AN ORIGINAL	December 31, 2010
REVENUE FROM TRANSPORTATION OF GAS OF OTHERS-NATURAL GAS (Account 489)(Continued)		
(1) Point of Receipt: Volumes of gas received from ANR Pipeline Company at their Willow Run Meter Station, Ypsilanti Township, Washtenaw County Michigan. (1) Point of Delivery: Volumes of gas delivered to ANR Pipeline Company at their W.G. Woolfolk Compressor Station, Austin Township, Mecosta County, Michigan. (2) Point of Receipt: Volumes of gas received at Willow, Belle River, or Kalkaska. (2) Point of Delivery: Volumes of gas delivered at Union - Dawn (3) Point of Receipt: Volumes of gas received at various locations on the Alpena transmission line (3) Point of Delivery: Volumes of gas delivered to Willow, E. Caledonia or Mentor. (4) Point of Receipt: Volumes of gas received at Willow (4) Point of Delivery: Volumes of gas delivered to the Washington Township (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. (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. (6) Point of Receipt: Volumes of gas received at various locations on the Alpena transmission line. (6) Point of Delivery: Volumes of gas delivered to West Branch/ Saginaw Bay. (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) (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) (8) Includes demand charges that may or may not have volumes associated with the charge.		
* Affiliated company		

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
REVENUES FROM STORING GAS OF OTHERS --NATURAL GAS (Account 489.4)					
1. Report below particulars (details) concerning revenue from storage (by respondent) of natural gas for others. Subdivide revenue by intrastate or interstate entities 2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas. 3. Enter the average number of customers per company and/or by rate schedule. 4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Also specify the Commission order or regulation authorizing such transaction. Separate by individual rate schedule.					
Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk)	Average Number of Customers per Month	MCF of Gas Injected		
	(a)	(b)	(c)		
1					
2					
3	INTRASTATE				
4	Customer A	1	60,704		
5	Customer B	1	18,896		
6	Customer C	1	0		
7	Customer D	1	3,639,600		
8	Customer E	1	603,003		
9	Customer F	1	0		
10	Customer G	1	267		
11	Misc. customers less than 1 Bcf	6	69,611		
12	TOTAL INTRASTATE STORAGE	13	4,392,081		
13					
14					
15					
16	INTERSTATE				
17	Customer H	1	1,262,000		
18	Customer I	1	84,135		
19	Customer J	1	5,867,000		
20	Customer K	1	1,228,029		
21	Customer L	1	2,217,193		
22	Customer M	1	4,132,654		
23	Customer N	1	8,886,201		
24	Customer O	1	1,199,916		
25	Customer P	1	1,686,610		
26	Customer Q	1	1,091,754		
27	Customer R	1	1,535,000		
28	Customer S	1	0		
29	Customer T	1	1,743,537		
30	Customer U	1	2,064,500		
31	Customer V	1	1,625,376		
32	Customer W	1	3,770,464		
33	Customer X	1	2,705,000		
34	Customer Y	1	1,999,971		
35	Customer Z	1	4,154,100		
36	Customer AA	1	2,052,997		
37	Misc. customers less than 1 Bcf	3	538,790		
38	TOTAL INTERSTATE STORAGE	23	49,845,227		
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
TOTAL		36	54,237,308		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
REVENUES FROM STORING GAS OF OTHERS --NATURAL GAS (Account 489.4)					
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.					
Mcf of Gas Withdrawn (d)	Revenue (f)	Average Revenue per Mcf of Gas Injectd/Withdrawn (In cents) (g)	FERC Tariff Rate Schedule Designation (h)	Line No.	
				1	
			Rate Schedule:	2	
			Contract Storage (CS)	3	
1,057,402	\$376,517	0.36 ¢		4	
1,012,002	\$1,527,777	1.51 ¢		5	
2,317,521	\$1,071,886	0.46 ¢		6	
356,274	\$3,969,302	11.14 ¢		7	
1,139,375	\$3,735,225	3.28 ¢		8	
1,021,432	\$362,500	0.35 ¢		9	
1,585,762	\$392,864	0.25 ¢		10	
2,369,271	\$1,009,269	0.43 ¢		11	
10,859,039	\$12,445,340	1.15 ¢		12	
				13	
				14	
				15	
				16	
2,545,486	\$879,364	0.35 ¢		17	
1,524,097	\$718,731	0.47 ¢		18	
10,955,000	\$2,929,392	0.27 ¢		19	
2,992,029	\$1,028,186	0.34 ¢		20	
1,617,193	\$633,826	0.39 ¢		21	
3,158,200	\$2,351,615	0.74 ¢		22	
7,800,339	\$3,847,856	0.49 ¢		23	
1,304,298	\$467,463	0.36 ¢		24	
1,898,221	\$1,042,355	0.55 ¢		25	
708,655	\$864,615	1.22 ¢		26	
2,508,240	\$529,309	0.21 ¢		27	
1,282,002	\$1,162,500	0.91 ¢		28	
314,843	\$3,783,632	12.02 ¢		29	
1,758,500	\$583,307	0.33 ¢		30	
2,151,176	\$2,245,951	1.04 ¢		31	
2,444,414	\$1,272,224	0.52 ¢		32	
2,705,000	\$693,400	0.26 ¢		33	
1,221,523	\$1,359,732	1.11 ¢		34	
4,563,378	\$2,678,701	0.59 ¢		35	
2,383,532	\$1,335,257	0.56 ¢		36	
1,777,731	\$1,333,057	0.75 ¢		37	
57,613,857	\$31,740,473	0.55 ¢		38	
				39	
				40	
				41	
				42	
				43	
Note: Average Revenues (column I) are total Revenues divided by Withdrawn volumes				44	
				45	
				46	
				47	
				48	
				49	
				50	
68,472,896	\$44,185,813	0.65 ¢			

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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 2010		Amount for Previous Year 2009	
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				
8	751 Production Maps and Records				
9	752 Gas Wells Expenses				
10	753 Field Lines Expenses				
11	754 Field Compressor Station Expenses				
12	755 Field Compressor Station Fuel and Power				
13	756 Field Measuring and Regulating Station Exps.				
14	757 Purification Expenses				
15	758 Gas Well Royalties				
16	759 Other Expenses				
17	760 Rents				
18	TOTAL Operation (Enter Total lines 7 thru 17)		-		-
19	Maintenance				
20	761 Maintenance Supervision and Engineering				
21	762 Maintenance of Structures and Improvements				
22	763 Maintenance of Producing Gas Wells				
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				
27	768 Maintenance of Drilling and Cleaning Equipment				
28	769 Maintenance of Other Equipment				
29	TOTAL Maintenance (Enter Total of lines 20 - 28)		-		-
30	TOTAL Natural Gas Production and Gathering (Enter Total of lines 18 and 29)		-		-
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)	\$	-	\$	-

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010	
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 2010	Amount for Previous Year 2009	
	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)	-		-
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)	-		-
	D. Other Gas Supply Expenses			
66	Operation			
67	800 Natural Gas Well Head Purchases			
68	801 Natural Gas Field Line Purchases			
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)	805,390,044		1,012,958,752
72	804 Natural Gas City Gate Purchases	73,498,410		76,551,619
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)	878,888,454		1,089,510,371
78	806 Exchange Gas	(3,655,127)		3,878,637
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			
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 thru 84)	-		-
86	808.1 Gas Withdrawn from Storage - Debit	131,852,317		51,664,390
87	(Less) 808.2 Gas Delivered to Storage - Credit	131,552,041		81,221,763
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	9,581,121		10,726,068
92	811 Gas Used for Products Extraction - Credit			
93	812 Gas Used for Other Utility Operations - Credit	5,854,181		5,525,866
94	TOTAL Gas Used in Utility Operations - Credit (Enter Total of lines 91 thru 93)	15,435,302		16,251,934
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)	860,098,301		1,047,579,701
97	TOTAL Production Expenses (Enter Total of lines 30, 58, 65, and 96)	\$ 860,098,301	\$	1,047,579,701

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2010	Amount for Current Year 2009	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering			
102	815 Maps and Records			
103	816 Wells Expenses	817,106	685,792	
104	817 Lines Expense	7,032	20,529	
105	818 Compressor Station Expenses	2,689,268	2,707,798	
106	819 Compressor Station Fuel and Power	7,608,492	8,684,991	
107	820 Measuring and Regulating Station Expenses	(8,499)	1,335	
108	821 Purification Expenses			
109	822 Exploration and Development			
110	823 Gas Losses	1,450,873	37,715	
111	824 Other Expenses	183,025	192,185	
112	825 Storage Well Royalties	160,559	162,531	
113	826 Rents			
114	TOTAL Operation (Enter Total of lines 101 - 113)	12,907,856	12,492,876	
115	Maintenance			
116	830 Maintenance Supervision and Engineering	1,183,287	587,383	
117	831 Maintenance of Structures and Improvements			
118	832 Maintenance of Reservoirs and Wells	336,286	341,590	
119	833 Maintenance of Lines	213,155	335,446	
120	834 Maintenance of Compressor Station Equipment	2,598,890	3,057,804	
121	835 Maintenance of Measuring and Regulating Station Equipment			
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment	-	-	
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)	4,331,618	4,322,223	
125	TOTAL Underground Storage Expenses (Enter Total of lines 114 and 124)	17,239,474	16,815,099	
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)	-	-	
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)	-	-	
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)	\$ -	\$ -	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2010	Amount for Current Year 2009	
147	C. Liquefied Natural Gas Terminating 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)	-	-	
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 Terminating and Processing Expenses (Lines 165 & 175)			
177	TOTAL Natural Gas Storage (Enter Total of lines 125, 146, and 176)	17,239,474	16,815,099	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering	3,233,500	3,370,596	
181	851 System Control and Load Dispatching	1,817,216	1,169,050	
182	852 Communication System Expenses			
183	853 Compressor Station Labor and Expenses	971,787	837,689	
184	854 Gas for Compressor Station Fuel	2,287,018	2,392,292	
185	855 Other Fuel and Power for Compressor Stations			
186	856 Mains Expenses	1,715,565	1,246,875	
187	857 Measuring and Regulating Station Expenses	762,188	652,157	
188	858 Transmission and Compression of Gas by Others	7,879,697	8,190,639	
189	859 Other Expenses	4,941,607	3,126,158	
190	860 Rents			
191	TOTAL Operation (Enter Total of lines 180 - 190)	\$ 23,608,578	\$ 20,985,456	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010	
GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year 2010	Amount for Current Year 2009	
	3. TRANSMISSION EXPENSES (Continued)			
192	Maintenance			
193	861 Maintenance Supervision and Engineering			
194	862 Maintenance of Structures and Improvements			
195	863 Maintenance of Mains	970,335	946,277	
196	864 Maintenance of Compressor Station Equipment	466,945	444,363	
197	865 Maintenance of Measuring & Reg. Station Equip.	44,580	81,301	
198	866 Maintenance of Communication Equipment	5,365,070	5,879,822	
199	867 Maintenance of Other Equipment			
200	TOTAL Maintenance (Enter Total lines 193 - 199)	6,846,930	7,351,763	
201	TOTAL Transmission Expenses (Enter Total of lines 191 and 200)	30,455,508	28,337,219	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering			
205	871 Distribution Load Dispatching			
206	872 Compressor Station Labor and Expenses			
207	873 Compressor Station Fuel and Power			
208	874 Mains and Services Expenses	15,288,013	14,844,177	
209	875 Measuring & Regulating Station Exps.-General	671,251	777,032	
210	876 Measuring & Regulating Station Exps.-Industrial			
211	877 Measuring & Regulating Station Exps.-City Gate Check Station	2,832,868	2,356,277	
212	878 Meter and House Regulator Expenses	12,629,972	13,696,940	
213	879 Customer Installations Expenses	17,081,066	16,261,927	
214	880 Other Expenses	14,202,382	12,622,062	
215	881 Rents			
216	TOTAL Operation (Enter Total of lines 204 - 215)	62,705,552	60,558,415	
217	Maintenance			
218	885 Maintenance Supervision and Engineering			
219	886 Maintenance of Structures and Improvements			
220	887 Maintenance of Mains	8,417,810	4,729,029	
221	888 Maintenance of Compressor Station Equipment			
222	889 Maintenance - Meas & Reg Sta. Equip.-General	3,275,335	2,698,916	
223	890 Maintenance - Meas & Reg Sta. Equip.-Industrial			
224	891 Maintenance - Meas & Reg Sta. Equip.-City Gate Check Station	1,222,043	1,902,692	
225	892 Maintenance of Services	2,784,885	2,274,035	
226	893 Maintenance of Meters and House Regulators	3,950,581	4,594,144	
227	894 Maintenance of Other Equipment	204,837	10,416	
228	TOTAL Maintenance (Enter Total of lines 218 - 227)	19,855,491	16,209,232	
229	TOTAL Distribution Expenses (Enter Total of lines 216 and 228)	82,561,043	76,767,647	
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision	3,395,069	1,637,094	
233	902 Meter Reading Expenses	10,377,935	11,502,179	
234	903 Customer Records and Collection Expenses	36,945,315	36,473,429	
235	904 Uncollectible Accounts	58,432,068	93,400,684	
236	905 Miscellaneous Customer Accounts Expenses	5,764,280	1,515,872	
237	TOTAL Customer Accounts Expenses (Enter Total of lines 232 thru 236)	\$ 114,914,667	\$	144,529,258

