

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

**GENERAL INFORMATION**

**I. Purpose:**

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

**II. Who Must Submit:**

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

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

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

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

**III. What and Where to Submit:**

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

Michigan Public Service Commission  
Market Monitoring & Enforcement Section  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

Retain one copy of this report for your files.

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

Michigan Public Service Commission  
Market Monitoring & Enforcement Section  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

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

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

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

<u>Schedules</u>	<u>Reference Page</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

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

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

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

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

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

Michigan Public Service Commission  
Market Monitoring & Enforcement Section  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

**IV. When to Submit**

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

**GENERAL INSTRUCTIONS**

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

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

- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to respondent, either
- (a) Enter the words "NOT APPLICABLE" on the particular page(s), or
  - (b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column <sup>o</sup> on the List of Schedules, pages 2, 3 and 4.
- V. Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. The copies, however, may be carbon copies or other similar means of reproduction provided the impression are clear and readable.
- VI. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" at the top of each page is applicable only to resubmissions (See VIII, below).
- VII. Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ( ).
- VIII. When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the identification and Attestation page, page 1. Mail dated resubmissions to:
- Michigan Public Service Commission  
Market Monitoring & Enforcement Section  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909
- IX. Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 ½ x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and page number supplemented.
- X. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XII. Report all gas volumes on a pressure base of 14.65 psia and a temperature base 60° F.
- XIII. Respondents may submit computer printed schedules (reduced to 8 ½ x 11 inch size) instead of the preprinted schedules if they are in substantially the same format

#### DEFINITIONS

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

II. Commission Authorization (Comm. Auth.) - The authorization of the Michigan Public Service Commission, or any other Commission. Name the Commission whose authorization was obtained and give the date of the authorization.

III. Respondent - The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

Name of Respondent	This Report is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 20__
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**LIST OF SCHEDULES (Natural Gas Utility)**

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

Title of Schedule  (a)	Reference Page No.  (b)	Remarks  (c)
<b>GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</b>		
General Information	101	
Control Over Respondent & Other Associated Companies	M 102	
Corporations Controlled by Respondent	103	
Officers and Employees	M 104	
Directors	105	
Security Holders and Voting Powers	M 106-107	
Important Changes During the Year	108-109	
Comparative Balance Sheet	M 110-113	
Statement of Income for the Year	M 114-117	
Statement of Retained Earnings for the Year	M 118-119	
Statement of Cash Flows	120-121	
Notes to Financial Statements	122-123	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</b>		
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201	
Gas Plant in Service	M 204-212B	
Gas Plant Leased to Others	213	
Gas Plant Held for Future Use	214	
Production Properties Held for Future Use	215	
Construction Work in Progress - Gas	216	
Construction Overheads - Gas	217	
General Description of Construction Overhead Procedure	M 218	
Accumulated Provision for Depreciation of Gas Utility Plant	M 219	
Gas Stored	220	
Nonutility Property	221	
Accumulated Provision for Depreciation and Amortization of Nonutility Property	221	
Investments	222-223	
Investment in Subsidiary Companies	224-225	
Gas Prepayments Under Purchase Agreements	226-227	
Advances for Gas Prior to Initial Deliveries or Commission Certification	229	
Prepayments	230	
Extraordinary Property Losses	230	
Unrecovered Plant and Regulatory Study Costs	230	
Preliminary Survey and Investigation Charges	231	
Other Regulatory Assets	232	
Miscellaneous Deferred Debits	233	
Accumulated Deferred Income Taxes (Account 190)	234-235	

Name of Respondent	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 20__
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**LIST OF SCHEDULES (Natural Gas Utility) (Continued)**

Title of Schedule  (a)	Reference Page No.  (b)	Remarks  (c)
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)</b>		
Capital Stock	250-251	
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252	
Other Paid-in Capital	253	
Discount on Capital Stock	254	
Capital Stock Expense	254	
Securities Issued or Assumed and Securities Refunded or Retired During the Year	255	
Long-Term Debt	256-257	
Unamortized Debt Expense, Premium and Discount on Long-Term Debt	258-259	
Unamortized Loss and Gain on Reacquired Debt	260	
Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	M 261A-B	
Calculation of Federal Income Tax	M 261C-D	
Taxes Accrued, Prepaid and Charged During Year	262-263	
Investment Tax Credits Generated and Utilized	264-265	
Accumulated Deferred Investment Tax Credits	M 266-267	
Miscellaneous Current and Accrued Liabilities	M 268	
Other Deferred Credits	269	
Accumulated Deferred Income Taxes - Accelerated Amortization Property	272-273	
Accumulated Deferred Income Taxes - Other Property	274-275	
Accumulated Deferred Income Taxes - Other	M 276A-B	
Other Regulatory Liabilities	278	
<b>INCOME ACCOUNT SUPPORTING SCHEDULES</b>		
Gas Operating Revenues	300-301	
Rates and Sales Section	M 305A-C	
Off-System Sales - Natural Gas	M 310A-B	
Revenue from Transportation of Gas of Others-Natural Gas	312-313	
Sales of Products Extracted from Natural Gas	315	
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Gas Operation and Maintenance Expenses	M 320-325	
Number of Gas Department Employees	325	
Exploration and Development Expenses	326	
Abandoned Leases	326	
Gas Purchases	M 327,327A-B	
Exchange Gas Transactions	328-330	
Gas Used in Utility Operations - Credit	331	
Transmission and Compression of Gas by Others	332-333	
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Miscellaneous General Expenses - Gas	M 335	
Depreciation, Depletion and Amortization of Gas Plant	336-338	
Income from Utility Plant Leased to Others	339	
Particulars Concerning Certain Income Deduction and Interest Charges	340	

<b>Name of Respondent</b>	<b>This Report Is:</b> (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> Dec. 31, 20
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**LIST OF SCHEDULES (Natural Gas Utility) (Continued)**

Title of Schedule  (a)	Reference Page No.  (b)	Remarks  (c)
<b>COMMON SECTION</b>		
Regulatory Commission Expenses	350-351	
Research, Development and Demonstration Activities	352-353	
Distribution of Salaries and Wages	354-355	
Charges for Outside Professional and Other Consultative Services	357	
<b>GAS PLANT STATISTICAL DATA</b>		
Natural Gas Reserves and Land Acreage	500-501	
Changes in Estimated Hydrocarbon Reserves and Costs, and Net Realizable Value	504-505	
Compressor Stations	508-509	
Gas and Oil Wells	510	
Gas Storage Projects	M 512-513	
Distribution and Transmission Lines	M 514	
Liquefied Petroleum Gas Operations	516-517	
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Auxiliary Peaking Facilities	519	
System Map	522	
Footnote Data	551	
Stockholders' Report	—	
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Operating Loss Carryforward	117C	
Notes & Accounts Receivable Summary for Balance Sheet	228A	
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Materials and Supplies	228C	
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Customer Advances for Construction	268	
Accumulated Deferred Income Taxes - Temporary	277	
Gas Operation and Maintenance Expenses (Nonmajor)	320N-324N	
Lease Rentals Charged	333A-333D	
Depreciation, Depletion and Amortization of Gas Plant (Nonmajor)	336N	
Particulars Concerning Certain Other Income Accounts	341	
Gain or Loss on Disposition of Property	342A-B	
Expenditures for Certain Civic, Political and Related Activities	343	
Common Utility Plant and Expenses	356	
Summary of Costs Billed to Associated Companies	358-359	
Summary of Costs Billed from Associated Companies	360-361	

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

1. Report below the original cost of gas plant in service according to the prescribed accounts  
 2. In addition to Account 101, Gas Plant in Service (Classified), this schedule includes Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Complete 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 adjustment 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 distributions of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statements showing the account distributions of these tentative classifications in columns ( c ) and (d), including the reversals of the prior year's tentative account distribution of these

Line No.	Acct No	Account	Balance at Beginning of Year	Additions
		(a)	(b)	(c)
1		1. INTANGIBLE PLANT		
2	301	Organization	\$33,468	\$0
	302	Franchises and Consents	145,566	1,619
4	303	Miscellaneous Intangible Plant	28,033,158	6,544
5		TOTAL Intangible Plant	\$28,212,192	\$8,163
6		2. PRODUCTION PLANT		
7		Manufactured Gas Production Plant		
8	304	Land	\$0	\$0
9	304	Land Rights	0	0
10	305	Structures and Improvements	0	0
11	306	Boiler Plant Equipment	0	0
12	307	Other Power Equipment	0	0
13	308	Coke Ovens	0	0
14	309	Producer Gas Equipment	0	0
15	310	Water Gas Generating Equipment	0	0
16	311	Liquefied Petroleum Gas Equipment	0	0
17	312	Oil Gas Generating Equipment	0	0
18	313	Generating Equipment - Other Processes	0	0
19	314	Coal, Coke and Ash Handling Equipment	0	0
20	315	Catalytic Cracking Equipment	0	0
21	316	Other Reforming Equipment	0	0
22	317	Purification Equipment	0	0
23	318	Residual Refining Equipment	0	0
24	319	Gas Mixing Equipment	0	0
25	320	Other Equipment	0	0
26		TOTAL Manufactured Gas Production Plant	\$0	\$0

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

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

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

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

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

Retirements	Adjustments	Transfers	Balance at	Acct	Line
(d)	(e)	(f)	End of Year	No.	No.
			(g)		
					1
\$0	\$0	\$0	33,468	301	2
1,741	0	0	145,444	302	3
0	0	0	28,039,702	303	4
\$1,741	\$0	\$0	\$28,218,614		5
					6
					7
\$0	\$0	\$0	\$0	304.1	8
0	0	0	0	304.2	9
0	0	0	0	305	10
0	0	0	0	306	11
0	0	0	0	307	12
0	0	0	0	308	13
0	0	0	0	309	14
0	0	0	0	310	15
0	0	0	0	311	16
0	0	0	0	312	17
0	0	0	0	313	18
0	0	0	0	314	19
0	0	0	0	315	20
0	0	0	0	316	21
0	0	0	0	317	22
0	0	0	0	318	23
0	0	0	0	319	24
0	0	0	0	320	25
\$0	\$0	\$0	\$0		26

	Account	Balance at	Additions
	(a)	Beginning of Year	(c)
	(b)		
	Natural Gas Production & Gathering Plant		
325.1	Producing Lands	\$0	\$0
325.2	Producing Leaseholds	172,559	0
325.3	Gas Rights	890	0
325.4	Rights of Way	222	0
325.5	Other Land	0	0
325.6	Other Land Rights	0	0
326	Gas Well Structures	0	0
327	Field Compressor Station Structures	0	0
328	Field Measuring and Regulating Station Structures	0	0
329	Other Structures	116,071	0
330	Producing Gas Wells - Well Construction	61,603	0
331	Producing Gas Wells - Well Equipment	40,523	0
332	Field Lines	4,825	0
333	Field Compressor Station Equipment	0	0
334	Field Measuring and Regulating Station Equipment	77,146	0
335	Drilling and Cleaning Equipment	0	0
336	Purification Equipment	227,390	0
337	Other Equipment	7,322	0
338	Unsuccessful Exploration & Development Costs	8,224,143	0
	TOTAL Production and Gathering Plant	\$8,932,694	\$0
	Products Extraction Plant		
340.1	Land	\$0	\$0
340.2	Land Rights	0	0
341	Structures and Improvements	0	0
342	Extraction and Refining Equipment	0	0
343	Pipe Lines	0	0
344	Extracted Products Storage Equipment	0	0
345	Compressor Equipment	0	0
346	Gas Measuring and Regulating Equipment	0	0
347	Other Equipment	0	0
	TOTAL Products Extraction Plant	\$0	\$0
	TOTAL Natural Gas Production Plant	\$8,932,694	\$0
	SNG Production Plant (Submit Supplemental Statement)	0	0
	TOTAL Production Plant	\$8,932,694	\$0
	3. Natural Gas Storage and Processing Plant		
	Underground Storage Plant		
350.1	Land	\$7,870,703	\$0