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
GAS OPERATION AND MAINTENANCE EXPENSES					
Line No.	Account (a)	Amount for Current Year 2010		Amount for Current Year 2009	
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
239	Operation				
240	907 Supervision	\$ 419,207	\$	113,448	
241	908 Customer Assistance Expenses	11,836,232		3,702,155	
242	909 Informational and Instructional Expenses	304,600		466,222	
243	910 Miscellaneous Customer Service and Info. Exps.	1,214,644		2,038,838	
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)	13,774,683		6,320,663	
245	7. SALES EXPENSES				
246	Operation				
247	911 Supervision	-		501	
248	912 Demonstrating and Selling Expenses	15,884,102		14,022,550	
249	913 Advertising Expenses	-		135,701	
250	916 Miscellaneous Sales Expenses	88,361		42,420	
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)	15,972,463		14,201,172	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES				
253	Operation				
254	920 Administrative and General Salaries	33,148,791		34,186,934	
255	921 Office Supplies and Expenses	6,612,546		8,382,812	
256	(Less) 922 Administrative Expenses Transferred-Cr.	6,075,916		6,481,627	
257	923 Outside Services Employed	5,506,048		7,613,429	
258	924 Property Insurance	625,914		749,019	
259	925 Injuries and Damages	6,509,580		4,167,305	
260	926 Employee Pensions and Benefits	49,266,764		47,982,930	
261	927 Franchise Requirements				
262	928 Regulatory Commission Expenses	705,101		669,451	
263	(Less) 929 Duplicate Charges - Cr.				
264	930.1 General Advertising Expenses	2,474,002		1,314,774	
265	930.2 Miscellaneous General Expenses	2,339,658		(101,555)	
266	931 Rents	21,096,806		19,595,173	
267	TOTAL Operation (Enter Total of lines 254 - 266)	122,209,294		118,078,645	
268	Maintenance				
269	935 Maintenance of General Plant	1,253,623		1,458,609	
270	TOTAL Administrative and General Expenses (Enter Total of lines 267 and 269)	123,462,917		119,537,254	
271	TOTAL Gas O. and M. Expenses (Lines 97, 177, 201, 229, 237, 244, 251 and 270)	\$ 1,258,479,056	\$	1,454,088,013	
NUMBER OF GAS DEPARTMENT EMPLOYEES					
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.					
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.					
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.					
1 Payroll Period Ended (Date)					12/31/10
2 Total Regular Full-Time Employees					1,440
3 Total Part-Time and Temporary Employees					47
4 Total Employees					1,487

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010
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	73,798	(48,816)
3				
4	ANR Pipeline Company			
5	Spot Purchases - Post Rate Order 636	Received by Cashout	-	-
6	Interconnect Balancing Agreement	Received by Displacement	378,493	-
7				
8	Great Lakes Transmission Company	Received by Displacement	146,876	16,210
9				
10	Union Gas	Received by Displacement	187,131	-
11				
12	Panhandle	Received by Displacement	73,429	734,072
13				
14	MGAT / Wet Header *	Received by Displacement	1,279,392	3,724,601
15				
16	Vector Pipeline	Received by Displacement	146,647	36,412
17				
18	DTE Gas Storage Company *	Received by Displacement	1,082,262	(561,978)
19				
20	Other Gas Utilities	Received by Displacement	208,362	534,793
21				
22	MichCon Gathering *	Received by Displacement	46,075	163,586
23				
24				
25				
26				
27				
28				
29	Respondent records net exchange gas transactions monthly to account 242 or 174 and account 806.			
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45	Total		3,622,465	\$4,598,880

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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	(7,248)	(474,488)	66,550	523,304	2	
					3	
					4	
Delivered by Cashout	-	-	-	-	5	
Delivered by Displacement	(474,272)	617,838	(95,779)	(617,838)	6	
					7	
Delivered by Displacement	(153,315)	29,936	(6,439)	(46,146)	8	
					9	
Delivered by Displacement	(180,426)	(81,567)	6,705	81,567	10	
					11	
Delivered by Displacement	(164,914)	-	(91,485)	(734,072)	12	
					13	
Delivered by Displacement	(1,613,648)	-	(334,256)	(3,724,601)	14	
					15	
Delivered by Displacement	(147,283)	-	(636)	(36,412)	16	
					17	
Delivered by Displacement	(876,028)	(986,690)	206,234	1,548,668	18	
					19	
Delivered by Displacement	(261,965)	(48,780)	(53,603)	(486,013)	20	
					21	
Delivered by Displacement	(61,390)	-	(15,315)	(163,586)	22	
					23	
					24	
					25	
					26	
					27	
					28	
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					36	
					37	
					38	
					39	
					40	
					41	
					42	
					43	
					44	
	(3,940,489)	(\$943,751)	(318,024)	(\$3,655,129)	45	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010		
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	N/A					
9						
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						
25						
26	Imbalance fees on off-system transpor-			-	489	
27	-tation agreements.					
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	Total	\$ -		\$ -		

MICHIGAN CONSOLIDATED GAS COMPANY			A ORIGINAL			December 31, 2010	
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	1,350,854	9,581,121	709.26 ¢		
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	98,344	729,593	741.88		
5	Oper. of Undgr. Stg. Wells	816	106,650	793,307	743.84		
6	Undgr. Stor. Gas Losses	823	206,168	1,446,699	701.71		
7	Undgr. Storage Well Royalties	825	34,061	238,292	699.59		
8	Transmission Compression - others	858	148,530	1,096,189	738.02		
9	Oper. of City Gate Stations	877	201,171	1,509,310	750.26		
10	Other Operation Expenses	830, 857	5,469	40,791	745.84		
11	Other (may include capital)	Various	0	0	0.00		
12							
13	Total account 812		800,394	5,854,181	731.41		
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	Total		2,151,248	\$15,435,302	717.50 ¢	0	\$0

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (ACCOUNT 858)			
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. 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			
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, 2010	
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (ACCOUNT 858) (Continued)					
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.					
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.					
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)	\$5,823,221	¢	1	
(8)	(8)	2,923	¢	2	
(8)	(8)	0	¢	3	
(8)	(8)	1,976	¢	4	
(8)	(8)	24,415	¢	5	
(8)	(8)	(6,091)	¢	6	
(8)	(8)	2,033,253	¢	7	
				8	
				9	
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				41	
				42	
				43	
				44	
0	0	\$7,879,697	¢	45	
				46	

LEASE RENTALS CHARGED

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.
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 i.
3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.
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.
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 i, unless the lessee has the option to purchase the property.
- 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

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)
LAUREN L BOWLER	7 MILE ROAD BUSINESS OFFICE	Monthly
DDRC MICHIGAN LLC	8 MILE ROAD BUSINESS OFFICE	(P) 12/31/2011
CENTERPOINTE DEVELOPMENT CO	EASTBROOK OFFICE/GRAND RAPIDS CBO	(P) 1/30/2019
R&B DAVIS ENTERPRISES LLC	GRAYING WAREHOUSE	(P) 6/6/2015
SOUTHWEST MICHIGAN INDUSTRIAL INVESTORS	GRAND RAPIDS 4420 LLC	(P) 12/31/2015
EDC OF CHARTER COUNTY	FIRST STREET PARKING GARAGE//MECHANICAL MAILING	(P) 11/30/2013
FIRST BAPTIST INSTNL CHURCH	7 MILE ROAD BUSINESS OFFICE PARKING	(P) 3/31/2011
GREEN ALLEN, LLC	CENTRAL STOREHOUSE, ALLEN ROAD	(P) 3/31/2015
AUTO OWNERS INSURANCE CO	TRAVERSE CITY OFFICE	(P) 5/31/2013
NEW GALILEE MISSIONARY BAPTIST	Community Outreach Office	Annual
SECOND EBENEZER BAPTIST CHURCH	Community Outreach Office	Annual
ST CECILIA CHURCH	Community Outreach Office	Annual
Northern Broadcast Inc	Radio Tower	(P) 7/31/2011
Range Telecommunications	Radio Tower	Monthly

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

LEASE RENTALS CHARGED (continued)

definition on page 226 (B).

- 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.
- 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.
- 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.