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Account No.	Line No.
					27
\$0	\$0	\$0	\$0	325.1	28
0	0	0	\$172,559	325.2	29
0	0	0	\$890	325.3	30
0	0	0	\$222	325.4	31
0	0	0	\$0	325.5	32
0	0	0	\$0	325.6	33
0	0	0	\$0	326	34
0	0	0	\$0	327	35
0	0	0	\$0	328	36
0	0	0	\$116,071	329	37
0	0	0	\$61,603	330	38
0	0	0	\$40,523	331	39
0	0	0	\$4,825	332	40
0	0	0	\$0	333	41
0	0	0	\$77,146	334	42
0	0	0	\$0	335	43
0	0	0	\$227,390	336	44
0	0	0	\$7,322	337	45
0	0	0	\$8,224,143	338	46
\$0	\$0	\$0	\$8,932,694		47
					48
\$0	\$0	\$0	\$0	340.1	49
0	0	0	0	340.2	50
0	0	0	0	341	51
0	0	0	0	342	52
0	0	0	0	343	53
0	0	0	0	344	54
0	0	0	0	345	55
0	0	0	0	346	56
0	0	0	0	347	57
\$0	\$0	\$0	\$0		58
\$0	\$0	\$0	\$8,932,694		59
0	0	0	0		60
\$0	\$0	\$0	\$8,932,694		
					62
					63
\$137,740	\$0	(\$1)	\$7,732,962	350.1	64

Acct No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
350.2	Rights of Way	1,397,843	6,807
351	Structures and Improvements	12,274,539	90,945
352	Wells	62,827,560	2,998,253
352.1	Storage Leaseholds and Rights	6,909,419	(45,649)
352.2	Reservoirs	0	0
352.3	Non-Recoverable Natural Gas	0	0
353	Lines	31,576,466	1,975,466
354	Compressor Station Equipment	82,580,727	388,758
355	Measuring and Regulating Equipment	7,528,948	334,298
356	Purification Equipment	18,884,367	(8,435)
357	Other Equipment	3,725,494	95,081
358	Gas in Underground Storage-Noncurrent	26,253,198	0
358.1	Asset Retirement Costs for Underground Storage Plant	177,744	0
	TOTAL Underground Storage Plant	\$262,007,008	\$5,835,524
	Other Storage Plant		
360.1	Land	\$0	\$0
360.2	Land Rights	0	0
361	Structures and Improvements	0	0
362	Gas Holders	0	0
363	Purification Equipment	0	0
363.1	Liquefaction Equipment	0	0
363.2	Vaporizing Equipment	0	0
363.3	Compressor Equipment	0	0
363.4	Measuring and Regulating Equipment	0	0
363.5	Other Equipment	0	0
	TOTAL Other Storage Plant	\$0	\$0
	Base Load Liquefied NG Terminating and Processing Plant		
364.1	Land	\$0	\$0
364.1a	Land Rights	0	0
364.2	Structures and Improvements	0	0
364.3	LNG Processing Terminal Equipment	0	0
364.4	LNG Transportation Equipment	0	0
364.5	Measuring and Regulating Equipment	0	0
364.6	Compressor Station Equipment	0	0
364.7	Communication Equipment	0	0
364.8	Other Equipment	0	0
	TOTAL Base Load LNG Terminating and Processing Plant	\$0	\$0
	TOTAL Natural Gas Storage and Processing Plant	\$262,007,008	\$5,835,524

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.
0	0	(152)	\$1,404,498	350.2	65
140,514	0	(1,715)	\$12,223,255	351	66
2,188,259	0	89	\$63,637,643	352	67
0	0	0	\$6,863,770	352.1	68
0	0	0	\$0	352.2	69
0	0	0	\$0	352.3	70
766,686	(842)	(310,357)	\$32,474,047	353	71
356,762	0	307,959	\$82,920,682	354	72
827,831	0	(246)	\$7,035,169	355	73
448,707	0	345,009	\$18,772,234	356	74
14,071	0	(197,359)	\$3,609,145	357	75
0	0	0	\$26,253,198	358	76
0	0	0	\$177,744	358.1	77
\$4,880,570	(\$842)	\$143,227	\$263,104,347		78
					79
\$0	\$0	\$0	\$0	360.1	80
0	0	0	0	360.2	81
0	0	0	0	361	82
0	0	0	0	362	83
0	0	0	0	363	84
0	0	0	0	363.1	85
0	0	0	0	363.2	86
0	0	0	0	363.3	87
0	0	0	0	363.4	88
0	0	0	0	363.5	89
\$0	\$0	\$0	\$0		90
					91
\$0	\$0	\$0	\$0	364.1	92
0	0	0	0	364.1a	93
0	0	0	0	364.2	94
0	0	0	0	364.3	95
0	0	0	0	364.4	96
0	0	0	0	364.5	97
0	0	0	0	364.6	98
0	0	0	0	364.7	99
0	0	0	0	364.8	100
\$0	\$0	\$0	\$0		101
					102
\$4,880,570	(\$842)	\$143,227	\$263,104,347		103

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Acct No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
103		4. Transmission Plant		
104	365.1	Land	\$6,427,279	\$2,056,043
105	365.2	Land Rights	0	0
106	365.3	Rights of Way	\$26,544,749	7,263,149
107	366	Structures and Improvements	\$11,288,948	168,543
108	367	Mains	\$283,826,819	36,175,377
109	368	Compressor Station Equipment	\$39,877,766	1,858,595
110	369	Measuring and Regulating Station Equipment	\$33,184,124	6,510,475
111	370	Communication Equipment	\$10,100,977	392,036
112	371	Other Equipment	\$4,705,491	406,006
112	372	ARO for Transmission Plant	\$458,056	0
113		TOTAL Transmission Plant	\$416,414,209	\$54,830,224
114		5. Distribution Plant		
115	374.1	Land	\$1,893,148	\$86,989
116	374.2	Land Rights	8,189,650	425,103
117	375	Structures and Improvements	4,507,332	387,946
118	376	Mains	1,002,713,433	29,444,109
119	377	Compressor Station Equipment	0	0
120	378	Measuring and Regulating Station Equipment - General	41,617,976	4,175,639
121	379	Measuring and Regulating Station Equipment - City Gate	0	0
122	380	Services	700,798,790	33,993,625
123	381	Meters	186,141,522	6,475,817
124	382	Meter Installations	175,289,762	9,267,696
125	383	House Regulators	19,389,951	760,660
126	384	House Regulator Installations	0	0
127	385	Industrial Measuring and Regulating Station Equipment	0	0
128	386	Other Prop. on Customer's Premises	0	0
129	387	Other Equipment	0	0
130	388	Asset Retirement Costs for Distribution Plant	30,088	0
131		TOTAL Distribution Plant	\$2,140,571,652	\$85,017,584
132		6. GENERAL PLANT		
133	389.1	Land	\$767,997	\$0
134	389.2	Land Rights	1,516	0
135	390	Structures and Improvements	25,321,448	119,195
136	391	Office Furniture and Equipment	1,612,335	5,990
137	391.1	Computers and Computer Related Equipment	8,447,278	(470,330)
138	392	Transportation Equipment	4,322,143	59,555
139	393	Stores Equipment	53,714	0
140	394	Tools, Shop and Garage Equipment	5,425,967	354,047
141	395	Laboratory Equipment	1,084,256	0

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements	Adjustments	Transfers	Balance at	Acct	Line
(d)	(e)	(f)	End of Year	No.	No.
			(g)		
					103
\$14,868	\$0	(\$62,002)	\$8,406,452	365.1	104
0	0	0	\$0	365.2	105
0	0	145,988	\$33,953,886	365.3	106
195,921	0	725,882	\$11,987,452	366	107
678,773	0	(182,033)	\$319,141,390	367	108
646,219	0	(465,135)	\$40,625,007	368	109
1,629,613	0	(564,775)	\$37,500,211	369	110
2,842,777	0	37,086	\$7,687,322	370	111
344,434	0	7,504	\$4,774,567	371	112
0	0	0	\$458,056	371	112
\$6,352,605	\$0	(\$357,485)	\$464,534,343		113
					114
\$0	\$0	(\$71,959)	\$1,908,178	374.1	115
0	0	(80,688)	\$8,534,065	374	
46,394	0	177,099	\$5,025,983	375	117
2,098,014	0	35,925	1,030,095,453	376	118
0	0	0	0	377	119
830,177	0	(139,149)	44,824,289	378	120
0	0	0	0	379	121
2,606,192	0	(35,925)	732,150,298	380	122
1,934,561	0	0	190,682,778	381	123
878,466	0	13,980	183,692,972	382	124
579,190	0	0	19,571,421	383	125
0	0	0	0	384	126
0	0	0	0	385	127
0	0	0	0	386	128
0	0	0	0	387	129
0	0	0	30,088	388	130
\$8,972,994	\$0	(\$100,717)	\$2,216,515,525		131
					132
\$0	\$0	\$0	\$767,997	389.1	133
0	0	0	1,516	389.2	134
427,920	(1,000)	1,317,491	26,329,214	390	135
582,185	0	0	1,036,140	391	136
3,859,330	0	36,784	4,154,402	391.1	137
111,614	0	137,786	4,407,870	392	138
2,874	0	0	50,840	393	139
122,607	0	88,510	5,745,917	394	140
259,474	0	0	824,782	395	141

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Acct No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
141	396	Power Operated Equipment	169,827	0
142	397	Communication Equipment	8,707,938	9,408
143	398	Miscellaneous Equipment	405,472	30,165
144		SUBTOTAL	\$56,319,891	\$108,030
145	399	Other Tangible Property	0	0
146		TOTAL General Plant	\$56,319,891	\$108,030
147		TOTAL (Accounts 101 and 106)	\$2,912,457,646	\$145,799,525
148	101.1	Property Under Capital Leases	\$11,779,919	\$3,524,122
149	102	Gas Plant Purchased (See Instruction 8)	0	0
150	102	Gas Plant Sold (See Instruction 8)	0	
151	103	Experimental Gas Plant Unclassified	0	
152		TOTAL GAS PLANT IN SERVICE	\$2,924,237,565	\$149,323,647

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.
14,554	0	0	155,273	396	141
125,983	0	(2,585)	8,588,778	397	142
44,328	0	(98,679)	292,630	398	143
\$5,550,869	(\$1,000)	\$1,479,307	\$52,355,359		144
0	0	0	0	399	145
\$5,550,869	(\$1,000)	\$1,479,307	\$52,355,359		146
\$25,758,779	(\$1,842)	\$1,164,332	\$3,033,660,882		147
2,494,630	(41,356)	0	12,768,055	101.1	148
	0	0	0	102	149
0	0	0	0	(LESS) 102	150
0	0	0	0	103	151
\$28,253,409	(\$43,198)	\$1,164,332	\$3,046,428,937		152

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)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)			
2				
3				
4				
5	Gas Leasehold Properties	Various	Various	6,385
6	8 Gas Properties	Various	Various	614,846
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42	TOTAL			\$621,231

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	Gas Supply System Additions and Improvements	\$7,471,803	\$9,553,000
2			
3	Gas Distribution Regulating and Connecting Supply Lines -		
4	Additions and Improvements	1,402,401	2,628,000
5			
6	Gas Distribution System - Additions and Improvements	457,761	72,302,999
7			
8	Gas Production/Storage Plants - Additions and Improvements	2,755,107	14,292,001
9			
10	Office and Service Buildings	1,388,357	1,861,791
11			
12	Minor Projects	287,256	553,815
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42	TOTAL	\$13,762,685	\$101,191,606

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	Engineering and Supervision	\$27,856,539	\$79,369,873
2	Administrative and General	11,011,298	108,210,461
3			
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46	TOTAL	\$38,867,837	

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.

ENGINEERING AND SUPERVISION

Includes (1) charges by outside engineering companies and (2) the actual time and expenses of Company employees devoted to the design, planning and supervision of construction jobs. Costs were derived by direct charges from payrolls, invoices, vouchers, etc. On major construction jobs these costs were charged directly to the construction job involved. On minor construction jobs these costs were accumulated in a construction clearing account which was distributed pro rata over all minor construction jobs, except land and landrights, and general equipment, on the basis of direct labor and material charges.

ADMINISTRATIVE AND GENERAL

An examination was made of the various expenses classified as administration and general to determine those containing substantial amounts applicable to construction expenditures. Costs were allocated to construction on the basis of (1) time spent on construction-related activities. (2) by direct charges from payrolls, invoices, vouchers, etc. The total so allocated was distributed pro rata over all construction jobs except general equipment on basis of total direct construction costs.

Pension expenses and payroll taxes were allocated directly, based on payroll charges, to the various work orders.

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION

An allowance is applied on all construction where the period of construction is greater than six months and the cost is expected to exceed \$50,000 (exclusive of the allowance). It is computed monthly and based on the accumulated balance of total construction costs. The allowance is charged during the actual period of construction, starting from the date that field construction begins and terminating when the facility is tested and placed in or is ready for service.

INSURANCE

Insurance costs have been charged directly to the major construction jobs to which they apply.

PROPERTY TAXES

Property taxes are capitalized on projects where the period of construction is greater than six months and the project is estimated to cost \$500,000 or more. The capitalized taxes on major plant jobs are actual taxes paid. Taxes capitalized on other than the major plant jobs are computed by estimating the equalized taxable value and multiplying this by the Company average millage rate to determine the tax to be capitalized for the year.

ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108 and 109)

1. Explain in a footnote any important adjustments during year.  
 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 204-211, column (d), excluding retirements of non-depreciable property.  
 3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is remove from service.

If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in process at year end in the appropriate functional classification.  
 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	\$1,719,905,672	\$1,719,877,352	\$28,320	\$0
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	\$101,373,441	\$101,373,441	\$0	\$0
4	(403.1) Deprec. And Deplet. Expense	0	0	0	0
5	(413) Exp. of Gas Plt. Leas. to Others	0	0	0	0
6	Transportation Expenses-Clearing	288,874	288,874	0	0
7	Other Clearing Accounts	0	0	0	0
8	Other Accounts (Specify):				
9		0	0	0	0
10	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 9)	\$101,662,315	\$101,662,315	\$0	\$0
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	\$25,016,649	\$25,016,649	\$0	\$0
13	Cost of Removal	10,095,034	10,095,034	0	0
14	Salvage (Credit)	(666,006)	(666,006)	0	0
15	TOTAL Net Charges for Plant Ret. (Enter Total of lines 12 thru 14)	\$34,445,677	\$34,445,677	\$0	\$0
16	Other Debit or Credit Items (Describe):				
17	See Footnote 1	\$1,189,318	\$1,189,318	\$0	\$0
18		\$0	0	0	0
19	Balance End of Year (Enter Total of lines 1, 10, 15, and 17)	\$1,788,311,628	\$1,788,283,308	\$28,320	\$0

Section B. Balances at End of Year According to Functional Classifications

20	Production - Manufactured Gas	\$0	\$0	\$0	\$0
21	Production & Gathering - Natural Gas	698,664	670,344	28,320	0
22	Products Extraction - Natural Gas	0	0	0	0
23	Underground Gas Storage	111,177,204	111,177,204	0	0
24	Other Storage Plant	0	0	0	0
25	Base Load LNG Terminating & Processing Plan	0	0	0	0
26	Transmission	183,089,324	183,089,324	0	0
27	Distribution	1,468,887,038	1,468,887,038	0	0
28	General	24,459,398	24,459,398	0	0
29	TOTAL (Enter Total of Lines 20 thru 28)	\$1,788,311,628	\$1,788,283,308	\$28,320	\$0

1. Line 17, column (c) amount consists primarily of activity related to the updating of SFAS 143, Accounting for Asset Retirement Obligations.

2. Gas Plant in Service Retirements-  
 Page 212B, Line 152, Col (d) \$28,253,409  
 Nondepreciable Property (154,349)  
 Other Adjustments (3,082,411)  
 Book Cost of Plant Retired-Line 12, Col (c) \$25,016,649

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 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 degrees F.

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	\$0	\$1,068,029,750	\$0	\$0	\$1,068,029,750
2	Gas Delivered to Storage (contra Account)	0	655,217,714	0	0	655,217,714
3	Gas Withdrawn from Storage (contra Account)	0	593,960,734	0	0	593,960,734
4	Other Debits or Credits (Net)	0	(273,282)	0	0	(273,282)
5	Balance at End of Year	\$0	\$1,129,013,448	\$0	\$0	\$1,129,013,448
6	Mcf	0	150,990,284	0	0	150,990,284
7	Amount Per Mcf	\$0.00	\$7.48	\$0.00	\$0.00	\$7.48

8 State basis of segregation of inventory between current and noncurrent portions:

9 Inventory Account 164.1 was decreased \$273,282 to reflect gas storage losses of approximately 37,000 mcf.

10 The company has elected to use Account 358 for non-current gas.

GAS PREPAYMENTS UNDER PURCHASE AGREEMENTS				
1. Report below the information called for concerning gas prepayments as defined in the text of Account 165, Prepayments. (Report advances on page 229.)				
2. If any prepayment at beginning of year (or incurred during year) was cancelled, forfeited, or applied to another purpose, state in a footnote gas volume and dollar amount, period when such prepayment was incurred, and accounting disposition of prepayment amount. Give a concise explanation of circumstances causing forfeiture or other disposition of the prepayment.				
Line No.	Name of Vendor (Designate associated companies with an asterisk) (a)	Seller FERC Rate Schedule No. (b)	BALANCE BEGINNING OF YEAR	
			Mcf (14.73 psia at ° 60 F) (c)	Amount (d)
1	None		0	0
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42	TOTAL		0	0

GAS PREPAYMENTS UNDER PURCHASE AGREEMENTS (Continued)						
3. If for any reason a take or pay situation is in controversy, list in the columns below the amount of those prepayment claims which have not been paid, together with footnote notation that the amount is in controversy (and any explanation the respondent chooses to make).						
4. If any prepayment was determined other than by reference to amounts per Mcf or demand-commodity factors, furnish in a footnote a concise explanation of basis of computation.						
BALANCE END OF YEAR		Prepayments in CURRENT YEAR			Make-up Period expiration date (j)	Line No.
Mcf (14.73 psia at ° 60 F) (e)	Amount (f)	Cents per Mcf (g)	Mcf (14.73 psia at ° 60 F) (h)	Percent of Year's required take (l)		
NA	0	NA	NA	NA		1
						2
						3
						4
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PREPAYMENTS (Account 165)						
1. Report below the particulars (details) on each prepayment.			2. Report all payments for undelivered gas on line 5 and complete pages 226-227 showing particulars (details) for gas prepayments.			
Line No.	Nature of Prepayment (a)	Balance End of Year (b)				
1	Prepaid Insurance	14,476,793				
2	Prepaid Fees - PCRBS	1,024,815				
3	Electric Purchase Power Prepayments	7,959,135				
4	Prepaid Parking Structure	250,000				
5	Gas Margin Call Costs	3,113,500				
6	Prepaid MPSC Assessment	1,817,085				
7	Prepaid Software Fees	3,432,539				
8	Corporate Enterprise Application	2,053,895				
9	EPRI Fees	1,245,970				
	<b>TOTAL</b>	<b>35,373,732</b>				
EXTRAORDINARY PROPERTY LOSSES (Account 182.1)						
Line No.	Description of Extraordinary Loss [Include in the description the date of loss, the date of Commission authorization to use Account 182.1, and period of amortization (mo, to, to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	None					
2						
3						
4						
5						
6						
7						
8						
9						
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)						
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2, and period of amortization (mo, yr, to mo yr).] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
10	Unrecovered Plant - Abandoned Midland Project Authorized 12/26/89 (effective 1/1/89) by Federal Energy Regulatory Commission (FERC) Case Number ER90-69-000. This amount represents the wholesale portion of the unrecovered cost of the abandoned Midland project, consistent with FERC Order Number 295.			407	517,677	8,800,507
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30	<b>TOTAL</b>				<b>517,677</b>	<b>8,800,507</b>

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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.		for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.	
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.		4. Report quantities of natural gas sold in Mcf (14.73 psia at 60 degrees F). If billings are on a term basis, give the Btu contents of the gas sold and the sales converted to Mcf.	
3. Report number of customers, column (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		5. If increases or decreases from previous year (column (c) , (e) and (g)), are not derived from previously reported figures,	
Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	<b>GAS SERVICE REVENUES</b>		
2	480 Residential Sales	\$1,687,314,820	\$1,703,377,618
3	481 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	511,343,847	498,041,150
5	Large (or Ind.) (See Instr. 6)	114,315,027	112,962,584
6	482 Other Sales to Public Authorities	0	0
7	484 Interdepartmental Sales	4,167,888	8,483,479
8	TOTAL Sales to Ultimate Consumers	\$2,317,141,582	\$2,322,864,831
9	483 Sales for Resale	0	0
10	TOTAL Nat. Gas Service Revenues	\$2,317,141,582	\$2,322,864,831
11	Revenues from Manufactured Gas	0	0
12	TOTAL Gas Service Revenues	\$2,317,141,582	\$2,322,864,831
13	<b>OTHER OPERATING REVENUES</b>		
14	485 Intracompany Transfers		
15	487 Forfeited Discounts	\$10,065,202	\$10,508,240
16	488 Misc. Service Revenues	37,358,728	33,635,464
17	489 Rev. from Trans. of Gas of Others	51,766,931	54,223,910
18	490 Sales of Prod. Ext. from Nat. Gas	0	0
19	491 Rev. from Nat. Gas Proc. by Others	0	0
20	492 Incidental Gasoline and Oil Sales	53,682	19,057
21	493 Rent from Gas Property	1,048,547	950,905
22	494 Interdepartmental Rents	0	0
23	495 Other Gas Revenues	35,239,269	12,957,381
24	TOTAL Other Operating Revenues	\$135,532,359	\$112,294,957
25	TOTAL Gas Operating Revenues	\$2,452,673,941	\$2,435,159,788
26	(Less) 496 Provision for Rate Refunds	58,001,931	(55,069,953)
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	\$2,394,672,010	\$2,490,229,741
28	Sales by Communities (Incl. Main Line Sales to Resid. and Comm. Custrs.)	2,312,973,694	
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	0	
30	Sales for Resale	0	
31	Other Sales to Public Authorities (from Local Dist. Only)	0	
32	Interdepartmental Sales	4,167,888	
33	TOTAL (Same as Line 10, Columns (b) and (d))	\$2,317,141,582	

GAS OPERATING REVENUES (Account 400) (Continued)				
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		AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH		Line No
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
152,950,624	175,176,446	1,578,994	1,567,627	2
				3
50,252,685	56,592,247	119,151	119,072	4
11,676,797	13,335,534	7,018	7,077	5
0	0	0	0	6
438,001	989,295	88	84	7
215,318,107	246,093,522	1,705,251	1,693,860	8
0	0	0	0	9
215,318,107	246,093,522	1,705,251	1,693,860	10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
214,880,106				29
0				30
0				31
0				32
438,001				33
215,318,107				

## RATE AND SALES SECTION

Definitions of Classes of Service and Instructions Pertaining to  
Statements of Sales Data

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

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

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

Thousands of Cubic Feet or Therms Sold (indicate which by crossing out one not applying). Give net figures, exclusive of respondent's own use and losses.

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

- AB. Residential Service. This class includes all sales of gas for residential uses such as cooking, refrigeration, water heating, space heating and other domestic uses.
- A. Residential Service. This class includes all sales of gas for residential use except space heating.
- B. Residential Space Heating. This class includes all sales of gas for space heating including gas for other residential uses only when measured through the same meter.
- CD. Commercial Service. This class includes service rendered primarily to commercial establishments such as restaurants, hotels, clubs, hospitals, recognized rooming and boarding houses, apartment houses (but not individual tenants therein), garages, churches, warehouses, etc.
- C. Commercial Service. This class to include 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 to 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 other), 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.

625-A. SALES DATA FOR THE YEAR  
(STATE OF MICHIGAN)

Line No.	Class of Service (a)	Average number of customers per month (b)	Gas Sold Mcf * (c)	Revenue (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	5,709	241,664	2,942,118	42.33	\$515.35	\$12.17
3	B. Residential space heating service	1,573,285	153,539,378	1,642,763,532	97.59	\$1,044.16	\$10.70
4	CD. Commercial service						
5	C. Commercial service, except SH	119,151	50,525,522	498,526,903	424.05	\$4,183.99	\$9.87
6	D. Commercial space heating				0.00	\$0.00	\$0.00
7	E. Industrial service	7,018	11,740,194	110,999,537	1,672.87	\$15,816.41	\$9.45
8	F. Public street & highway lighting				0.00	\$0.00	\$0.00
9	G. Other sales to public authorities				0.00	\$0.00	\$0.00
10	H. Interdepartmental sales	88	440,379	3,907,561			\$8.87
11	I. Other sales				0.00	\$0.00	\$0.00
12	A-I. Total sales to ultimate customers	1,705,251	216,487,137	\$2,259,139,651	126.95	\$1,324.81	\$10.44
13	J. Sales to other gas utilities for resale	0	0	0	0.00	\$0.00	\$0.00
14	A-J. TOTAL SALES OF GAS	1,705,251	216,487,137	\$2,259,139,651	126.95	\$1,324.81	\$10.44
15	K. Other gas revenues			135,532,359			
16	A-K. TOTAL GAS OPERATING REVENUE			\$2,394,672,010			

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

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 show in Schedule 625-A, column (a), indicate the class or classes of customers served under each rate schedule, e.g., (A) for Residential Service, (B) Heating Service, etc.