A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES

Original Cost (O) or Fair Market Value (D) or Property (D)	Expenses to be	AMOUNT OF RENT - CURRENT YEAR				Account Charged (j)	Remaining Annual
	Paid by Lessee	Current Year		Accumulated to Date			Charges Under Lease
	Itemize (e)	Lessor (f)	Other (g)	Lessor (h)	Other (i)		Est. If Not Known (k)
N/A		72,518				931	\$ -
N/A		119,761				931	\$ 178,200
N/A		89,841				931	\$ 900,000
N/A		39,773				834	\$ -
N/A		475,190				931	\$ 3,144,689
N/A		210,873				931	\$ 506,796
N/A		39,522				931	\$ 45,877
N/A	281,545	242,400				various	\$ -
N/A		64,575				various	\$ 111,689
N/A		32,500				903	\$ -
N/A		32,500				903	\$ -
N/A		25,000				903	\$ -
N/A		25,733				866	\$ -
N/A		26,080				866	\$ -
		1,496,266					4,887,251

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
LEASE RENTALS CHARGED (continued)			
A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES (continued)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)	
No vehicle leases			
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)			

MICHIGAN CONSOLIDATED GAS COMPANY				AN ORIGINAL		December 31, 2010	
LEASE RENTALS CHARGED (continued)							
A. LEASE RENTAL CHARGED TO GAS OPERATING EXPENSES (continued)							
Original Cost (O) or Fair Market Value (D) or Property (D)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT YEAR				Account Charged (j)	Remaining Annual Charges Under Lease Est. If Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
No vehicle leases							
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)							

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
MISCELLANEOUS GENERAL EXPENSES (ACCOUNT 930.2) (GAS)			
		Amount (b)	
1	Industry Association Dues	\$	544,515
2	Recoverable Environmental Clean-up Costs		608,298
3	CNG Fuel, Co. Use Gas for Utility Operations, Affiliated Overheads and Other Expenses		309,890
4	Amortization of Deferred MGP Environmental Remediation Costs		225,878
5	Shareholder Department labor, Registrar and Proxy Expenses		206,748
6	Directors Fees and Expenses		377,811
7	Misc. Other		66,518
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
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48			
49			
50			
51			
52			
53	Total		\$2,339,658

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT					
(Accounts 403, 404.1, 404.2, 404.3, 405)					
(Except Amortization of Acquisition Adjustments)					
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. 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					
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	144,457			
4	Products extraction plant				
5	Underground gas storage plant	7,203,877	12,101		
6	Other storage plant				
7	Base load LNG terminating and processing plant				
8	Transmission plant	8,500,321	2,326		
9	Distribution plant	57,176,537	105,113		
10	General plant	5,047,988			
11	Common plant-gas				
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
25	Total	\$ 78,073,180	\$ 119,540	\$ -	

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT					
(Accounts 403, 404.1, 404.2, 404.3, 405)					
(Except Amortization of Acquisition Adjustments) (Continued)					
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. 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.					
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.	
\$ -	\$ 7,235,721	\$ 7,235,721	Intangible plant	1	
			Production plant, manufactured	2	
			gas		
			Production and gathering plant,	3	
		144,457	natural gas		
			Products extraction plant	4	
		7,215,978	Underground gas storage plant	5	
			Other storage plant	6	
			Base load LNG terminating and	7	
			processing plant		
		8,502,647	Transmission plant	8	
		57,281,650	Distribution plant	9	
		5,047,988	General plant	10	
			Common plant-gas	11	
				12	
				13	
				14	
				15	
				16	
				17	
				18	
				19	
				20	
				21	
				22	
				23	
\$ -	\$ 7,235,721	\$ 85,428,441	Total	25	

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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)	11,788	1.25%
4	Underground Gas Storage Plant	351,771	1.86%
5	Transmission Plant		
6	Offshore		
7	Onshore	506,787	1.38%
8	General Plant (3)	119,030	4.33%
9	Distribution Plant	2,353,018	2.47%
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 2010.
- (2) Not included in the Depreciable Balance for Production Plant are several accounts which are depreciated by the Units of 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 \$66.5 million. The depreciation expense associated with these accounts is \$8,163,736. This approximates to an depreciation rate of 12.28%.

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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	None	0	
4			
5			
6		0	
7			
8			
9			
10	<u>Miscellaneous Income Deductions (Account 426.1-426.6)</u>		
11	Account 426.1 DTE Energy Foundation	1,318,168	
12	Account 426.1 Corporate Donations	498,555	
13	Account 426.3 Penalties State & IRS	935	
14	Account 426.4 Legislative advocacy costs	777,274	
15	Account 426.5 Canadian receivables - Currency conversion	(23,076)	
16	Account 426.5 Grantor Trust - Investment Loss / Admin cost	866,053	
17	Account Other	1,822	
18			
19			
20			
21	TOTAL Miscellaneous Deductions	\$3,439,731	
22			
23			
24			
25	<u>Interest on Debt to Associated Companies (Account 430)</u>		
26	DTE Energy Company	350,629	
27	MichCon Development Corp.	22	
28	Blue Lake Holdings, Inc.	8,664	
29	MichCon Pipeline Company	150,948	
30	MichCon Gathering Company	15,795	
31	Saginaw Bay Pipeline Company	1,500	
32	MichCon Lateral Company	2,067	
33			
34			
35			
36			
37			
38			
39			
40			
41	TOTAL Interest on Debt to Associated Companies	\$529,625	
42			
43			
44			
45			
46			
47			

MICHIGAN CONSOLIDATED GAS COMPANY AN ORIGINAL December 31, 2010		
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		
3		
4		
5		
6	<u>Other Interest Expenses (Account 431)</u>	
7		
8	External Debt - Bank fees & Lines of Credit fees	4,754,360
9		
10	External Debt - Interest on short-term borrowings	356,435
11		
12	Regulatory item Interest - Gas Cost Recovery (GCR)	2,437,834
13		
14	Regulatory item Interest - Uncollectible Tracker (UETM)	(448,895)
15		
16	Regulatory item Interest - Energy Optimization (EO)	22,458
17		
18	Regulatory item Interest - Other (SRT,SI, Other)	1,063,904
19		
20	Regulatory item Interest - Revenue Decoupling Mechanism (RDM)	(2,372)
21		
22	Interest expense Other - Customer deposits	1,534,770
23		
24	Interest expense Other - Tax related	(817,483)
25		
26	Interest expense Other - GCC Supplier Deposits	5,267
27		
28	Interest expense Other - Misc	13,376
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41	Total	8,919,654
42		
43		

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2010
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS				
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. 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. 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. 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. 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. 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.				
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	\$2,497,952		
4	Expense from Merchandise Sales and Contract Work	(2,241,564)		
5				
6		\$256,388		
7	<u>Income from Non-Utility Operations (Accounts 417 and 417.1)</u>			
8				
9	Revenues from Non-Utility operations	\$39,173		
10	Expenses from Non-Utility operations	(384)		
11				
12		\$38,789		
13				
14	<u>Nonoperating Rental Income (Account 418)</u>			
15				
16	<u>Interest and Dividend Income (Account 419)</u>			
17				
18	Interest Revenue from Vector Pipeline, L.P.	\$7,114,133		
19	Interest on Notes from MichCon Subsidiaries/Associated companies	2,110		
20	Interest on Grantor Trust	1,422,190		
21	Interest on Financing of Customer Attachment Program	172,902		
22	Interest Income on Temporary Investments	22,009		
23	Other Interest	16,180		
24				
25		\$8,749,524		
26				
27				
28	<u>Allowance for Other Funds Used During Construction (Account 419.1)</u>			
29				
30	AFUDC Equity	297,467		
31				
32		\$297,467		
33				
34				
35				
36				

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS			
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. 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. 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. 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. 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. 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.			
Line No.	Item (a)	Amount (b)	
1			
2	<u>Miscellaneous Nonoperating Income (Account 421)</u>		
3			
4			
5	Grantor Trust Income	2,302	
6	Equity earnings in Detroit Investment Fund	(20,039)	
7	Other	(6)	
8			
9		(\$17,743)	
10			
11			
12			
13			
14			
15			
16			
17			
18			
19	TOTAL OTHER INCOME	\$9,324,425	
20			
21			
22			
23			
24			
25			
26			
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28			
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31			
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33			
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MICHIGAN CONSOLIDATED GAS COMPANY		An Original		December 31, 2010	
GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2)					
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. 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). 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).					
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	Sale of Base Gas			\$69	
4	Gain on Disposition of Property (421.1)			\$69	
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20	Total Gain on Disposition of Property	\$0		\$69	
21					
22	Loss on disposition of Property:				
23					
24	Utility				
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, 2010		
EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES (Account 426.4)		
1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities; Account 426.4. 2. Advertising expenditures in this Account shall be classified according to subheadings, as follows: (a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customers' bills, (d) inserts in reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising. 3. Expenditures within the definition of paragraph (1), other than advertising shall be reported according to captions or descriptions, clearly indicating the nature and purpose of the activity. 4. If respondent has not incurred any expenditures contemplated by the instructions of Account 426.4, so state. 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. 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.		
Line No.	Item (a)	Amount (b)
1	State and Federal Legislative Advocacy Expenses	\$777,274
2		
3		
4		
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6		
7		
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11		
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31		
32		
33		
34		
35	TOTAL	\$777,274

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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	---	16,884	\$16,884	---
2					
3	MPSC Case No. U-16146, 2010-11 GCR Plan				
4	MPSC Case No. U-15451-R, 2008-09 GCR Reconciliation				
5	MPSC Case No. U-16482, 2011-12 GCR Plan				
6	MPSC Case No. U-15701-R, MichCon 2009-10 GCR				
7	Reconciliation				
8					
9	General Rate Case Matters	---	24,039	24,039	---
10					
11	MPSC Case No. U-15890, MichCon Energy Optimization Plan				
12	MPSC Case No. U-15699, MichCon Depreciation Rates				
13	MPSC Case No. U-16407, MichCon Main Renewal Plan				
14	MPSC Case No. U-16451, MichCon Meter Moveout Plan				
15	MPSC Case No. U-16447, MichCon Self Implemenatation				
16	Refund				
17	MPSC Case No. U-16289, MichCon Recon. Of 2009 Energy				
18	Optimization Plan				
19	MPSC Case No. U-136257, 2009 Uncollectible Expense				
20	True-up Mechanism				
21	MPSC Case No. U-15890-A, MichCon Amended Energy				
22	Optimization Plan				
23					
24	General Pricing and Regulation	---	4,341	4,341	---
25					
26	Various MPSC Cases, Customer Complaints, Certificates of				
27	Public Convenience and Necessity, Gas Customer Choice				
28					
29	Main Gas Rate Case	---	364,793	364,793	---
30					
31	MPSC Case No. U-15985, MichCon Rate Case				
32	MPSC Case No. U-16400, MichCon Rate Case				
33					
34					
35	NOTE: Regulatory Affairs Labor is charged to a general				
36	Internal Order and it can not be determined what portion				
37	is attributed to specific MichCon case work.				
38					
39	Utility Assessment	2,823,912	---	2,823,912	---
40		295,045		295,045	
41					
42	TOTAL	\$3,118,957	\$410,057	\$3,529,014	---