5. Column (d)-Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 625-A.  
 6. Columns (e) and (f)-For each rate schedule listed enter the total number of Mcf sold to, and revenues received from customers billed under that rate schedule. The totals of these columns should equal the totals shown on line 12, Schedule 625-A. If the utility sells gas to ultimate customers under special contracts, the totals for such sales should be entered on a line on this page in order to make the totals of columns (e) and (f) check with those entered on line 12, Schedule 625-A.  
 7. When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it was effective.

Line No.	Rate schedule designation (a)	Type of service to which schedule is applicable (b)	Class of service (c)	Average number of customers per month (d)	Mcf Sold (e)	Revenue (to nearest dollar) (f)
1	Residential - Rate A	(1)	A	5,709	250,124	3,053,414
2	Residential - Rate A	(2)	B	1,562,469	149,626,644	1,658,594,982
3	Residential - Rate A-1	(2)	A & B	10,816	7,925,495	82,190,471
4	Comm & Ind - Rate B/GS-1	(3)	D & E	92,302	13,054,972	140,779,711
5	Comm & Ind - Rate GS-2	(3)	D & E	32,917	38,826,416	392,044,454
6	Comm & Ind - Rate C/GS-3	(3)	D & E	943	12,035,082	115,997,533
7	Commercial - Rate GL-1	(4)	C	7	1,347	8,734
8	Interdepartmental	(5)	H	88	488,476	4,663,762
9	Total Sales to Ultimate Customers			1,705,251	222,208,556	\$2,397,333,061
10	Unbilled Sales and Revenue				(5,721,419)	(80,191,479)
11	Provisions for Rate Refunds				0	(58,001,931)
12					0	0
13					0	0
14					0	0
15					0	0
16					0	0
17						
18						
19						
20						
21						
22						
23	Net Sales and Revenues				216,487,137	\$2,259,139,651

- (1) All domestic uses except space heating.
- (2) All domestic uses.
- (3) Any usual commercial, industrial or institutional use with space heating.
- (4) Commercial and industrial outdoor lighting.
- (5) Electric generation, space heating and miscellaneous uses.

Name of Respondent CONSUMERS ENERGY COMPANY	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/18/2007	Year of Report December 31, 2006
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**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	752; 753	Residential	A, B	85,711	8,585,416	97,230,536
2	277; 278; 289	Commercial	C	8,130	4,465,784	49,160,162
3	279; 280; 290	Industrial	E	614	832,723	8,764,230
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTALS			94,455	13,883,923	155,154,928

**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. 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 with an asterisk associated companies) (a)	Average Number of Customers per Month (b)	Distance Transported (In miles) (c)
1	Utilicorp United, Inc. (Michigan Gas Utilities) (1)		
2	Received from Trunkline, ANR, Great Lakes, Jackson, and Mich Con Pipelines, the		
3	Amoco Plant and various Michigan production areas and redelivered at Girard,		
4	Plainwell, Monterey and Salem interchanges.		
5			
6	Transportation Rate ST-1, ST-2, LT-1, LT-2, SC-T and CS Customers (2); U-8678,		
7	U-8924, U-10262, U-10755 and U-11249		
8	Chrysler (1)		
9	Dow Corning (1)		
10	Ford Motor (1)		
11	General Motors (1)		
12	James River (1)		
13	Michigan Ethanol (1)		
14	Monitor Sugar (1)		
15	State of Michigan (1)		
16			
17	Others under 1,000,000 Mcf per company		
18			
19			
20			
21	Midland Cogeneration Venture; U-9101 (1,2)		
22			
23			
24	Southeastern Michigan Gas Company (1,2)		
25			
26			
27	Kinder Morgan (1,2)		
28			
29			
30			
31			
32			
33	Others under 1,000,000 Mcf per company (2)		

**TOTAL**

(1) Mcf and revenue related to gas delivered are as billed. Billed amounts are recorded in the month following the actual month of delivery and may include adjustments for previous months.  
 (2) Transportation gas can be received from Trunkline Gas Company at Elkhart, American Natural Resources at Overisel, Stag Lake and Otisville, Panhandle Eastern Pipe Line Company at Freedom, Michigan Consolidated Gas Company at Northville and Goose Creek, Great Lakes Gas Transmission Company at Chippewa and Birch Run, Jackson Pipeline at Fowler Road, Beaver Creek Pipeline at Jerome, Vector Pipeline at Hartland and Ray, and from Michigan producers at various points throughout the state and redelivered at numerous points.

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 pipeline system. 5. Enter Mcf at 14.65 psia at 60 degrees F. 6. Minor items (less than 1,000,000 Mcf) may be grouped.			"Note: For transportation provided under Par 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 regulations."		
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.
2,564,421	2,766,876	335,751	12.1		1
					2
					3
					4
					5
					6
					7
4,163,265	4,161,309	1,780,935	42.8		8
1,117,174	1,101,361	557,651	50.6		9
4,065,847	4,179,363	1,656,456	39.6		10
12,424,071	11,316,006	4,681,499	41.4		11
1,953,238	1,973,415	542,305	27.5		12
1,628,165	1,529,021	624,337	40.8		13
1,518,132	1,618,300	830,095	51.3		14
1,362,794	1,320,142	930,712	70.5		15
					16
40,354,851	38,031,469	28,510,382	75.0		17
					18
					19
20,002,903	19,167,630	9,283,410	48.4		20
					21
					22
1,816,898	1,856,797	273,627	14.7		23
					24
					25
2,988,768	3,271,768	1,753,218	53.6		26
					27
					28
					29
					30
					31
(8,383,503)	15,605	6,553	42.0		32
					33
87,577,024	92,309,062	51,766,931	56.1		

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 (b)	Amount for Previous Year (c)
1	<b>1. PRODUCTION EXPENSES</b>		
2	A. Manufactured Gas Production		
3	Manufactured Gas Production (Submit Supplemental Statement)	0	0
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation		
7	750 Operation Supervision and Engineering	0	0
8	751 Production Maps and Records	0	0
9	752 Gas Wells Expenses	0	0
10	753 Field Lines Expenses	0	0
11	754 Field Compressor Station Expenses	0	0
12	755 Field Compressor Station Fuel and Power	0	0
13	756 Field Measuring and Regulating Station Expenses	0	0
14	757 Purification Expenses	0	0
15	758 Gas Well Royalties	0	0
16	759 Other Expenses	0	0
17	760 Rents	0	0
18	TOTAL Operation (Enter Total of lines 7 thru 17)	0	0
19	Maintenance		
20	761 Maintenance Supervision and Engineering	0	0
21	762 Maintenance of Structures and Improvements	0	0
22	763 Maintenance of Producing Gas Wells	0	0
23	764 Maintenance of Field Lines	0	0
24	765 Maintenance of Field Compressor Station Equipment	0	0
25	766 Maintenance of Field Meas. and Reg. Sta. Equipment	0	0
26	767 Maintenance of Purification Equipment	0	0
27	768 Maintenance of Drilling and Cleaning Equipment	0	0
28	769 Maintenance of Other Equipment	0	0
29	TOTAL Maintenance (Enter Total of lines 20 thru 28)	0	0
30	TOTAL Natural Gas Production and Gathering (Enter Total of lines 18 and 29)	0	0
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering	0	0
34	771 Operation Labor	0	0
35	772 Gas Shrinkage	0	0
36	773 Fuel	0	0
37	774 Power	0	0
38	775 Materials	0	0
39	776 Operation Supplies and Expenses	0	0
40	777 Gas Processed by Others	0	0
41	778 Royalties on Products Extracted	0	0
42	779 Marketing Expenses	0	0
43	780 Products Purchases for Resale	0	0
44	781 Variation in Products Inventory	0	0
45	(Less) 782 Extracted Products Used by the Utility-Credit	0	0
46	783 Rents	0	0
47	TOTAL Operation (Enter Total of lines 33 thru 46)	0	0

**GAS OPERATION AND MAINTENANCE EXPENSES (CONTINUED)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	Supplemental Statement for Manufactured Gas Production - Page 320, Line 3		
4			
5	Operation		
6	718 Other Process Production Expense	0	0
7	735 Marysville Production Expense	0	0
9	TOTAL Operation	0	0
10			
11	Maintenance		
12	740 Maintenance Supervision and Engineering	0	0
13	741 Maintenance Structures and Improvements	0	0
14	742 Maintenance of Production Equipment	0	0
16	TOTAL Maintenance	0	0
18	TOTAL Manufactured Gas Production	0	0

GAS OPERATION AND MAINTENANCE EXPENSES (CONTINUED)				
Line No.	Account (a)		Amount for Current Year (b)	Amount for Previous Year (c)
	B2. Products Extraction (Continued)			
48	Maintenance			
49	784	Maintenance Supervision and Engineering	0	0
50	785	Maintenance of Structures and Improvements	0	0
51	786	Maintenance of Extraction and Refining Equipment	0	0
52	787	Maintenance of Pipe Lines	0	0
53	788	Maintenance of Extracted Products Storage Equipment	0	0
54	789	Maintenance of Compressor Equipment	0	0
55	790	Maintenance of Gas Measuring and Reg. Equipment	0	0
56	791	Maintenance of Other Equipment	0	0
57	TOTAL Maintenance (Enter Total of lines 49 thru 56)		0	0
58	TOTAL Products Extraction (Enter Total of line 47 and 57)		0	0
59	C. Exploration and Development			
60	Operation			
61	795	Delay Rentals	0	0
62	796	Nonproductive Well Drilling	0	0
63	797	Abandoned Leases	0	0
64	798	Other Exploration	0	0
65	TOTAL Exploration and Development (Enter Total of lines 61 thru 64)		0	0
	D. Other Gas Supply Expenses			
66	Operation			
67	800	Natural Gas Well Head Purchases	0	0
68	801	Natural Gas Field Line Purchases	0	0
69	802	Natural Gas Gasoline Plant Outlet Purchases	0	0
70	803	Natural Gas Transmission Line Purchases	1,839,543,709	2,068,318,948
71	803.1	Off-System Gas Purchases	0	0
72	804	Natural Gas City Gate Purchases	0	0
73	804.1	Liquefied Natural Gas Purchases	0	0
74	805	Other Gas Purchases	0	0
75	(Less) 805.1	Purchased Gas Cost Adjustments	0	0
76	(Less) 805.2	Incremental Gas Cost Adjustments	0	0
77	TOTAL Purchased Gas (Enter Total of lines 68 to 76)		1,839,543,709	2,068,318,948
78	806	Exchange Gas	0	0
79	Purchased Gas Expenses			
80	807.1	Well Expenses - Purchased Gas	0	0
81	807.2	Operation of Purchased Gas Measuring Stations	0	0
82	807.3	Maintenance of Purchased Gas Measuring Stations	0	0
83	807.4	Purchased Gas Calculations Expenses	0	0
84	807.5	Other Purchased Gas Expenses	0	0
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 thru 84)		0	0
86	808.1	Gas Withdrawn from Storage - Debit	593,960,734	654,609,397
87	(Less) 808.2	Gas Delivered to Storage - Credit	655,217,714	867,932,063
88	809.1	Withdrawals of Liquefied Natural Gas for Processing - Debit	0	0
89	(Less) 809.2	Deliveries of Natural Gas for Processing - Credit	0	0
90	(Less)	Gas Used in Utility Operations - Credit		
91	810	Gas Used for Compressor Station Fuel - Credit	4,877,593	6,887,379
92	811	Gas Used for Products Extraction - Credit		0
93	812	Gas Used for Other Utility Operations - Credit	3,575,489	3,806,640
94	TOTAL Gas Used in Utility Operations - Credit (Enter Total of lines 91 thru 93)		8,453,082	10,694,019
95	Other Gas Supply Expenses			
95a	813.1	Synthetic Gas Supply Expenses	0	0
95b	813.2	Gas Cost Recovery Expenses-Royalties	0	0
96	TOTAL Other Gas Supply Expenses (Total of lines 77,78,85,86 thru 89,94 & 95)		1,769,833,647	1,844,302,263
97	TOTAL Production Expenses (Enter Total of lines 3, 30, 58, 65, and 96)		1,769,833,647	1,844,302,263