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL			December 31, 2010	
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	16,884	---		---	---	1
							2
							3
							4
							5
							6
							7
							8
							9
GAS	928-00	24,039	---		---	---	10
							11
							12
							13
							14
							15
							16
							17
							18
							19
							20
							21
							22
							23
							24
GAS	928-00	4,341	---		---	---	25
							26
							27
							28
							29
GAS	928-00	364,793	---		---	---	30
							31
							32
							33
							34
							35
							36
							37
							38
GAS	408-10	2,923,912	---		---	---	39
GAS	928-00	295,045					40
							41
		\$3,629,014	---		---	---	42

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.)			
30	Other Gas Supply			
31	Storage, LNG Terminating and Processing	1,916,490		
32	Transmission	9,209,692		
33	Distribution	43,469,314		
34	Customer Accounts	23,066,787		
35	Customer Service and Informational	2,364,695		
36	Sales	2,284,386		
37	Administrative and General	25,081,402		
38	TOTAL Operation (Total of lines 28 thru 37)	107,392,766		
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Nat. Gas	-		
42	Other Gas Supply			
43	Storage, LNG Terminating and Processing	1,583,403		
44	Transmission	2,503,292		
45	Distribution	11,218,588		
46	Administrative and General			
47	TOTAL Maintenance (Total of lines 40 thru 46)	\$ 15,305,283		

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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)	-			
51	Other Gas Supply (Lines 30 & 42)	-			
52	Storage, LNG Terminaling and Processing (Lines 31 & 43)	3,499,893			
53	Transmission (Lines 32 & 44)	11,712,984			
54	Distribution (Lines 33 & 45)	54,687,902			
55	Customer Accounts (Line 34)	23,066,787			
56	Customer Service and Informational (Line 35)	2,364,695			
57	Sales (Line 36)	2,284,386			
58	Administrative and General (Lines 37 & 46)	25,081,402			
59	TOTAL Operation and Maint. (Total of line 49 thru 58)	122,698,049	-	\$	122,698,049
60	Other Utility Departments				
61	Operation and Maintenance				
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	122,698,049	-		122,698,049
63	Utility Plant				
64	Construction (By Utility Departments)				
65	Electric Plant				-
66	Gas Plant (See Note #1)	40,555,621	-		40,555,621
67	Other				-
68	TOTAL Construction (Enter Total of lines 65 thru 67)	40,555,621	-		40,555,621
69	Plant Removal (By Utility Departments)				
70	Electric Plant				-
71	Gas Plant (See Note #1)				-
72	Other				-
73	TOTAL Plant Removal (Total of lines 70 thru 72)	-	-		-
74	Other Accounts (Specify):				
75	Merchandising, Jobbing and Contract Work	909,815	-		909,815
76	Non Utility Operations	1,816	-		1,816
77	Civic, Political and Related Activities	240,395	-		240,395
78	Long Term Enviromental Reserves	-	-		-
79	Clearing Accounts	-	-		-
80					-
81	TOTAL Other Accounts	1,152,026	-		1,152,026
82	TOTAL SALARIES AND WAGES	\$ 164,405,696	-	\$	164,405,696
83	Notes: #1) Effective with the conversion to SAP on April 1, 2007, Wages and Salaries charged to plant removal is not available. This amount is included in Construction Gas Plant.				
84					
85					
86					
87					
88					
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95					
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98					

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report	Year of Report
The Michigan Consolidated Gas Company			Dec. 31, 2010

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES	
1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual [other than for services as an employee or for payments made for medical and related services] amounting to more than \$50,000, including payments for legislative services, except those which should be reported in Account	426.4, 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.
See Pages 357.1 through 357.12	
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.	

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
2V Professional Group LLC 23077 Greenfield Ste 107 Southfield MI 48076	Janitorial Services	O&M, CAP	\$619,410	416, 874, 935
A & E Appliance Service 27422 Gratiot Ave Roseville MI 48066-2916	Appliance Repair Services	O&M	\$208,511	243, 879
A & R Appliance Service 49150 Gyde Rd Canton MI 48187	Appliance Repair Services	O&M	\$243,286	879, 912
A1 Asphalt Inc 4634 Division St Wayland MI 49348-8924	Paving Services	O&M, CAP	\$350,085	107,880, 887, 892
Accurate Repair Service LLC 2435 Eastern Ave Se Grand Rapids MI 49507-3641	Appliance Repair Services	O&M	\$85,916	912
Aclara Software 16 Laurel Ave Wellesley Ma 2481	Software Maintenance Services	O&M	\$93,700	908
Aetna Inc 151 Farmington Ave Rt21 Hartford Ct 06156-9162	Healthcare Services	O&M	\$285,858	926
Airtronic Heating & Cooling 26666 Grand River Ave Redford MI 48240-1531	Appliance Repair Services	O&M	\$86,600	912
Alexander Proudfoot 1355 Peachtree St Ste 700 Atlanta Ga 30309	Consulting Services	O&M	\$180,000	880
American Appliance Consulting LLC 37466 Ann Arbor Trail Livonia MI 48150	Appliance Repair Services	O&M	\$81,428	879, 912
American Appliance Heating 37529 Schoolcraft Rd Livonia MI 48150-1009	Appliance Repair Services	O&M	\$1,115,527	879, 912
American Dix Appliance Srv Inc 3311 Dix Hwy Lincoln Park MI 48146	Appliance Repair Services	O&M	\$154,534	912
American Excavating Contractors LLC 12838 Gavel Detroit MI 48227	Excavation Services	O&M, CAP	\$1,492,646	107, 874, 879, 887, 889, 892
American Gas Association 400 N Capitol St NW Ste 450 Washington Dc 20001	Consulting Services	O&M	\$404,294	880
American Messaging Po Box 5749 Carol Stream Il 60197-5749	Communication Services	O&M, CAP	\$75,286	107, 866, 903, 910, 921
Americlerk Inc 1025 N Campbell Rd Royal Oak MI 48067-1519	Legal Services	O&M, CAP	\$51,973	107,921, 925
Ampro Construction 13501 Mt Elliott Detroit MI 48212	Construction Services	O&M	\$141,566	874

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Apple Fence Co Inc 1893 Pine Tree Grawn MI 49637-9718	Construction Services	O&M, CAP	\$51,902	107, 891
Appliance Doctors Po Box 24722 Detroit MI 48224-0722	Appliance Repair Services	O&M	\$489,821	879, 912
Ardmore Power Logistics LLC 14701 Detroit Ste 385 Lakewood Oh 44107	Logistical Services	O&M, CAP	\$1,014,914	107, 817, 416, 818, 830, 832, 834, 850, 853, 856, 857 859,863, 864, 866, 874, 875, 877, 878, 879, 880, 887 889,891,892, 893, 902, 903, 905, 908, 912, 921 925,928,935, 426.1, 426.4, 930.2
Arrow Energy Services Inc 430 Columbus Dr Kalkaska MI 49646-8484	Waste Removal Services	CAP	\$56,947	107
AT and T Global Services Inc One SBC Plaza Dallas Tx 75202	Communication Services	O&M, CAP	\$2,304,643	107, 866, 903, 908, 921
Auto Wares LLC 440 Kirtland SW Grand Rapids MI 49507	Vehicle Maint. & Repair Services	O&M	\$345,141	416
Baker Hughes Oilfield Operations 2929 Allen Pkwy Houston Tx 77019	Engineering Services	O&M, CAP	\$242,761	107, 830
Baker Hughes Pipeline Mangement Po Box 670968 Houston Tx 77267-0968	Professional Services	CAP	\$96,950	107
Bank of New York Po Box 19445A Newark NJ 07195-0445	Professional Services	O&M, CAP	\$128,701	107, 921
Bartech Group Inc 17199 N Laurel Park Dr Ste 224 Livonia MI 48152-2683	Personnel Services	O&M, CAP	\$1,636,157	107, 830, 850, 859, 866, 874, 879, 880, 893 902, 908, 912, 920, 923, 925
Basic Systems Inc 9255 Cadiz Rd Cambridge Oh 43725	Technical Services	CAP	\$96,448	107, 912
Berline Group Inc 70 E Long Lake Rd Bloomfield Hills MI 48304-2356	Administrative Services	O&M, CAP	\$1,416,408	107, 880, 903, 909, 912, 921, 928, 426.1, 930.1
BGL Asset Services LLC 116 S Isabella Rd Mount Pleasant MI 48858-1037	Construction & Maint. Services	CAP	\$97,900	107
Bill And Rods Appliance Inc 15210 Middlebelt Rd Livonia MI 48154-4035	Appliance Repair Services	O&M	\$78,544	912
Bradley Co 31313 Northwestern Hwy Ste 101 Farmington Hills MI 48334	Marketing Services	O&M, CAP	\$459,351	107, 834, 850, 874, 880, 902, 905, 909,912, 930.1
Brattle Group Inc 44 Brattle St Cambridge Ma 02138-3741	Consulting Services	O&M	\$54,990	928
Brooks Electric Service Inc 8 E Hillis Road Stanton MI 48888	Construction Services	O&M, CAP	\$74,210	107, 834, 891

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Burns Contract Inc Po Box 1884 Grand Rapids Mi 49501-1884	Paving Services	O&M, CAP	\$130,764	107, 887, 880, 892
Busens Appliance Inc 2323 Fort St Lincoln Park Mi 48146-2420	Appliance Repair Services	O&M	\$572,125	879, 912
CT Heating 1313 Rush Lake Rd Pinckney Mi 48169-8531	Appliance Repair Services	O&M	\$81,734	912
Cameron 1333 West Loop S Ste 1700 Houston Tx 77027-9116	Equipment Repair Services	O&M, CAP	\$478,051	107, 416, 834, 864
Capital H Group Llc 3155 Big Beaver Rd Ste 104 Troy Mi 48084	Professional Services	O&M	\$94,586	903
CBCA Administrators Inc 250 E Broad St Ste 2100 Columbus Oh 43215	Healthcare Services	O&M	\$226,254	926
Centurytel Inc Po Box 4300 Carol Stream Il 60197-4300	Communication Services	O&M, CAP	\$143,692	107, 866, 903, 910, 921
Cingular Wireless Atlys Po Box 6444 Carol Stream Il 60197-6444	Communication Services	O&M, CAP	\$720,333	107, 866, 903, 908, 910, 921
Cintas Corp No 2 Po Box 625737 Cincinnati Oh 45262-5737	Laundry Services	O&M, CAP	\$654,371	107, 834, 863, 864, 874, 878, 879, 889 891, 893, 903, 935
Citibank NA 388 Greenwich New York Ny 10013	Professional Services	O&M, CAP	\$53,263	107, 921
Clearesult Consulting Great Lakes 4301 Westbank Dr Ste 250 Austin Tx 78746	Administrative Services	O&M, CAP	\$5,922,696	107, 905, 908
Coastal Chemical Co Po Box 820 Abbeville La 70511-0820	Equipment Repair Services	CAP	\$151,374	107
Coil Drilling Technologies Inc 2362 Pkwy Dr Mt Pleasant Mi 48858	Consulting Services	CAP	\$106,593	107
Comerica Bank 500 Woodward Detroit Mi 48226	Administrative Services	O&M, CAP	\$142,617	107, 426.4, 921
Commercial Diving and Marine Svc Inc 317 Rawlins St Port Huron Mi 48060-3920	Professional Services	CAP	\$187,215	107
Consumer Insight Inc 5455 Corporate Dr Ste 120 Troy Mi 48098-2620	Marketing Services	O&M	\$100,953	874, 908, 909, 912
Corby Energy Services Inc 6001 Schooner St Belleville Mi 48111-5366	Underground Construction Services	O&M, CAP	\$5,687,938	107, 880, 887

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Corporate Executive Board 2000 Pennsylvania Ave Nw Washington Dc 20006	Professional Services	O&M, CAP	\$159,682	107,921
D Marco Contractors Inc 200 W State Fair Detroit, MI 48203	Underground Construction Services	O&M, CAP	\$1,243,075	107,880,879,892,874,887
Darway Inc 1770 M 72 SE Kalkaska, MI 49646-9717	Surveying Services	O&M	\$53,700	830
Delta Dental Plan of Michigan PO Box 79001 Detroit, MI 48279-0002	Healthcare Services	O&M	\$166,405	926
Devon Facility Management LLC 65 Cadillac SQ, Ste 3601 Detroit, MI 48226	Janitorial Services	O&M	\$135,028	874
DJG Mechanical LLC DBA Air Vac Furnace Co 153 S Washington Oxford, MI 48371	Appliance Repair Services	O&M	\$57,931	912
Docs Appliance Service Inc 45618 Van Dyke Utica, MI 48317	Appliance Repair Services	O&M	\$132,690	912,879
Donald R Deruiter DBA North Woods Aviation 8186 E 34 Rd Cadillac, MI 49601	Pipeline Services	O&M	\$68,794	833,863
Douglas Technologies Inc 251045 Tower Ridge Estate Calgary, AB T3Z 2M3	IT Services	O&M, CAP	\$267,363	107,866
Dziurman Dsign Inc 620 S Main St Clawson, MI 48017-2016	Technical Services	O&M	\$1,084,365	912,879
Edward J Painting Chad E Struthers 4665 Meadowlawn Dr Gratiot, MI 48059	Painting Services	O&M, CAP	\$270,443	107,864,834,818,833
Elmers Crane & Dozer Inc 3600 Rennie School Rd Traverse City, MI 49684	Construction Services	O&M, CAP	\$115,354	107,887,892
En Engineering LLC 7135 Janes Ave Woodridge, IL 60517-2344	Engineering Services	CAP	\$75,286	107
Enduro Pipeline Services Inc 5002 S 45th West Ave Tulsa, OK 74107-7345	Pipeline Services	CAP	\$148,821	107
Environmental Recycling DBA Division of Lamps Inc 527 E Woodland Cir Bowling Green, OH 43402-8966	Hazardous Waste Disposal Services	CAP	\$80,602	107
Facility Matrix Group Inc 555 Friendly St Pontiac, MI 48341-2650	Engineering Services	O&M, CAP	\$184,733	107,859

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Fahey Schiltz Burzych Rhodes Plc 4151 Okemos Rd Okemos, MI 48864	Legal Services	O&M	\$80,662	859
Fifth Third Bank 1000 Town Ctr, 14th Fl Southfield, MI 48075	Administrative Services	O&M, CAP	\$944,765	107, 921
Fitzgibbons Fleet Fabricators Ltd 3325 Cisco St Jackson, MI 49201-8804	Vehicle Maint. & Repair Services	O&M, CAP	\$69,657	107, 866
Ford Quality Fleet Care Program Dept 121801, PO Box 67000 Detroit, MI 48267-1218	Vehicle Maint. & Repair Services	O&M, CAP	\$601,014	107, 923
Frontier North 3 High Ridge Park Stamford, CT 06905	Telecommunication Services	O&M, CAP	\$363,347	107, 930, 866, 921, 908, 910
Gateway Air Service Inc 5465 E Airport Rd Mt Pleasant, MI 48858-8923	Contract Labor Services	O&M	\$70,784	833, 863, 856
George H Hathaway 1295 Fairholme Grosse Pointe Woods, MI 48236	Engineering Services	CAP	\$56,805	107
Giarmarco Mullins and Horton PC 101 W Big Beaver Rd Troy, MI 48084-5253	Legal Services	O&M, CAP	\$297,292	107, 921
Give Em A Brake Safety 2610 Sanford Ave Grandville, MI 49418-1069	Engineering Services	O&M, CAP	\$75,711	107, 887, 889, 892
GL Industrial Services USA Inc 600 Bent Creek Blvd, Ste 100 Mechanicsburg, PA 17050-1877	Technical Services	CAP	\$92,100	107
Global Appliances 13007 E 8 Mile Warren, MI 58089-3221	Appliance Repair Services	O&M	\$193,878	879, 912
Grand River Printing 8455 Haggerty Rd Belleville, MI 48111-1607	Printing & Mailing Services	O&M, CAP	\$181,024	107, 859, 923
Great Lakes Striping & Sealing Inc PO Box 283 Traverse City, MI 49685-0283	Construction Services	O&M, CAP	\$89,074	107, 887, 892
Great Lakes Systems Inc 2286 Port Sheldon Ct Jenison, MI 49428-9307	Building Maint. & Repair Services	CAP	\$126,112	107
Gregware Equip Co 5085 Alpine Ave NW Grand Rapids, MI 49501-4912	Equipment Maint. & Repair Services	CAP	\$70,217	107
Hall Engineering Co 25400 Meadowbrook Rd Novi, MI 48375-1842	Engineering Services	O&M, CAP	\$385,438	107, 864, 912, 416, 818, 834, 891, 866
Heath Consultants Inc 9030 Monroe Rd Houston, TX 77061	Surveying Services	O&M, CAP	\$1,565,145	107, 856, 874, 889

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Henkels & McCoy Inc 985 Jolly Rd Blue Bell, PA 19422	Pipeline Construction Services	CAP	\$83,939	107
Henry Ford Health System Occupational Health 1 Ford Pl, Ste 2F Detroit, MI 48202-3450	Healthcare Services	O&M, CAP	\$91,162	107, 921
Hertz Equip Rental PO Box 26390 Oklahoma City, OK 73126-0390	Equipment Rental Services	O&M, CAP	\$251,595	107, 887, 892
Hewitt Assoc 100 Half Lincolnshire, IL 60069-3242	Professional Services	O&M, CAP	\$1,033,857	107, 923
Hoergiger Services Inc 5613 DTC Parkway Greenwood Village, CO 80111	Construction Services	O&M, CAP	\$67,024	107, 864
Holland Engineering 220 Hoover Blvd, Ste 2 Holland, MI 49423-3766	Surveying Services	O&M, CAP	\$145,441	107, 850, 863
ICF Resources LLC C/O Consulting Group Inc 9300 Lee Hwy Fairfax, VA 22031	Administrative Services	O&M, CAP	\$2,481,546	107, 905, 908
Industrial Electric Co of Detroit Inc 275 Milwaukee St Detroit, MI 22031	Equipment Repair Services	O&M, CAP	\$82,700	107, 859
Ittron Inc 2111 N Molter Rd1 Liberty Lake, WA	Meter Services	CAP	\$78,810	107
J D Power and Assoc PO Box 512778 Los Angeles, CA 90051-0778	Marketing Services	O&M	\$57,505	908
J Ferrara Home Service Corp 2810 Oakwood Blvd Melvindale, MI 48122-1243	Appliance Repair Services	O&M	\$223,759	879, 912
J O Well Services and Testing Inc 6825 Lea Pick Dr Mt Pleasant, MI 48858-8911	Testing and Analysis Services	O&M, CAP	\$62,195	107, 830
Jacks Heating & Cooling of Lapeer 1567 Imlay City Rd, Ste B Lapeer, MI 48446-3175	Appliance Repair Services	O&M	\$90,432	912
Jan X Ray Services INC DBA Janx 8550 E Michigan Ave Parma, MI 49269	Testing and Analysis Services	O&M, CAP	\$513,531	107, 864
John A Papalas and Co 1187 Empire Ave Lincoln Park, MI 48146-2046	Construction Services	CAP	\$132,017	107
Johnson Controls Inc 2875 High Meadow Cir Auburn Hills, MI 48326	Equipment Repair Services	O&M, CAP	\$194,157	107, 921
Kearsley Appliance 3104 Richfield Rd Flint, MI 48506-2522	Appliance Repair Services	O&M	\$84,373	912
Keitz Heating Air Conditioning Appliance Repair Service	Appliance Repair Services	O&M	\$204,951	879, 912

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
1695 Valley Dr Highland, MI 48356				
Kema Services Inc 67 S Bedford St, Ste 201 Burlington, Ma 01803	Administrative Services	O&M, CAP	\$1,772,218	107, 905, 908
Kent Power Inc 90 Spring St Po Box 327 Kent City, Mi 49330-9446	Underground Construction Services	O&M, CAP	\$2,567,449	107, 875, 880, 887, 892
Kenwhirl Appliance 8300 Telegraph Rd Dearborn Heights, Mi 48127-1435	Appliance Repair Services	O&M	\$98,719	879, 912
Key Bank National Association 127 Public Square Cleveland OH 44114-1221	Professional Services	O&M, CAP	\$207,539	107, 912
Krueger Heating 28010 Harper Ave Saint Clair Shores, Mi 48081-1562	Appliance Repair Services	O&M	\$165,615	912
KTM Mechanical Inc 9568 26 Mile Rd Casco Twp, MI 48064	Appliance Repair Services	O&M	\$179,923	912
Larson Construction Co Inc 7751 Aarwood Trl Nw Rapid City, Mi 49676-9739	Construction Services	O&M, CAP	\$184,375	107, 891
Litigation Associates PLLC 30300 Norwestern Hwy Farmington Hills, MI 48334	Legal Services	O&M	\$118,937	903
M I Chartier Inc 9195 Marine City Hwy Fair Haven, MI 48023-1221	Construction Services	O&M, CAP	\$125,203	107, 416, 818, 834, 863
Maintenance Contracting Llc 4404 Mitchell Rd Se Kalkaska, Mi 49646-9683	Construction Services	O&M, CAP	\$232,250	107, 416, 832, 834, 853, 856, 857 863, 865, 866, 877, 887, 889, 891, 893
Market Strategies Inc 20255 Victor Pkwy, Ste 400 Livonia, Mi 48152-7003	Marketing Services	O&M, CAP	\$82,244	912, 859, 874, 880
Masco Home Services Inc 2359 Beville Rd Daytona Beach FL 32119	Administrative Services	O&M	\$170,788	908
McDonald Modular Solutions Inc 23800 W 8 Mile Rd Southfield MI 48034-4258	Equipment Maint. & Constr. Services	CAP	\$110,975	107
MCI Worldcom Network Services Inc 22001 Loudoun County Pkwy Ashburn, Va 20147-6105	Communication Services	O&M, CAP	\$2,973,145	107, 910, 921
Mears Group Inc 4500 N Mission Rd Rosebush MI 48878	Construction Services	CAP	\$89,184	107
Medco Health Solutions Inc. Po Box 945551 Atlanta, Ga 30394-5551	Healthcare Services	O&M	\$146,189	926