GAS OPERATION AND MAINTENANCE EXPENSES (CONTINUED)				
Line No.	Account (a)		Amount for Current Year (b)	Amount for Previous Year (c)
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814	Operation Supervision and Engineering	2,372,540	2,493,640
102	815	Maps and Records		0
103	816	Wells Expenses	654,232	1,243,685
104	817	Lines Expense	494,817	456,289
105	818	Compressor Station Expenses	2,158,827	2,537,556
106	819	Compressor Station Fuel and Power	8,669,004	10,763,116
107	820	Measuring and Regulating Station Expenses	42,908	44,470
108	821	Purification Expenses	263,602	286,349
109	822	Exploration and Development		0
110	823	Gas Losses	451,411	0
111	824	Other Expenses	1,255,552	1,486,751
112	825	Storage Well Royalties	16,449	25,758
113	826	Rents	-	-
114	TOTAL Operation (Enter Total of lines 101 thru 113)		16,379,342	19,337,614
115	Maintenance			
116	830	Maintenance Supervision and Engineering	1,673,249	2,755,694
117	831	Maintenance of Structures and Improvements		0
118	832	Maintenance of Reservoirs and Wells	586,018	1,259,227
119	833	Maintenance of Lines	663,409	832,293
120	834	Maintenance of Compressor Station Equipment	2,306,728	4,559,276
121	835	Maintenance of Measuring and Regulating Station Equipment	43,517	174,353
122	836	Maintenance of Purification Equipment	323,322	480,758
123	837	Maintenance of Other Equipment	0	0
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)		5,596,243	10,061,601
125	TOTAL Underground Storage Expenses (Enter Total of lines 114 and 124)		21,975,585	29,399,215
126	B. Other Storage Expenses			
127	Operation			
128	840	Operation Supervision and Engineering	0	0
129	841	Operation Labor and Expenses	0	0
130	842	Rents	0	0
131	842.1	Fuel	0	0
132	842.2	Power	0	0
133	842.3	Gas Losses	0	0
134	TOTAL Operation (Enter Total of lines 128 thru 133)		0	0
135	Maintenance			
136	843.1	Maintenance Supervision and Engineering	0	0
137	843.2	Maintenance of Structures and Improvements	0	0
138	843.3	Maintenance of Gas Holders	0	0
139	843.4	Maintenance of Purification Equipment	0	0
140	843.5	Maintenance of Liquefaction Equipment	0	0
141	843.6	Maintenance of Vaporizing Equipment	0	0
142	843.7	Maintenance of Compressor Equipment	0	0
143	843.8	Maintenance of Measuring and Regulating Equipment	0	0
144	843.9	Maintenance of Other Equipment	0	0
145	TOTAL Maintenance (Enter Total of lines 136 thru 144)		0	0
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)		0	0

GAS OPERATION AND MAINTENANCE EXPENSES (CONTINUED)				
Line No.	Account (a)		Amount for Current Year (b)	Amount for Previous Year (c)
147	C. Liquefied Natural Gas Terminating and Processing Expenses			
148	Operation			
149	844.1	Operation Supervision and Engineering	0	0
150	844.2	LNG Processing Terminal Labor and Expenses	0	0
151	844.3	Liquefaction Processing Labor and Expenses	0	0
152	844.4	Liquefaction Transportation Labor and Expenses	0	0
153	844.5	Measuring and Regulating Labor and Expenses	0	0
154	844.6	Compressor Station Labor and Expenses	0	0
155	844.7	Communication System Expenses	0	0
156	844.8	System Control and Load Dispatching	0	0
157	845.1	Fuel	0	0
158	845.2	Power	0	0
159	845.3	Rents	0	0
160	845.4	Demurrage Charges	0	0
161	(Less)	845.5 Wharfage Receipts - Credit	0	0
162	845.6	Processing Liquefied or Vaporized Gas by Others	0	0
163	846.1	Gas Losses	0	0
164	846.2	Other Expenses	0	0
165	TOTAL Operation (Enter Total of lines 149 thru 164)		0	0
166	Maintenance			
167	847.1	Maintenance Supervision and Engineering	0	0
168	847.2	Maintenance of Structures and Improvements	0	0
169	847.3	Maintenance of LNG Processing Terminal Equipment	0	0
170	847.4	Maintenance of LNG Transportation Equipment	0	0
171	847.5	Maintenance of Measuring and Regulating Equipment	0	0
172	847.6	Maintenance of Compressor Station Equipment	0	0
173	847.7	Maintenance of Communication Equipment	0	0
174	847.8	Maintenance of Other Equipment	0	0
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)		0	0
176	TOTAL Liquefied Natural Gas Terminating & Processing Expenses (Lines 165 & 175)		0	0
177	TOTAL Natural Gas Storage (Enter Total of lines 125, 146, and 176)		21,975,585	29,399,215
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850	Operation Supervision and Engineering	2,221,634	2,035,606
181	851	System Control and Load Dispatching	3,642,086	3,560,914
182	852	Communication System Expenses	176,936	150,000
183	853	Compressor Station Labor and Expenses	1,141,299	1,228,554
184	854	Gas for Compressor Station Fuel	(4,083,596)	(3,318,624)
185	855	Other Fuel and Power for Compressor Stations	344,657	338,978
186	856	Mains Expenses	3,944,474	4,984,768
187	857	Measuring and Regulating Station Expenses	3,515,190	3,570,074
188	858	Transmission and Compression of Gas by Others		0
189	859	Other Expenses	456,384	420,520
190	860	Rents	0	0
191	TOTAL Operation (Enter Total of lines 180 thru 190)		11,359,064	12,970,790

## GAS OPERATION AND MAINTENANCE EXPENSES (CONTINUED)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
<b>3. TRANSMISSION EXPENSES (Continued)</b>			
192	Maintenance		
193	861 Maintenance Supervision and Engineering	1,856,037	1,808,417
194	862 Maintenance of Structures and Improvements		0
195	863 Maintenance of Mains	600,292	1,345,358
196	864 Maintenance of Compressor Station Equipment	565,596	1,138,943
197	865 Maintenance of Measuring and Reg. Station Equipment	741,158	1,157,964
198	866 Maintenance of Communication Equipment	0	0
199	867 Maintenance of Other Equipment	0	0
200	TOTAL Maintenance (Enter Total of lines 193 thru 199)	3,763,083	5,450,682
201	TOTAL Transmission Expenses (Enter Total of lines 191 and 200)	15,122,147	18,421,472
202	<b>4. DISTRIBUTION EXPENSES</b>		
203	Operation		
204	870 Operation Supervision and Engineering	7,645,641	8,420,060
205	871 Distribution Load Dispatching		0
206	872 Compressor Station Labor and Expenses		0
207	873 Compressor Station Fuel and Power		0
208	874 Mains and Services Expenses	13,606,478	15,522,787
209	875 Measuring and Regulating Station Expenses - General	2,759,649	2,948,626
210	876 Measuring and Regulating Station Expenses - Industrial		0
211	877 Measuring and Regulating Station Expenses - City Gate Check Station		0
212	878 Meter and House Regulator Expenses	8,765,813	8,835,134
213	879 Customer Installations Expenses	24,824,670	24,879,533
214	880 Other Expenses	19,542,280	20,377,846
215	881 Rents	0	0
216	TOTAL Operation (Enter Total of lines 204 thru 215)	77,144,531	80,983,986
217	Maintenance		
218	885 Maintenance Supervision and Engineering	5,798,139	6,130,143
219	886 Maintenance of Structures and Improvements	7,351	46,006
220	887 Maintenance of Mains	8,388,221	9,491,940
221	888 Maintenance of Compressor Station Equipment		0
222	889 Maintenance of Meas. and Reg. Sta. Equip.-General	696,080	981,550
223	890 Maintenance of Meas. and Reg. Sta. Equip.-Industrial		0
224	891 Maintenance of Meas. and Reg. Sta. Equip.-City Gate Check Station		0
225	892 Maintenance of Services	7,979,926	7,753,673
226	893 Maintenance of Meters and House Regulators	2,800,043	3,099,581
227	894 Maintenance of Other Equipment	2,536,124	2,306,552
228	TOTAL Maintenance (Enter Total of lines 218 thru 227)	28,205,884	29,809,445
229	TOTAL Distribution Expenses (Enter Total of lines 216 and 228)	105,350,415	110,793,431
230	<b>5. CUSTOMER ACCOUNTS EXPENSES</b>		
231	Operation		
232	901 Supervision	4,315,354	5,494,751
233	902 Meter Reading Expenses	8,348,251	8,117,281
234	903 Customer Records and Collection Expenses	29,018,394	26,900,116
235	904 Uncollectible Accounts	19,559,685	14,904,516
236	905 Miscellaneous Customer Accounts Expenses	601,469	600,843
237	TOTAL Customer Accounts Expenses (Enter Total of lines 232 thru 236)	61,843,153	56,017,507

GAS OPERATION AND MAINTENANCE EXPENSES (CONTINUED)			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
239	Operation		
240	907 Supervision	50,331	41,263
241	908 Customer Assistance Expenses	4,181,159	1,020,546
242	909 Informational and Instructional Expenses	226,052	213,844
243	910 Miscellaneous Customer Service and Information Expenses	27,884	28,417
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)	4,485,426	1,304,070
245	7. SALES EXPENSES		
246	Operation		
247	911 Supervision	0	0
248	912 Demonstrating and Selling Expenses	543,190	747,247
249	913 Advertising Expenses	0	0
250	916 Miscellaneous Sales Expenses	0	0
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)	543,190	747,247
252	8. ADMINISTRATIVE AND GENERAL EXPENSES		
253	Operation		
254	920 Administrative and General Salaries	18,758,043	22,086,605
255	921 Office Supplies and Expenses	7,274,401	7,592,779
256	(Less) 922 Administrative Expenses Transferred-Credit	2,270,400	1,871,826
257	923 Outside Services Employed	3,078,140	3,099,755
258	924 Property Insurance	(270,232)	3,611,771
259	925 Injuries and Damages	10,765,906	9,750,055
260	926 Employee Pensions and Benefits	66,469,346	57,063,144
261	927 Franchise Requirements		0
262	928 Regulatory Commission Expenses	252,382	266,007
263	(Less) 929 Duplicate Charges - Credit		0
264	930.1 General Advertising Expenses	802,657	1,274,750
265	930.2 Miscellaneous General Expenses	2,334,085	2,230,688
266	931 Rents	554,216	699,712
267	TOTAL Operation (Enter Total of lines 254 thru 266)	107,748,544	105,803,440
268	Maintenance		
269	935 Maintenance of General Plant	2,900,372	4,905,508
270	TOTAL Administrative and General Expenses (Enter Total of lines 267 and 269)	110,648,916	110,708,948
271	TOTAL Gas O and M Expenses (Lines 97,177,201,229,237,244,251,and 270)	2,089,802,479	2,171,694,153
NUMBER OF GAS DEPARTMENT EMPLOYEES			
1. The data on number of employees should be reported for the payroll period ending nearest to October 31.		of special construction employees in a footnote.	
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employee on line 3, and show the number		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)	12/31/06	
2	Total Regular Full-Time Employees	2,911	
3	Total Part-Time and Temporary Employees (Full Time Equivalents)	18	
4	Total Employees	2,929	

## GAS PURCHASES (Accounts 800, 801, 802, 803, 803.1, 804, 804.1 and 805)

1. Report particulars of gas purchases during the year in the manner prescribed below.

2. Provide subheadings and totals for prescribed accounts as follows:

- 800 Natural Gas Well Head Purchases.
- 801 Natural Gas Field Line Purchases.
- 802 Natural Gas Gasoline Plant Outlet Purchases.
- 803 Natural Gas Transmission Line Purchases.
- 803 Off-System Gas Purchases.
- 804 Natural Gas City Gate Purchases.
- 804 Liquefied Natural Gas Purchases.
- 805 Other Gas Purchases.