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Metrocall Inc 1851 B R W Berends Dr Sw Wyoming, MI 49509	Communication Services	O&M, CAP	\$102,153	107, 866, 910, 921
Metropolitan Appliance Service LLC 3052 Heights Ravenna Rd Muskegon, MI 49444-3438	Appliance Repair Services	O&M	\$54,968	912
Michael J Whims Consulting Llc 1014 Iroquois Blvd Royal Oak, MI 48067	Engineering Services	CAP	\$63,475	107
Michigan Tractor And Machinery Co 24800 Novi Rd Novi, MI 48375	Equipment Rental Services	O&M, CAP	\$185,596	107, 416, 834
Mich-Tech One Corp. 10124 Willis Rd. Willis, MI 48191-9750	Appliance Repair Services	O&M	\$126,633	912
Mid State Oil Tools Inc 1934 Commercial Mt Pleasant MI 48858-8913	Drilling & Equipment Repair Services	CAP	\$132,111	107
Midland Resource Recovery Inc. 16560 Myers Rd. Luneburg, On K2C1R0	Waste Removal Services	CAP	\$126,165	107, 856
Miller Canfield Paddock And Stone 150 W Jefferson Ave Detroit, MI 48226-4416	Legal Services	O&M, CAP	\$170,723	925
Miller Pipeline Corp 8850 Crawfordsville Rd Indianapolis IN 46234-1559	Construction Services	O&M, CAP	\$3,770,226	107, 863, 880, 887, 889, 892
Miss Dig System Inc 3285 Lapeer Rd W Auburn Hills, MI 48326	Underground Construction Services	O&M	\$283,084	856, 874
Mobile Mounting Solutions Inc 1904 University Business D Dte 310 McKinney TX 75071	Communication Services	CAP	\$58,156	107
Monroe Refrigeration 5097 N Dixie Hwy Newport, MI 48166-9060	Appliance Repair Services	O&M	\$176,049	912
Moody's Investors Service Inc P O Box 102597 Atlanta GA 30368-0597	Professional Services	O&M, CAP	\$156,608	107, 921
Morpace Inc 31700 Middlebelt Rdm Ste 200 Farmington Hills MI 48334	Marketing Services	O&M	\$81,800	859
Motor City Electric Utilities Co 9440 Grinnell St Detroit, MI 48213-1151	Engineering Services	CAP	\$189,162	107
Motor City Truck Stop Inc 377 S Schaefer Hwy Detroit MI 48217-1356	Vehicle Repair Services	O&M	\$75,042	859
National Pipeline Service LLC 2099 Independence Dr Mt Pleasant MI 48858	Construction Services	CAP	\$64,500	107

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

December 31, 2010

Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Natl Heating Co Inc 12824 Fenkell St Detroit, MI 48227-4065	Appliance Repair Services	O&M	\$158,920	912
New York Stock Exchange Inc P o Box 4530 New York NY 10163-4530	Professional Services	O&M, CAP	\$73,917	107, 921, 930
Nextel Communications Po Box 17990 Denver, Co 80217	Communication Services	O&M, CAP	\$204,188	107, 866, 903, 908, 921
Nordstrom Samson 23761 Research Dr Farmington Hills MI 48335-2626	Architectural Services	O&M, CAP	\$117,457	107, 912
North Star HR Corp 3155 W Big Beaver Rd, Suite 104 Troy MI 48064	Administrative Services	O&M, CAP	\$185,949	107, 903, 921
Northern Ind Construction Inc 2316 Pleasant Valley Rd Boyne City MI 49712-9767	Construction Services	CAP	\$138,232	107
Nth Consultants Ltd 2000 Brush St Detroit, MI 48226	Engineering Services	O&M, CAP	\$134,318	107, 850
Opinion Dynamics Corp. 230 Third Ave. Waltham, Ma 02451	Administrative Services	O&M	\$703,195	908
Opower Inc 1515 N Courthouse Rd, Suite 610 Arlington VA 22201	Administrative Services	O&M	\$81,650	908
Oscar W Larson Co 10100 Dixie Hwy Clarkston, MI 48348-2414	Equipment Rental Services	O&M, CAP	\$63,640	107, 834
Palace Sports & Entertainment 4 Championship Dr Auburn Hills MI 48326-1753	Professional Services	O&M	\$324,130	426.1
Paradigm Liaison Services LLC 15510 Herriman Blvd. Noblesville, In 46062	Training Services	O&M	\$52,123	880
Pepper Hamilton LLP 100 Renaissance Ctr, Room 36 Detroit MI 48243-1157	Legal Services	O&M	\$426,197	925
Pinnacle Advisors LLC 46700 Pickford St. Northville, MI 48167-3540	Consulting Services	O&M, CAP	\$157,952	107, 921, 928
Pipeline & Hazardous Material P O Box 25082 Oklahoma City OK 73125-4915	Administrative Services	O&M	\$535,043	880
Port City Communications Inc 942 Military St Port Huron MI 48060	Communication Services	O&M, CAP	\$107,459	107, 866, 903, 908, 910, 921
Powersolve Inc 1201 Gaversboro Rd Garner NC 27529	Software Services	CAP	\$99,000	107

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Precision Temp Heating & Cooling 51452 Oro Rd. Shelby Twp, MI 48315	Appliance Repair Services	O&M	\$430,118	912
Preiss Outdoor Services & Supply 8211 Clyde Rd. Fenton, MI 48430-9232	Grounds Maintenance Services	O&M, CAP	\$595,587	877, 856, 107
Price Waterhouse Coopers LLP 3109 W. Dr. M L King Jr. Blvd. Tampa, FL 33607	Consulting Services	O&M, CAP	\$1,099,699	107, 923, 921
Progressive Pipeline Management LLC 125 Half Mile Rd. Suite 200 Red Bank, NJ	Construction Services	CAP	\$153,964	107
Protocol Services Acquisition Corp. 2805 Fruitville Rd. Sarasota, FL 34237-5318	Marketing Services	O&M	\$1,867,184	879,912
Quality Refrigeration Service Inc. 35985 Mound Sterling Heights, MI 48310-4732	Appliance Repair Services	O&M	\$84,509	912
Quorum Bus Solutions (USA) INC. P.O. Box 671335 Dallas, TX 75267-1335	Engineering Services	O&M	\$76,119	851
R And D Custom Builders INC. 3820S. Lachance Rd. Lake City, MI 49651-8965	Construction Services	O&M, CAP	\$489,630	107, 866
R L Coolsaet Constrction Co. 28800 Goddard Rd. Romulus, MI 48174-2702	Construction Services	O&M, CAP	\$11,803,009	107, 889
R L Morris & Sons Construction Co. 3398 Vallet Rd. P.O. Box 537 Kalkaska, MI 49646-9420	Construction Services	CAP	\$310,193	107
Raymond Excavating Co. 800 Gratiot Blvd. Marysvills, MI 48040-1127	Construction Services	O&M, CAP	\$95,930	107, 832, 834
Raytheon Professional Services LLC 1919 Technology Dr. Troy, MI 48083-4245	Training Services	O&M, CAP	\$835,978	824, 880, 859
Roger A. Morin DBA: Utility Research International 9 King Ave. Jekyll Island, GA 31527	Consulting Services	O&M	\$94,480	928
Royal Roofing Co. INC. 2445 Brown Rd. Orion, MI 48359	Construction Services	O&M, CAP	\$89,741	107,935
Rudolph Libbe INC. 6494 Latcha Rd. Walbridge, OH 43465-9788	Construction Services	CAP	\$1,186,512	107
Schafers Appliance Service 34272 Armanda Ridge Richmond, MI 48062	Appliance Repair Services	O&M	\$113,113	879, 912
SCSR INC. DBA: Phil's Services 50 S. Williams Lake Rd. White Lake , MI 48386	Appliance Repair Services	O&M	\$563,543	879, 912

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Seel LLC 7140 W. Fort St. Detroit, MI 48302	Administrative Services	O&M, CAP	\$914,130	107, 905, 908
Service Pro Plumbing & Electrical DBA: Tru Temp Heating & Cooling 44300 Grand River Ave. Novi, MI 48375	Appliance Repair Services	O&M	\$69,830	912
Servicebench INC. 22660 Executive Dr. Sterling, VA 20166	IT Services	O&M	\$53,333	416
Simplexgrinnell LP 24755 Halsted Rd. Farmington Hills, MI 48335	Security Services	O&M, CAP	\$136,204	107, 891
Skyguard LLC 500 Clinton Center Dr. Clinton, MS 39056	Vehicle Maint. & Repair Services	CAP	\$134,991	107
Spection LLC P.O. Box 190 Parma, MI 49269-0190	Pipeline Services	O&M, CAP	\$1,169,498	107, 850
Sprint Lockbox Reg West Los Angeles, CA 90054-0977	Communication Services	O&M, CAP	\$198,586	107, 921, 903, 866
Strategic Staffing Solutions Inc. 645 Griswold St. Ste #2900 Detroit, MI 48226-4105	Personnel Services	CAP	\$196,468	107
Strategic Staffing Solutions LC 645 Griswold St. Ste #2900 Detroit, MI 48226	Personnel Services	O&M, CAP	\$735,582	107, 923, 920, 903, 912, 908 880, 879, 866, 859, 851, 850
Suburban Ford of Sterling Heights 40333 Van Dyke Sterling Heights, MI 48313	Vehicle Maint. & Repair Services	O&M, CAP	\$562,063	107, 416
Sun Heating and Cooling 756 Industrial Ct. Bloomfield Hills, MI 48302-0380	Appliance Repair Services	O&M	\$282,696	912, 879
Superior Heating & Cooling INC. 8015 Gratiot Ave. Columbus, MI 48063	Appliance Repair Services	O&M	\$50,661	879, 912
Supreme Heating & Cooling LLC 14641 E. Warren Ave. Detroit, MI 48215	Appliance Repair Services	O&M	\$118,911	912
Swenski Tree Service INC. 113 Buntrock Rd. Iron River, MI 49935-8271	Grounds Maintenance Services	O&M	\$219,114	863
Target Point Consulting INC. Michael Meyers 107 S. West St. Alexandria, VA 22314-2824	Consulting Services	O&M	\$80,749	426.4
Telvent USA INC. 10333 Southprt Road SW Suite 200 Calgary, AB T2W 3X6	IT Services	O&M, CAP	\$830,968	107, 866