Purchases are to be reported in account number sequence, e.g. all purchases charged to Account 800, followed by charges to Account 801, etc. Under each account number, purchases should be reported by states in alphabetical order. Totals are to shown for each account in Columns (h) and (i) and should agree with the books of account, or any differences reconciled.

In some cases, two or more lines will be required to report a purchase, as when it is charged to more than one account.

3. Purchases may be reported by gas purchase contract totals (at the option of the respondent) provided that the same price is being paid for all gas purchased under the contract. If two or more prices are in effect under the same contract, separate details for each price shall be reported. The name of each seller included in the contract total shall be listed on separate sheets, clearly cross-referenced. Where two or more prices are in effect the sellers at each price are to be listed separately.

4. Purchases of less than 100,000 Mcf per year per contract from sellers not affiliated with the reporting company may (at the option of the respondent) be grouped by account number, except when the purchases were permanently discontinued during the reporting year. When grouped purchases are reported, the number of grouped purchases is to be reported in Column (b). Only Columns (a), (b), (h), (i), and (j) are to be completed for grouped purchases; however, the Commission may request additional details when necessary. Grouped non-jurisdictional purchases should be shown on a separate line.

5. Column instructions are as follows:

Column (b) - Report the names of all sellers. Abbreviations may be used where necessary.

Column (c) - Give the name of the producing field only for purchases at the wellhead or from field lines. The plant name should be given for purchase from gasoline outlets. If purchases under a contract are from more than one field or plant, use the name of the one contributing the largest volume. Use a footnote to list the other fields or plants involved.

Columns (d) and (e) - Designate the state and county where the gas is received. Where gas is received in more than one county, use the name of the county having the largest volume and by footnote list the other counties involved.

Column (f) - Show date of the gas purchase contract. If gas is purchased under a renegotiated contract, show the date of the original contract and the date of the renegotiated contract on the following line in brackets. If new acreage is dedicated by ratification of an existing contract show the date of ratification, rather than the date of the original contract. If gas is being sold from a different reservoir than the original dedicated acreage pursuant to Section 2.56(f)(2) of the Commission's Rules of Practice and Procedure, place the letter "A" after the contract date.

If the purchase was permanently discontinued during the reporting year, so indicate by an asterisk (\*) in Column (f).

Column (g) - Show for each purchase the approximate Btu per cubic foot.

Column (h) - State the volume of purchased gas as measured for purpose of determining the amount payable for the gas. Include current year receipts of make-up gas that was paid for in prior years.

Column (i) - State the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in Column (h).

Column (j) - State the average cost per Mcf to the nearest hundredth of a cent. [Column (i) divided by Column (h) multiplied by 100].

GAS PURCHASES (Accounts 800, 801, 802, 803, 803.1, 804, 804.1 and 805) (Continued)				
Line No.	Account No. (a)	Name of Seller (Designate Associated Companies) (b)	Name of Producing Field or Gasoline Plant (c)	State (d)
1	803-009	Miscellaneous Short Term Purchases	N/A	N/A
2	803-024	ANR Pipeline (Unused Reservation)		
3	803-026	Occidental Energy Marketing		
4	803-028	Great Lakes Trans.(Unused Reservation)		
5	803-044	Conoco Natural Gas Services		
6	803-051	Trunkline Gas Co. (Unused Reservation)		
7				
8	803-057	Anadarko Energy Services		
9	803-062	BP Canada Energy Marketing		
10	803-068	Gas Options		
11	803-083	Imbalance Gas		
12	803-120	Chevron USA		
13	803-139	Conoco Phillips Company		
14	803-144	Noble Energy Marketing		
15	803-146	Oneok Gas Marketing		
16	803-147	Anadarko Energy Services		
17	803-155	Noble Energy Marketing		
18	803-165	Oneok Gas Marketing		
19	803-167	Sequent Energy Mgmt		
20	803-176	WPS Energy Services		
21	803-179	BP Canada Energy Marketing		
22	803-180	J Aron & Company		
23	803-184	Panhandle Pipeline (Unused Reserv.)		
24				
25	803-186	Tenaska Marketing Ventures		
26	803-187	Morgan Stanley Capital Group		
27	803-188	Sequent Energy Mgmt		
28	803-189	Cinergy Marketing & Trading		
29	803-190	Morgan Stanley Capital Group		
30	803-191	J Aron & Company		
31	803-193	Chevron USA		
32	803-194	Total Gas & Power North America, Inc		
33	803-195	Total Gas & Power North America, Inc		
34	803-196	Nexen Marketing USA Inc		
35	803-198	Vector Pipeline (Unused Reservation)		
36	803-199	Nexen Marketing USA Inc		
37	803-202	Centerpoint Energy Gas Services		
38	803-206	Louis Dreyfus Energy Corp		
39	803-208	UBS AG		
40	803-209	Shell/Coral Energy Resources		
41	803-210	Shell/Coral Energy Resources		
42	803-211	National Fuel Marketing		
43	803-213	Texla Energy		
44	803-806	GCC - WPS Energy		
45	803-809	GCC - Direct Energy Services		
46				
47				
48	803-815	GCC - Interstate Gas Supply		
49				
50	803-818	GCC - MX Energy		
51				
52				
53	803-820	GCC - Miscellaneous		
54	803-821	GCC - MidAmerican Energy		
55				
56	803-822	GCC - Peoples Energy Services		
57				
58	803-823	GCC - Lakeshore Energy		
59	803-824	GCC - Universal Gas & Electric		
60	803-825	GCC - My Choice Energy		
61	803-826	GCC - Volunteer Energy Services		

N/A - Gas is delivered from a pool on Interstate Pipelines, therefore, the producing field, state and county are unknown.

GAS PURCHASES (Accounts 800, 801, 802, 803, 803.1, 804, 804.1 and 805) (Continued)						
County (e)	Date of Contract (f)	Approx. Btu per Cu. Ft. (g)	Gas Purchased-Mcf (14.73 psia 60° F) (h)	Cost of Gas (i)	Cost per Mcf (cents) (j)	Line No.
N/A	N/A	1,019	679,247	4,366,766	642.88	1
	04/01/04	N/A	-	(398,692)	N/A	2
	11/01/02	1,019	3,091,957	20,729,096	670.42	3
	04/01/04	N/A	-	1,732	N/A	4
	03/01/03	1,019	18,270,638	139,392,526	762.93	5
	04/01/03	N/A	-	593,713	N/A	6
	[02/01/04]					7
	03/01/03	1,019	3,549,596	21,270,304	599.23	8
	03/01/03	1,019	6,632,364	62,687,610	945.18	9
	N/A	N/A	-	2,407,200	N/A	10
	N/A	1,019	175,015	2,028,541	N/A	11
	02/01/03	1,019	2,112,081	16,206,185	767.31	12
	03/01/03	1,019	19,988,094	145,244,115	726.65	13
	01/01/03	1,019	6,059,690	58,052,310	958.01	14
	01/01/03	1,019	4,961,520	30,072,492	606.11	15
	03/01/03	1,019	838,578	6,809,986	812.09	16
	01/01/03	1,019	5,072,018	36,876,253	727.05	17
	01/01/03	1,019	1,478,535	12,452,942	842.25	18
	01/01/03	1,019	1,711,339	11,316,007	661.24	19
	02/01/00	1,019	7,007,399	62,584,020	893.11	20
	03/01/03	1,019	48,835,220	397,762,264	814.50	21
	10/01/01	1,019	2,580,476	28,552,505	1,106.48	22
	04/01/04	N/A	-	(7,714)	N/A	23
	[10/01/05]					24
	11/01/02	1,019	5,329,079	55,858,298	1,048.18	25
	10/01/01	1,019	3,589,058	35,473,900	988.39	26
	01/01/03	1,019	3,210,933	27,632,840	860.59	27
	04/01/02	1,019	3,379,328	25,173,086	744.91	28
	10/01/01	1,019	2,534,497	25,557,716	1,008.39	29
	10/01/01	1,019	2,457,620	28,773,289	1,170.78	30
	02/01/03	1,019	1,011,236	7,817,670	773.08	31
	04/01/03	1,019	3,622,763	28,014,027	773.28	32
	04/01/03	1,019	11,081,034	116,295,731	1,049.50	33
	03/01/03	1,019	7,312,437	64,514,780	882.26	34
	10/01/03	N/A	-	316	N/A	35
	03/01/03	1,019	7,129,496	52,358,210	734.39	36
	03/01/05	1,019	4,695,111	35,468,335	755.43	37
	12/01/04	1,019	276,776	2,317,993	837.50	38
	09/01/03	1,019	288,115	2,807,812	974.55	39
	10/01/04	1,019	838,578	6,462,344	770.63	40
	10/01/04	1,019	12,498,535	90,844,520	726.84	41
	03/01/06	1,019	1,984,587	11,989,395	604.13	42
	03/15/06	1,019	1,820,849	11,845,759	650.56	43
	08/25/05	1,019	952,597	10,071,262	1,057.24	44
	12/21/00	1,019	8,547,155	77,155,167	902.70	45
	[03/10/03]					46
	[3/31&8/01/05]					47
	01/05/05	1,019	791,464	7,672,546	969.41	48
	[03/31/05]					49
	01/15/02	1,019	3,252,416	30,431,851	935.67	50
	[04/01/03]					51
	[03/31/05]					52
	N/A	1,019	(679,247)	(4,366,766)	642.88	53
	11/11/03	1,019	13,556	119,437	881.06	54
	[03/31/05]					55
	09/28/04	1,019	949,945	8,841,709	930.76	56
	[03/31/05]					57
	11/28/05	1,019	318,030	3,356,261	1,055.33	58
	01/03/06	1,019	1,265,463	13,788,107	1,089.57	59
	01/31/06	1,019	351,963	3,766,169	1,070.05	60
	06/28/06	1,019	65,461	501,784	766.54	61

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

Line No.	Name of Company (Designate with an asterisk associated companies) (a)	Exchange Gas Received		
		Point of Receipt (City, state, etc.) (b)	Mcf (c)	Debit (Credit) Account 242 (d)
1	None			
2				
3				
4				
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38				
39				
41				
42		Total		0

EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)

performance of gas exchange services.

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)			
			0		1
					2
					3
					4
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					36
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					39
					41
	0	0	0	0	42

EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas)						
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 degrees F.		
Line No.	Name of Company (Designate with an asterisk associated companies) (a)	Charges Paid or Payable by Respondent		Revenues Received or Receivable by Respondent		FERC Tariff Rate Schedule Identification (n)
		Amount (j)	Account (k)	Amount (l)	Account (m)	
1	None					
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39						
41						
42		Total	0		0	

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 change was not made to the appropriate operating expense or other account, list separately in column (c) the Mcf of gas used, omitting entries in columns (d) and (e).

5. Report pressure base of measurement of gas volumes at 14.73 psia at 60 degrees 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	(A)	609,327	4,877,593	800.49	0	0
2	811 Gas Used for Products Extraction-Credit	-	0	0	0.00	0	0
3	Gas Shrinkage and Other Usage in Respondent's Own Processing	-	0	0	0.00	0	0
4	Gas Shrinkage, Etc., for Respondent's Gas Processed by Others	-	0	0	0.00	0	0
5	812 Gas Used for Other Utility Operations-Credit (Report separately for each principal use. Group minor uses.)						
6	812 Gas used in Util. Oprs--Credit (Nonmajor only)						
7	Field Usage	824	76,843	666,359	867.17	0	0
8	Transmission Measuring and Regulating Stations	857	231,405	2,098,321	906.77	0	0
9	Maintenance, Construction and Testing	367, 833	97,543	810,809	0.00	0	0
10	Gas Used in Company Buildings		48,691				
11							
12	Total Account 812 (Operations Usage)		454,482	3,575,489	786.72	0	0
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	Total		1,063,809	8,453,082	794.61	0	0

(A) 819,821,854 Note: Account 854 includes fuel credits for gas retained from transportation and storage customers.

Mcf on lines 1, 7, 8 and 9 are recorded on an estimated and adjusted basis.

**LEASE RENTALS CHARGED**

1. For the 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 (description only), f, g and j.

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 2 and 3 include the basic lease payment and other payments to or on behalf of the lessor such as taxes, depreciation, assumed interest or dividends on the lessor's securities, cost of replacements\*\* and other expenditures with respect to leased property. The expenses paid by lessee are to be itemized in column (e) 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 only), f, g and j, until 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.

7. In column (b) for each leasing arrangement, report in order, classified by production plant, storage plant, transmission line, distribution system, or other operating unit or system, followed by any other leasing arrangements not covered under the preceding classifications:

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

**A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES**

Name of Lessor (a)	Basic Details of Lease of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)
Bankers Leasing Corp	Vehicles, Office Equipment, EDP Equipment, Material Handling Equipment, Tools & Garage Equipment, Lab & Instrument Equipment, Construction & Maintenance Equipment, and Communications Equipment (Note 1)	
Merrill Lynch	Office Furniture (Note 4)	2013(P)
1016 Sixteenth Street NW Venture	Office Space - Washington DC	
Consumsan Company, LLC C/O Kin Properties	Lansing Service Center	
Consumsan Company, LLC C/O Kin Properties	Saginaw Service Center	
Walter Neller Enterprises	Central Mail Remittance - CMR Edgewood	
Coldwell Banker Commercial	Lapeer Service Center	
Phyleo Realty Co	Storage Area - Jackson	
Boji Group, L.L.C.	Office Space - Lansing Regulatory Office	

LEASE RENTALS CHARGED (Continued)

Description of the property, whether lease is a sale and leaseback, whether lessee has option to purchase and conditions of purchase, whether lease is cancelable by either party and the cancellation conditions, 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, whichever occurs 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 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 cancelable lease will not be cancelled when estimating the remaining charges.

\* See definition on page 226 (B)

A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES (Continued)

Original Cost (O) or Fair Market Value (F) of Property (d)	Expense To Be Paid by Lessee Itemize (e)	Amount of Rent - Current Term				Account Charged (i)	Remaining Annual Charges Under Lease (Estimate if Not Known) (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
	(Note 2)	3,592,103				(Note 3)	
3,402,729 (O)	O&M, T	677,916		2,517,351		(Note 3)	1,569,150
		41,410				(Note 3)	
		27,280				(Note 3)	
		37,905				(Note 3)	
		32,754				(Note 3)	
		49,736				(Note 3)	
		154,535				(Note 3)	
		62,007				(Note 3)	
		25,129				(Note 3)	

## LEASE RENTALS CHARGED (Footnotes)

## Notes:

- (1) This Master Lease Agreement involves numerous individual leases with various termination dates.
- (2) T=Taxes, I=Insurance Costs, O&M=Operating and Maintenance Costs
- (3) Amounts are charged to clearing accounts and cleared to Gas Operating Expense and Construction accounts monthly.
- (4) The lease is on a sale leaseback contract. The lease term is for ten years. At the end of the lease, the Company has the option to purchase the furniture for its fair market value, return the equipment to the lessor and pay costs associated with the removal of the furniture, or renew the lease at the then current market prices. Also, the Company has the right to purchase the furniture at the end of five years or return it with a penalty of 21.5 percent of the furniture cost.

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)		
Line No.	Description (a)	Amount (b)
1	Industry Association Dues	402,789
2	Experimental and General Research Expenses	
3	Publishing and Distributing Information and Reports to Stockholders; Trustee, Registrar, and Transfer Agent Fees and Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent	
4	Other Expenses (items of \$5,000 or more must be listed separately in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Amounts of less than \$5,000 may be grouped by classes if the number of items so grouped is shown)	
5	COMPANY COMMUNICATION SERVICES	
6	Learning Center LTD	10,273
7	CE FIN 45	12,383
8	Miscellaneous Under \$5,000 (61 Items)	41,041
9	Total	63,697
10		
11		
12		
13		
14		
15		
16	EMPLOYEE'S RELOCATION EXPENSES	
17	Cendant Mobility Service	76,682
18	Cartus	91,452
19	Reimbursed Employee Expenses	82,289
20		
21	Total	250,423
22		
23	BOARD OF DIRECTORS' FEES	422,603
24		
25	EXEMPT VACATION LIABILITY	
26	To Accrue Vacation Earned	596,426
27		
28		
29		
30	OTHER	
31		
32	Trustee Fees-Bonds	51,847
33	Various Banks - Service Charges	366,086
34	Billing Credits	(40,366)
35	Media/Labor Expense	177,403
36	Radio/TV/Newspaper/Media	21,062
37	Other FIN 45	25,132
38	Miscellaneous Under \$5,000 (13 Items)	(3,017)
39		
40	Total	598,147
41		
42		
43		
44		
45		
46	Total Account 930.2 (Gas)	2,334,085
47		
48		
49		
50		
51		
52		
53		
54	TOTAL	

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (ACCOUNTS 403, 404.1, 404.2, 404.3, 405)

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 changes 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

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (c)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (d)
1	Intangible plant	0	0	0
2	Production plant, manufactured gas	0	0	0
3	Production and gathering plant, natural gas	0	0	0
4	Products extraction plant	0	0	0
5	Underground gas storage plant	7,357,400	0	69,513
6	Other storage plant	0	0	0
7	Base load LNG terminating and processing plant	0	0	0
8	Transmission plant	5,852,300	0	0
9	Distribution plant	85,408,700	0	0
10	General plant	2,755,041	0	0
11	Common plant gas			
12	Allocated gas portion of electric general plant	0	0	0
13	Allocated gas portion of common general plant	10,785,749	0	0
14	Allocated gas portion of common limited term plant	0	0	0
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	TOTAL	112,159,190	0	69,513

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (ACCOUNTS 403, 404.1, 404.2, 404.3, 405) (Continued)

manner in which column (b) balances are obtained. If average balances, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used

to determine depreciation charges, show at the bottom of Section B any revisions made to estimated gas reserves.

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.

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Amortization of Other Limited-term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405) (f)	Total (b to f) (g)	Functional Classification (a)	Line No.
34,211	2,970,906	3,005,117	Intangible plant	1
0	0	0	Production plant, manufactured gas	2
0	0	0	Production and gathering plant, natural gas	3
0	0	0	Products extraction plant	4
0	0	7,426,913	Underground gas storage plant	5
0	0	0	Other storage plant	6
0	0	0	Base load LNG terminating and processing plant	7
0	0	5,852,300	Transmission plant	8
0	0	85,408,700	Distribution plant	9
0	0	2,755,041	General plant	10
			Common plant gas	11
0	0	0	Allocated gas portion of electric general plant	12
0	6,602,808	17,388,557	Allocated gas portion of common general plant	13
531,076	0	531,076	Allocated gas portion of common limited term plant	14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
565,287	9,573,714	122,367,704	TOTAL	25

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

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classifications (a)	Depreciable Plant Base (Thousands) (b)	Applied Depr. Rate(s) (Percent) (c)
1	Production and Gathering Plant		
2	Offshore	0	0
3	Onshore	535	Units of Production
4	Underground Gas Storage Plant	228,309	3.26
5	Transmission Plant		
6	Offshore	0	0
7	Onshore	408,772	1.44
8	General Plant	49,009	5.49
9	Distribution	2,176,613	3.92
10	Transmission Plant (Onshore)	23,842	Units of Production

Notes to Depreciation, Depletion and Amortization of Gas Plant

1. Amounts in column (b) are the average of the beginning & ending balances for 2005
2. Depreciation rates in column (c) are composite rates.
3. Change in estimated gas reserves at December 31, 2006 is 0 Mcf.
4. Amortization of limited term gas plant is based on the life of the original building lease.

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NATURAL GAS RESERVES AND LAND ACREAGE

1. Report below particulars (details) concerning the remaining recoverable saleable 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 pages 204-205. In column (e) show for each field the year end remaining recoverable saleable 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 area by blocks. Report offshore lands in the same manner as producing gas lands. The land, leasehold, and gas

Line No.	OFFSHORE AREA		Name of Field or Block (c)	Name of State/ County/Offshore Area (d)	Recoverable (1) Gas Reserves (Thousands Mcf) (e)	OWNED LANDS Acres (f)
	Domain (a)	Zone (b)				
1			A. PRODUCING GAS LANDS			
2			Adair	St Clair	0	0
3			Onondaga "10"	Ingham	2	0
4			Puttygut	St Clair	0	0
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25			Total Producing Gas Lands		2	0
26						
27			B. NONPRODUCING GAS LANDS			
28			Undeveloped Leaseholds -			
29			Various		0	0
30						
31			Total Undeveloped Leaseholds		0	0
32						
33						
34						
35						
36	TOTAL				2	0

(1) All figures at 14.65 psia

NATURAL GAS RESERVES AND LAND ACREAGE (Continued)

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 and 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 System 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 14.65 psia at 60 degrees F.

OWNED LANDS (Cont.) Cost (g)	LEASEHOLDS		OWNED GAS RIGHTS		TOTAL		Line No.
	Acre (h)	Costs (i)	Acre (j)	Costs (k)	Acre (l)	Costs (m)	
0	160	38,415	504	890	664	39,305	1
0	3	4,091	0	0	3	4,091	2
0	0	130,053	0	0	0	130,053	3
							4
							5
							6
							7
							8
							9
							10
							11
							12
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							14
							15
							16
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							19
							20
							21
							22
							23
0	163	172,559	504	890	667	173,449	24
							25
							26
0	0	6,385	0	0	0	6,385	27
							28
0	0	6,385	0	0	0	6,385	29
							30
							31
							32
							33
							34
							35
0	163	178,944	504	890	667	179,834	36

COMPRESSOR STATIONS			
<p>1. Report below particulars (details) concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.</p>		<p>2. For column (a), indicate the production areas where such stations are used. Relatively small field compressor stations may be grouped by production areas. Show the number of stations grouped. Designate any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership,</p>	
Line No.	Name of Station and Location (a)	Number of Employees (b)	Plant Cost (c)
1	STORAGE:		
2			
3	Overisel	10	14,164,303
4			
5	St Clair	12	19,649,899
6			
7	Ray	10	55,619,762
8			
9	TRANSMISSION:		
10			
11	Northville	6	8,387,401
12			
13	White Pigeon	10	17,522,543
14			
15	Muskegon River Plant 1/2	15	27,065,882
16			
17	Muskegon River Plant 3 - Stab Plant		
18			
19	Freedom	7	10,298,265
20			
21			
22	TOTAL	70	152,708,055
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
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40			
41			

COMPRESSOR STATIONS (Continued)

if jointly owned. Designate any station that was not operated during the past year. State in a footnote whether the book cost of such 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 operation 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.

Expenses (Except depreciation and taxes)		Gas for Compressor Fuel Mcf (14.65 psia at 60 degrees F) (f)	Operation Data			Line No.
Fuel or Power (d)	Other (e)		Total Compressor Hours of Operation During Year (g)	No. of Compr. Operated of Time of Station Peak (h)	Date of Station Peak (i)	
2,151,519 (2)	1,226,438	264,000	14,301	4	9/4/06	1
155,755 (3)						2
743,851 (2)	1,023,015	91,000	3,850	3	10/8/06	3
72,803 (3)						4
2,668,718 (2)	2,216,247	327,000	7,790	5	4/15/06	5
168,743 (3)						6
						7
						8
						9
94,401 (2)	409,694	12,000	930	1	10/19/06	10
39,773 (3)						11
1,987,622 (2)	922,142	244,000	12,357	4	11/15/06	12
64,953 (3)						13
2,507,348 (2)	1,586,578	308,000	14,351	6	1/23/06	14
157,440 (3)						15
						16
						17
953,387 (2)	617,221	117,000	14,364	6	4/15/06	18
88,035 (3)						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
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						39
						40
						41

(1) Muskegon River Plant 3 is operated by personnel at Plant 2  
 (2) Natural Gas  
 (3) Electric

GAS AND OIL WELLS

1. Report below the particulars (details) concerning gas and oil wells of the respondent which are either producing or capable of production.
2. Report the required information alphabetically by states.
3. For column (a), under separate headings, list gas wells first, oil wells second, and combination wells third. Combination wells are wells producing or capable of production from one or more oil reservoirs and also from one or more gas reservoirs. Enter totals for each of the headings (gas wells, oil wells, combination wells). Designate any wells not operated during the past year, and in a footnote state whether the book cost of such wells, or any portion thereof, has been retired in the books of account, or what the disposition of the wells and their book cost is contemplated.
4. In column (f), report wells reclassified during the year as oil wells, gas wells, or combination wells. Show additions in black and deductions enclosed in parentheses. The total additions equal the total deductions.