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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Name and Address (a)	Description of Services (b)	Basis of Charges (c)	Total Payments (d)	Account Charged (e)
Thomson Reuters Healthcare INC. 777 E. Eisenhower Pkwy. Ann Arbor, MI 48108	Healthcare Services	O&M	\$86,984	926
Tom Bynum DBA: AAA Bynum 9380 Lakepointe Clay Township, MI 48001	Appliance Repair Services	O&M	\$69,189	912
Towers Perrin P.O. Box 8500 Suite S 6110 Philadelphia, PA 19178-6110	Consulting Services	O&M, CAP	\$124,766	928, 925
Trane US INC. DBA: Trane 3600 Pammel Creek Rd. La Crosse, WI 54601	Equipment Repair Services	CAP	\$129,850	107
TRG Customer Solutions INC. 2200 Renaissance Blvd. Suite 350 King of Prussia, PA 19406	Marketing Services	O&M	\$1,027,356	879, 912
Tri County Title Agency INC. 38705 W. Seven Mile Rd. Livonia, MI 48152	Administrative Services	CAP	\$97,184	107
Truck Tech Engineers INC. 38921 Ford Rd. Westland, MI 48185-1965	Vehicle Repair Services	O&M, CAP	\$115,511	107, 912
US Security Associates INC. 200 Mansell Ct. Suite 500 Roswell, GA 30076	Security Services	O&M, CAP	\$1,594,940	107, 923, 935, 923, 925, 874
Vanguard Fire & Security System INC. 2101 Martindale Ave. SW Grand Rapids, MI 49509-1837	Fire Protection Services	CAP	\$178,625	107
Verizon Wireless P.O. Box 15062 Albany, NY 12212-5062	Telecommunication Services	O&M, CAP	\$363,347	107, 866, 921, 903, 908, 910
Verizon Wireless Services LLC P.O. Box 25505 Lehigh Valley, PA 18002-5505	Telecommunication Services	O&M, CAP	\$981,194	107,903, 908, 910, 921, 866
Waste Mgmt. of Michigan INC. 48797 Alpha Dr. Suite 150 Wixom, MI 48393	Waste Removal Services	O&M, CAP	\$94,967	107, 834, 891
Wind Lake Solutions INC. 400 Bay View Rd. Suite A Mukwonago, WI 53149-1745	Technical Services	O&M, CAP	\$226,456	107, 892

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MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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	Citizens Gas Fuel Co.	Subsidiary of DTE Enterprises	Admin. & General		-	
2	DTE Energy Resources, Inc.	Subsidiary of DTE Energy Co.	Admin. & General	920 - 926	132	
3	DTE Biomass Energy, Inc.	Subsidiary of DTE Energy Resources	Admin. & General	920 - 926	-	
4	South Romeo Gas Storage Co.	Subsidiary of DTE Gas Storage Co.	Admin. & General	920 - 926	116,984	
5			Tax Other than Income	408	5,447	
6						
7	MichCon Pipeline Co.	Subsidiary of MichCon	Admin. & General	920 - 926	63,766	
8			Tax Other than Income	408	3,354	
9			Operations	850 - 880	48,000	
10						
11	Saginaw Bay Lateral Co.	Subsidiary of MichCon	Admin. & General	920 - 926	829	
12	Saginaw Bay Lateral Limited Ptnrship	Subsidiary of MichCon	Admin. & General	920 - 926	1,005	
13	DTE Coal Services, Inc.	Subsidiary of DTE Energy Resources	Admin. & General	920 - 926	702	
14	DTE Terra Hayes Gathering Co.	Subsidiary of MichCon Pipeline Co.	Admin. & General	920 - 926	1,428	
15	DTE Energy Corporate Services, LLC	Subsidiary of DTE Energy Co.	Gas Transportation	489	68,867	
16	DTE East China, LLC	Subsidiary of DTE Energy Services, Inc.	Gas Transportation	489	102,000	
17	Tums/Olund Lake Pipeline Co.	Subsidiary of MichCon Pipeline Co.	Admin. & General	920 - 926	24	
18	DTE Energy Ventures, Inc.	Subsidiary of DTE Energy Co.	Admin. & General		-	
19	DTE River Rouge No. 1, L.L.C.	Subsidiary of DTE Energy Resources	Gas Transportation	489	109,932	
20	DTE Energy Services, Inc.	Subsidiary of DTE Energy Resources	Admin. & General		-	
21	MichCon Gathering Co.	Subsidiary of MichCon	Admin. & General	920 - 926	1,540,117	
22			Operations	850 - 880	4,115,430	
23			Tax Other than Income	408-10	50,923	
24						
25	Saginaw Bay Pipeline Co.	Subsidiary of MichCon	Admin. & General	920 - 926	146,252	
26			Tax Other than Income	408	3,207	
27			Operations	858	147,742	
28						
29	DTE Energy Trading, Inc.	Subsidiary of DTE Energy Resources	Gas Transportation	489	1,015,005	
30			Tax Other than Income	408	42,313	
31			Admin. & General	920 - 926	844,030	
32						
33	DTE Gas Storage Co.	Subsidiary of DTE Enterprises	Operations	495, 806 - 880	48,000	
34			Misc Non-Oper Income			
35			Tax Other than Income	408	32,915	
36			Admin. & General	920 - 926	651,089	
37						
38	Thunder Bay Gathering Co.		Admin. & General	920, 921	2,575	
39			Tax Other than Income	408	181	
40						
TOTAL						

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
SUMMARY OF COSTS BILLED TO 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	The Detroit Edison Co.	Subsidiary of DTE Energy Co.	Gas Transportation	489	834,352
2			Non-Utility Oper Rev		
3			Admin. & General	494	806,592
4			Operations	856 - 879	1,277,820
5			Admin. & General	920 - 926	1,855
6					
7	Jordan Valley Pipeline Co.	Subsidiary of MichCon Pipeline Co.	Admin. & General	920 - 926	1,882
8	MichCon Lateral Co.	Subsidiary of MichCon	Admin. & General	920 - 926	1,293,582
9			Operations	850 - 880	166,133
10			Tax Other than Income	408	51,679
11					
12	MichCon Fuel Services Co.	Subsidiary of MichCon Holdings	Interest Income		
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					
TOTAL					13,596,144

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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	2,400,000	146-00	22	22	cost	1
		146-00	1,139	1,271	cost	2
		146-00	320	320	cost	3
		146-00	25,024	142,008	cost	4
			-	5,447	cost	6
						7
		146-00	5,943	69,709	cost	7
				3,354	cost	10
				48,000	cost	9
						10
		146-00	2,072	2,901	cost	11
		146-00	169	1,174	cost	12
		146-00	529	1,231	cost	13
		146-00	247	1,675	cost	14
		146-00	708,550	777,417	contract	15
		146-00	-	102,000	contract	16
		146-00	9	33	cost	17
		146-00	25,958	25,958	cost	18
		146-00	-	109,932	contract	19
		146-00	2,076	2,076	cost	20
		146-00	284,622	1,824,739	cost	21
				4,115,430	cost	22
				50,923	cost	23
						24
		146-00	7,384	153,636	cost	25
				3,207	cost	35
				147,742	cost	27
						28
		146-00	87,610	1,102,615	contract	29
				42,313	cost	30
				844,030	cost	31
						32
		146-00	542,315	590,315	cost	33
				2,400,000	cost	34
				32,915	cost	35
				651,089	cost	36
						37
		146-00	11,511	14,086	cost	38
				181	cost	39
				40		

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010					
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.				
417-00	5,130	146-00	66,134	900,486	contract	1				
				5,130	cost	2				
				806,592	cost	3				
				1,277,820	cost	4				
				1,855	cost	5				
						6				
		146-00	377	2,259	cost	7				
		146-00	348,627	1,642,209	cost	8				
				166,133	cost	9				
				51,679	cost	10				
419-00	282	146-00	121,089	121,371	cost	11				
								12		
								13		
								14		
								15		
								16		
								17		
								18		
								19		
								20		
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								37		
								38		
								39		
								40		
					2,405,412		2,241,727	18,243,283		

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010
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	A&G Expense	920 - 935	469,909
2			Interest Expense		
3					
4	The Detroit Edison Company	Subsidiary of DTE Energy Co.	O&M Expense	580, 816 - 893	90,709
5			Customer Service	902 - 916	815,494
6			A&G Expense	920 - 925	614,826
7			Rent Expense	931	20,303,532
8			Taxes Other	408	51,650
9			Miscellaneous Non-op		
10			Construction		
11					
12	DTE Energy Corporate Services, LLC	Susidiary of DTE Energy Company	O&M Expense	816 - 893	9,443,396
13			Customer Service	901 - 910, 916	46,235,792
14			Sales Promotion	911 - 913	521,665
15			A&G Expense	920 - 935	69,176,948
16			Taxes Other	408	3,475,427
17			Miscellaneous Non-op		
18			Construction		
19					
20	DTE Energy Trading, Inc.	Subsidiary of DTE Energy Resources	O&M Expense	803 - 859	3,677
21	Blue Lake Holdings, Inc.	Subsidiary of MichCon	Interest Expense		
22	MichCon Pipeline Company	Subsidiary of MichCon	O&M Expense	851 - 858	777,636
23			Interest Expense		
24					
25	MichCon Gathering Company	Subsidiary of MichCon	O&M Expense	804, 806	11,359,312
26			Interest Expense		
27					
28	Saginaw Bay Pipeline Company	Subsidiary of MichCon	Interest Expense		
29	MichCon Lateral Company	Subsidiary of MichCon	Interest Expense		
30					
31	DTE Gas Storage Company	Susidiary of MCN Energy Enterprises, Inc.	O&M Expense	804 - 859	1,713,668
32					
33					
34					
35					
36					
37					
TOTAL					\$165,053,641

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL		December 31, 2010	
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	349,826			469,909	Cost	1
				349,826	Cost	2
						3
				90,709	Cost	4
				815,494	Cost	5
				614,826	Cost	6
				20,303,532	Cost	7
				51,650	Cost	8
426	7			7	Cost	9
		106	893,090	893,090	Cost	10
						11
				9,443,396	Cost	12
				46,235,792	Cost	13
				521,665	Cost	14
				69,176,948	Cost	15
				3,475,427	Cost	16
415 - 426	1,262,334			1,262,334	Cost	17
		106	13,796,315	13,796,315	Cost	18
						19
				3,677	Cost	20
430	8,664			8,664	Cost	21
				777,636	Cost	22
430	150,948			150,948	Cost	23
						24
				11,359,312	Cost	25
430	14,878			14,878	Cost	26
						27
430	1,500			1,500	Cost	28
430	2,067			2,067	Cost	29
						30
				1,713,668	Cost	31
						32
						33
						34
						35
						36
						37
	\$1,790,224		\$14,689,405	\$181,533,270		

NATURAL GAS RESERVES AND LAND ACREAGE

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.
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.
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.
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,

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 Acres (f)
	Domain (a)	Zone (b)				
1			A. PRODUCING	Michigan		
2			GAS LANDS	(Acquired before 10-8-69)		
3			Big Hand	St. Clair Co.		1.0
4						
5						
6						
7						
8						
9						
10				Subtotal	0	1.0
11						
12						
13				Subtotal	0	0.0
14						
15				Total Recoverable Reserves	0	1.0
16			B. NON-PRODUCING			
17			GAS LANDS			
18						
19						
20				Subtotal	-	-
21						
22						
23						
24						
25						
26						
27				Subtotal	-	-
28						
29				Total Non - Producing Gas Lands	-	-
30						
31						
32						
33						
34						
35						
36						
37						
38	TOTAL				0	1.0

NATURAL GAS RESERVES AND LAND ACREAGE (Continued)

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.