Line No.	Location of Wells (a)	No. of Wells Beginning of Year (b)	Additions During the Year			Wells Reclassified (f)	Reductions During the Year			No. of Wells at End of Year (j)
			Successful Wells Drilled (c)	Wells Purchased (d)	Total (c + d) (e)		Wells Abandoned (g)	Wells Sold (h)	Total (g + h) (i)	
1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2										
3										
4										
5										
6										
7										
8										
9										
10										
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**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 206-207).

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	16,001,230
3	Structures and Improvements	12,223,255
4	Storage Wells and Holders	63,637,643
5	Storage Lines	32,474,047
6	Other Storage Equipment	138,590,428
7	ARO Gas Intangible Asset	177,744
8	TOTAL (Enter Total of Lines 2 Thru 6)	263,104,347
9	Storage Expenses	
10	Operation	16,379,342
11	Maintenance	5,596,243
12	Rents	-
13	TOTAL (Enter Total of Lines 9 thru 11)	21,975,585
14	Storage Operations (In Mcf)	
15	Gas Delivered to Storage (1)	
16	January	72,707
17	February	0
18	March	756,694
19	April	10,746,697
20	May	12,357,486
21	June	18,140,162
22	July	15,524,042
23	August	16,349,160
24	September	15,132,044
25	October	5,021,205
26	November	1,829,245
27	December	1,561
28	TOTAL (Enter Total of Lines 15 thru 26)	95,931,003
29	Gas Withdrawn from Storage (1)	
30	January	13,470,617
31	February	21,046,560
32	March	15,205,057
33	April	1,507,472
34	May	61,140
35	June	89,843
36	July	87,032
37	August	70,204
38	September	155,765
39	October	3,529,026
40	November	7,881,792
41	December	20,997,404
42	TOTAL (Enter Total of Lines 29 Thru 40)	84,101,912

(1) Gas stored in Consumers Energy Company owned fields only. Mcf @ 14.65 PSIA dry.

GAS STORAGE PROJECTS (CONTINUED)		
Line No.	Item (a)	Total Amount (b)
	Storage Operations (In Mcf)	
43	Top or Working Gas End of Year	100,321,274
44	Cushion Gas (Including Native Gas)	169,679,046
45	Total Gas in Reservoir (Enter Total of Line 42 and Line 43)	270,000,320
46	Certificated Storage Capacity	310,804,966
47	Number of Injection - Withdrawal Wells	840
48	Number of Observation Wells	156
49	Maximum Day's Withdrawal from Storage	1,453,348
50	Date of Maximum Days' Withdrawal	2/18/06
51	LNG Terminal Companies (In Mcf)	
52	Number of Tanks	
53	Capacity of Tanks	
54	LNG Volumes	
55	a) Received at "Ship Rail"	
56	b) Transferred to Tanks	
57	c) Withdrawn from Tanks	
58	d) "Boil Off" Vaporization Loss	
59	e) Converted to Mcf at Tailgate of Terminal	

DISTRIBUTION AND TRANSMISSION LINES

1. Report below by States the total miles of pipeline 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	Overisel-Laingsburg Line 1100	83.0
2	Trunkline-White Pigeon Ln 1200	184.2
3	Overisel-Kalamazoo Line 1300	46.3
4	Northville-Clarkston Line 1400	23.3
5	Salem-Overisel Line 13	6.8
6	Mt Clemens-St Clair Line 1060	13.7
7	St Clair Fld Transmission Lns	33.2
8	Charlotte Jctn-Line 1090	14.0
9	Nrthvl-Coolidge-S Lyon #1600	30.6
10	St Clair-Roch Vlv Site Ln 1500	21.6
11	Ray Fld-Red Run Cg Ln 1700	23.8
12	White Pigeon-Plainwell Jct1800	69.9
13	Flint Jct-Flint No 3 Line 2060	19.3
14	Ray Atlas Junction Line 1900	39.7
15	Carp Road Thetford Ln 2080	9.5
16	Pontiac-Adams Rd Lateral	7.3
17	Chelsea Fenton Line 2200	38.9
18	Coolidge East Line 2070	13.3
19	Kalk-Musk Riv Trans Ln 2400a	69.5
20	Mrc To Gillow Rd Ln 2400b	25.9
21	Atlas Junction-Akron	32.1
22	Kalk-Gillow Rd Vlv Line 2600	29.6
23	Marion Area Header System	13.1
24	Ln 1200b Mendon To Lutes Rd	11.8
25	Goose Creek to Mrc Station	5.4
26	Ln 600 Rochester Line	29.2
27	Panhandle Eastern North Line	140.2
28	Kinder Morgan Line	15.0
29	Freedom-Ovid Line	61.1
30	Ovid-Musk River Line	81.4
31	Laingsburg-Ithaca Line	30.4
32	Ithaca-Herrick Line	39.5
33	Muskegon Rvr-Mt Pleasant Line	37.2
34	Lansing Lateral Line	13.4
35	Lngsbrg Clarkston-Mt Clemens	72.8
36	Ovid-Grad Blanc	41.9
37	Zilwaukee Jct-Musk Rvr	63.0
38	Mt Pleasant-Zilwaukee	34.9
39	Riverside-Muskegon	10.3
40	Alma-Saginaw	30.7
41	Southern Mich Laterals	42.5
42	Plymouth-Clawson-8mi Purch R/W	10.8
43	Adam Road City Gate	5.3
44	Northville to Newburgh 24"	12.0
45	Miscellaneous Lines	33.7
46		
47	Total Miles of Distribution Main	26,295.0
48	TOTAL	27,966.1

DISTRIBUTION SYSTEM PEAK DELIVERIES

1. Report below the total distribution system deliveries of gas, excluding deliveries to storage, for the periods of system peak deliveries indicated below during the calendar year.

2. Report Mcf on a pressure base of 14.65 psia at 60 degrees F.

Line No.	Item (a)	Day/ Month (1) (b)	Amount of Mcf (c)	Curtailments on Day/Month Indicated (d)
<b>Section A. Three Highest Days of System Peak Deliveries</b>				
1	Date of Highest Day's Deliveries	18-Feb-06		
2	Deliveries to Customers Subject to MPSC Rate Schedules		2,276,000	
3	Deliveries to Others (End User Transport)		N/A	
4	TOTAL		2,276,000	
5	Date of Second Highest Day's Deliveries	19-Feb-06		
6	Deliveries to Customers Subject to MPSC Rate Schedules		2,035,000	
7	Deliveries to Others (End User Transport)		N/A	
8	TOTAL		2,035,000	
9	Date of Third Highest Day's Deliveries	17-Feb-06		
10	Deliveries to Customers Subject to MPSC Rate Schedules		1,962,000	
11	Deliveries to Others (End User Transport)		N/A	
12	TOTAL		1,962,000	
<b>Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)</b>				
13	Dates of Three Consecutive Days Highest System Peak Deliveries	17-Feb-06 18-Feb-06 19-Feb-06		
14	Deliveries to Customers Subject to MPSC Rate Schedules		6,273,000	
15	Deliveries to Others (End User Transport)		N/A	
16	TOTAL		6,273,000	
17	Supplies from Line Pack		N/A	
18	Supplies from Underground Storage		3,835,000	
19	Supplies from Other Peaking Facilities		N/A	
<b>Section C. Highest Month's System Deliveries</b>				
20	Month of Highest Month's System Deliveries	February-06		
21	Deliveries to Customers Subject to MPSC Rate Schedules		44,537,000	
22	Deliveries to Others (End User Transport)		N/A	
23	TOTAL		44,537,000	

(1) Gas Day: 9:00am to 9:00am (Central Time) Beginning on Date Indicated.

SYSTEM MAPS

1. Furnish 5 copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.

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 systems.
- (c) Sizes of pipe in 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 interconnection with other natural gas companies, indicating in each case whether gas is received or delivered and name of connection 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; designations 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.

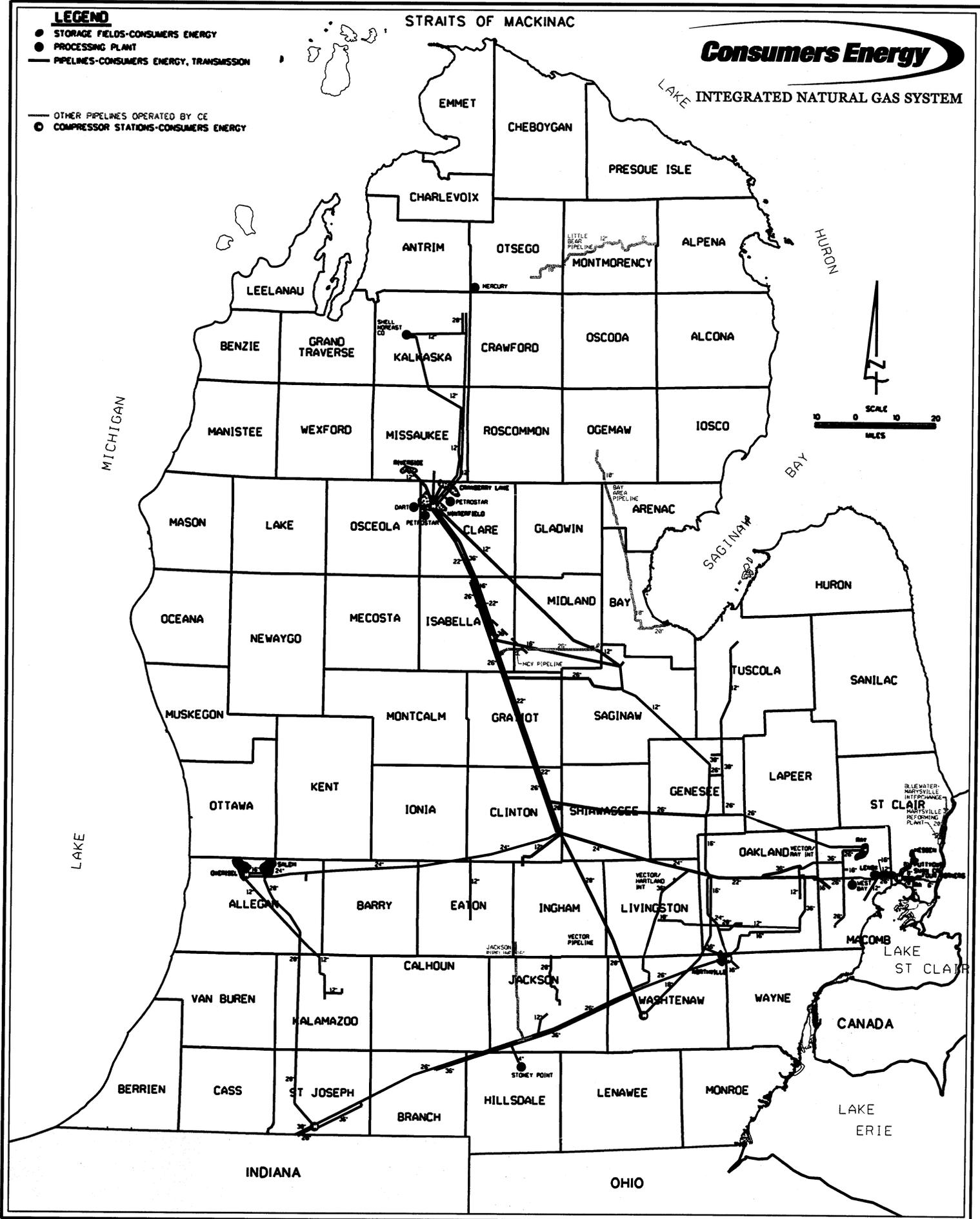
See page 522A.

**LEGEND**

- STORAGE FIELDS-CONSUMERS ENERGY
- PROCESSING PLANT
- PIPELINES-CONSUMERS ENERGY, TRANSMISSION
- OTHER PIPELINES OPERATED BY CE
- COMPRESSOR STATIONS-CONSUMERS ENERGY

**Consumers Energy**

INTEGRATED NATURAL GAS SYSTEM



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