5. Report the cost of lands, leaseholds, and gas rights in accordance with the provisions of the Uniform Systems of Accounts for Natural Gas Companies.
6. For columns (j) and (k), do not duplicate acreages reported for owned lands and leaseholds. Designate with an asterisk royalty interests separately owned.
7. Indicate by footnote whether acres reported are gross acres or net acres based on proportion of ownership in jointly owned tracts.
8. Do not include oil mineral interests in the cost of acreage reported.
9. Report volumes on a pressure base of 14.73 psia at 60°F.

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			-	-	1.0	\$3,838	1
							2
							3
							4
							5
							6
			-	-	0.0	0	7
							8
							9
3,838	0.0	0	-	0	1.0	3,838	10
							11
-	-	-	-	-			12
							13
0	-	-	-	-	0.0	0	14
3,838	0.0	0	-	0	1.0	3,838	15
							16
			-	-	0.0	0	17
			-	-		0	18
							19
	0.0	0	-	-	0.0	0	20
							21
-			-	-	0.0	0	22
-			-	-		-	23
-			-	-	0.0	0	24
-			-	-		-	25
-			-	-		-	26
-			-	-		-	27
-	0.0	0	-	-	0.0	0	28
-	0.0	0	-	-	0.0	0	29
							30
							31
							32
							33
							34
							35
							36
							37
\$3,838	0.0	\$0	-	\$0	1.0	\$3,838	38

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

PAGE 202AAccounts

325.00GS	Col. (g)	\$3,838
325.00GS	Col. (k)	-
	Total	<u>3,838</u>

PAGE 500-501

Col. (m)	<u>3,838</u>
Difference*	<u><u>\$0</u></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	<u>376</u>
	Total	<u><u>\$1,518</u></u>

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
COMPRESSOR STATIONS			
1. Report below particulars (details) concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations. 2. For column (a), indicate the production areas where such stations are used. Relatively small field compressor stations may be grouped by production areas. Show the number of stations grouped. Designate any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership, if jointly owned.			
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 (site 6328)		
7	Columbus Twp., St. Clair Co.		\$22,281,421
8	Belle River Mills Station (site 6840)		
9	China Twp., St. Clair Co.		130,396,793
10	W. C. Taggart Compressor Station (site 6963)		
11	Belvidere Twp., Montcalm Co.		66,181,283
12	TOTAL		
13	<u>TRANSMISSION COMPRESSOR STATIONS</u>		
14	Kalkaska Station (site 6740)		
15	Kalkaska Twp., Kalkaska Co.		32,591,716
16	Milford Station (site 6535)		
17	Milford Twp., Oakland Co.		29,055,482
18	Reed City Compressor Station (site 6040)		
19	Lincoln Twp., Osceola Co.		1,978,953
20	Willow Run Compressor Station (site 1950)		
21	Ypsilanti Twp., Washtenaw Co.		23,576,228
22			
23			
24			
25			
26			
27			
28	Alpena Station (site 6988)		
29	Hamilton Twp., Clare Co.		3,513,045
30	6 Satellite Stations		
31	Various Locations		724,217
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, 2010	
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 Comprs. Operated at time of Station Peak (h)	Date of Station Peak (i)	
						1
						2
						3
						4
						5
						6
0	\$273,484	39,121	3,074	2	10/04/2010	7
						8
\$51,322	4,915,654	703,167	18,602	5	10/04/2010	9
						10
191,257	2,073,479	296,604	16,953	14	1/06/2010	11
						12
						13
						14
118,076	1,238,880	177,217	13,000	2	6/30/2010	15
						16
15,915	835,690	116,159	4,974	3	10/23/2010	17
						18
0	0	0	N/A	N/A	N/A	19
						20
0	128,517	18,384	404	1	5/01/2010	21
						22
						23
						24
						25
						26
						27
						28
0	7,689	1,100	N/A	N/A	N/A	29
						30
0	0	0	33,943	4	1/16/2010	31
						32
						33
						34
						35
						36
						37
						38
						39

COMPRESSOR STATIONS

MICHIGAN CONSOLIDATED GAS COMPANY
COMPRESSOR STATIONS
YEAR ENDED DECEMBER 31, 2010

- (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 #

Maple Grove 16 (Harju 1-16) #7503

439

(Sold)

(4) Location Transfer

Manistee 17 #6119

Transfer to

Kalkaska Yard #6734

Unit#

435

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MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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	\$8,831,724	
3	Structures and Improvements	19,037,298	
4	Storage Wells and Holders	90,918,927	
5	Storage Lines	36,877,498	
6	Other Storage Equipment	200,943,351	
7	TOTAL (Enter Total of Lines 2 Thru 6)	\$356,608,798	
8	Storage Expenses		
9	Operation	\$12,907,856	
10	Maintenance	4,331,618	
11	Rents		
12	TOTAL (Enter Total of Lines 9 thru 11)	\$17,239,474	
13	Storage Operations (In Mcf @ 14.73 psia 60°F)		
14	Gas Delivered to Storage		
15	January	(6,312)	
16	February	6,986	
17	March	(1,160,740)	
18	April	4,224,516	
19	May	3,765,192	
20	June	4,476,656	
21	July	6,922,431	
22	August	6,799,317	
23	September	2,301,425	
24	October	(1,547,076)	
25	November	(2,458,998)	
26	December	(5,127,068)	
27	TOTAL (Enter Total of Lines 15 thru 26)	18,196,329	
28	Gas Withdrawn from Storage		
29	January	15,598,252	
30	February	11,364,865	
31	March	2,579,925	
32	April	(1,130,043)	
33	May	(2,802,595)	
34	June	(3,552,805)	
35	July	(3,464,014)	
36	August	(816,225)	
37	September	(5,984,525)	
38	October	(6,375,039)	
39	November	3,399,217	
40	December	9,438,963	
41	TOTAL (Enter Total of Lines 29 Thru 40)	18,255,976	

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL	December 31, 2010
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	43,054,268	
43	Cushion Gas (Including Native Gas)	62,194,107	
44	Total Gas in Reservoir (Enter Total of Line 42 and Line 43)	105,248,375	
45	Certificated Storage Capacity (1)	132,919,897	
46	Reservoir Pressure at Which Storage Capacity Computed (1)		
47	Number of Injection - Withdrawal Wells	154	
48	Number of Observation Wells	60	
49	Maximum Day's Withdrawal from Storage	1,978,573	
50	Date of Maximum Days' Withdrawal	12/13/2010	
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		
Notes: (1) Transactions relating to gas stored "for others" are not reflected on these pages. At December 31, 2010; 52,554,576 Mcf was stored for others.			

Distribution and Transmission Lines

1. Report below by States the total miles of transmission lines of each transmission system operated by respondent at end of year.
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.
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.
4. Report the number of miles of pipe to one decimal point.

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	18,560.1
5	Transmission Mains *	2,421.1
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22	* Includes Transmissions Mains for MichCon (1,897.29),	
23	MichCon Lateral Co. (459.25) and MichCon Gathering Co. (64.58).	
24		
25		
26		
27		
28		
29		
30		
31	TOTAL	20,981.2

MICHIGAN CONSOLIDATED GAS COMPANY		AN ORIGINAL		December 31, 2010	
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 *	12/13			
2	Deliveries to Customers Subject to MPSC Rate Schedules		1,978,573		
3	Deliveries to Others		0		
4	TOTAL		1,978,573		
5	Date of Second Highest Day's Deliveries *	12/14			
6	Deliveries to Customers Subject to MPSC Rate Schedules		1,860,349		
7	Deliveries to Others		0		
8	TOTAL		1,860,349		
9	Date of Third Highest Day's Deliveries *	1/28			
10	Deliveries to Customers Subject to MPSC Rate Schedules		1,846,445		
11	Deliveries to Others		0		
12	TOTAL		1,846,445		
	Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)				
13	Dates of Three Consecutive Days Highest System Peak Deliveries *	12/13 - 12/15			
14	Deliveries to Customers Subject to MPSC Rate Schedules		5,519,300		
15	Deliveries to Others		0		
16	TOTAL		5,519,300		
17	Supplies from Line Pack				
18	Supplies from Underground Storage		(2,727,286)		
19	Supplies from Other Peaking Facilities		N/A		
	Section C. Highest Month's System Deliveries				
20	Month of Highest Month's System Deliveries	JANUARY			
21	Deliveries to Customers Subject to MPSC Rate Schedules		39,921,492		
22	Deliveries to Others		3,041,341		
23	TOTAL		42,962,833		

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

AUXILIARY PEAKING FACILITIES

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility	Type of Facility	Maximum Daily Delivery Capacity of Facility, Mcf at 14.73 psia at 60°F	Cost of Facility (In dollars)	Was Facility Operated on Day of Highest Transmission Peak Delivery?	
					Yes	No
(a)	(b)	(c)	(d)	(e)	(f)	
1	West Central Michigan	Underground Storage Plant	423,000		X	
2						
3						
4	Southeastern Michigan	Underground Storage Plant	2,908,000		X	
5						
6						
7						
8						
9						
10						
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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.

See Attached



STORAGE FIELDS

MINOR PITFALLS

SYMBOLS

GENERAL INFORMATION

[illegible]

MICHIGAN CONSOLIDATED GAS COMPANY			AN ORIGINAL	December 31, 2010
FOOTNOTE DATA				
Page No. (a)	Line No. (b)	Column No. (c)	Comments (d)	
			Footnotes are included on pages 123.3 through 123.29.	

