

## MICHIGAN PUBLIC SERVICE COMMISSION

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

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

<b>Report submitted for year ending:</b> December 31, 2009																
<b>Present name of respondent:</b> Consumers Energy Company																
<b>Address of principal place of business:</b> One Energy Plaza, Jackson, MI 49201																
<b>Utility representative to whom inquiries regarding this report may be directed:</b> <table><tr><td><b>Name:</b></td><td>Thomas J. Webb</td><td><b>Title:</b></td><td>Executive VP and CFO</td></tr><tr><td><b>Address:</b></td><td colspan="3">One Energy Plaza</td></tr><tr><td><b>City:</b></td><td>Jackson</td><td><b>State:</b></td><td>MI Zip: 49201</td></tr><tr><td><b>Telephone, Including Area Code:</b></td><td colspan="3">(517) 788-0351</td></tr></table>	<b>Name:</b>	Thomas J. Webb	<b>Title:</b>	Executive VP and CFO	<b>Address:</b>	One Energy Plaza			<b>City:</b>	Jackson	<b>State:</b>	MI Zip: 49201	<b>Telephone, Including Area Code:</b>	(517) 788-0351		
<b>Name:</b>	Thomas J. Webb	<b>Title:</b>	Executive VP and CFO													
<b>Address:</b>	One Energy Plaza															
<b>City:</b>	Jackson	<b>State:</b>	MI Zip: 49201													
<b>Telephone, Including Area Code:</b>	(517) 788-0351															
<b>If the utility name has been changed during the past year:</b> <table><tr><td><b>Prior Name:</b></td><td></td></tr><tr><td><b>Date of Change:</b></td><td></td></tr></table>	<b>Prior Name:</b>		<b>Date of Change:</b>													
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<b>Two copies of the published annual report to stockholders:</b> <table><tr><td><input checked="" type="checkbox"/></td><td>]</td><td>were forwarded to the Commission</td></tr><tr><td><input type="checkbox"/></td><td>]</td><td>will be forwarded to the Commission on or about , 20</td></tr></table>	<input checked="" type="checkbox"/>	]	were forwarded to the Commission	<input type="checkbox"/>	]	will be forwarded to the Commission on or about , 20										
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<b>Annual reports to stockholders:</b> <table><tr><td><input checked="" type="checkbox"/></td><td>]</td><td>are published</td></tr><tr><td><input type="checkbox"/></td><td>]</td><td>are not published</td></tr></table>	<input checked="" type="checkbox"/>	]	are published	<input type="checkbox"/>	]	are not published										
<input checked="" type="checkbox"/>	]	are published														
<input type="checkbox"/>	]	are not published														

#### FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Bill Stosik) at  
(517) 241-5853 or [bmstosi@michigan.gov](mailto:bmstosi@michigan.gov) OR forward correspondence to

Regulated Energy Division (Bill Stosik)  
Financial Analysis and Customer Choice Section  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

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## 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 (a)	Balance at Beginning of Year (b)	Additions (c)
1		1. INTANGIBLE PLANT		
2	301	Organization	33,468	-
3	302	Franchises and Consents	143,073	512
4	303	Miscellaneous Intangible Plant	28,055,967	2,869,875
5		TOTAL Intangible Plant	28,232,508	2,870,387
6		2. PRODUCTION PLANT		
7		Manufactured Gas Production Plant		
8	304.1	Land	-	-
9	304.2	Land Rights	-	-
10	305	Structures and Improvements	-	-
11	306	Boiler Plant Equipment	-	-
12	307	Other Power Equipment	-	-
13	308	Coke Ovens	-	-
14	309	Producer Gas Equipment	-	-
15	310	Water Gas Generating Equipment	-	-
16	311	Liquefied Petroleum Gas Equipment	-	-
17	312	Oil Gas Generating Equipment	-	-
18	313	Generating Equipment - Other Processes	-	-
19	314	Coal, Coke and Ash Handling Equipment	-	-
20	315	Catalytic Cracking Equipment	-	-
21	316	Other Reforming Equipment	-	-
22	317	Purification Equipment	-	-
23	318	Residual Refining Equipment	-	-
24	319	Gas Mixing Equipment	-	-
25	320	Other Equipment	-	-
26		TOTAL Manufactured Gas Production Plant	-	-

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

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 (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct No.	Line No.
					1
-	-	-	33,468	301	2
2,056	-	-	141,529	302	3
8,502,042	-	-	22,423,800	303	4
8,504,098	-	-	22,598,797		5
					6
					7
-	-	-	-	304.1	8
-	-	-	-	304.2	9
-	-	-	-	305	10
-	-	-	-	306	11
-	-	-	-	307	12
-	-	-	-	308	13
-	-	-	-	309	14
-	-	-	-	310	15
-	-	-	-	311	16
-	-	-	-	312	17
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-	-	-	-	315	20
-	-	-	-	316	21
-	-	-	-	317	22
-	-	-	-	318	23
-	-	-	-	319	24
-	-	-	-	320	25
-	-	-	-		26

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Acct No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
27		Natural Gas Production & Gathering Plant		
28	325.1	Producing Lands	-	-
29	325.2	Producing Leaseholds	172,559	-
30	325.3	Gas Rights	890	-
31	325.4	Rights of Way	222	-
32	325.5	Other Land	-	-
33	325.6	Other Land Rights	-	-
34	326	Gas Well Structures	-	-
35	327	Field Compressor Station Structures	-	-
36	328	Field Measuring and Regulating Station Structures	-	-
37	329	Other Structures	116,071	-
38	330	Producing Gas Wells - Well Construction	61,603	-
39	331	Producing Gas Wells - Well Equipment	40,523	-
40	332	Field Lines	4,825	-
41	333	Field Compressor Station Equipment	-	-
42	334	Field Measuring and Regulating Station Equipment	77,146	-
43	335	Drilling and Cleaning Equipment	-	-
44	336	Purification Equipment	227,390	-
45	337	Other Equipment	7,322	-
46	338	Unsuccessful Exploration & Development Costs	8,224,143	-
47		TOTAL Production and Gathering Plant	8,932,694	-
48		Products Extraction Plant		
49	340.1	Land	-	-
50	340.2	Land Rights	-	-
51	341	Structures and Improvements	-	-
52	342	Extraction and Refining Equipment	-	-
53	343	Pipe Lines	-	-
54	344	Extracted Products Storage Equipment	-	-
55	345	Compressor Equipment	-	-
56	346	Gas Measuring and Regulating Equipment	-	-
57	347	Other Equipment	-	-
58		TOTAL Products Extraction Plant	-	-
59		TOTAL Natural Gas Production Plant	8,932,694	-
60		SNG Production Plant (Submit Supplemental Statement)	-	-
61		TOTAL Production Plant	8,932,694	-
62		3. Natural Gas Storage and Processing Plant		
63		Underground Storage Plant		
64	350.1	Land	7,785,598	440,264

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct No.	Line No.
					27
-	-	-	-	325.1	28
-	-	-	172,559	325.2	29
-	-	-	890	325.3	30
-	-	-	222	325.4	31
-	-	-	-	325.5	32
-	-	-	-	325.6	33
-	-	-	-	326	34
-	-	-	-	327	35
-	-	-	-	328	36
-	-	-	116,071	329	37
-	-	-	61,603	330	38
-	-	-	40,523	331	39
-	-	-	4,825	332	40
-	-	-	-	333	41
-	-	-	77,146	334	42
-	-	-	-	335	43
-	-	-	227,390	336	44
-	-	-	7,322	337	45
-	-	-	8,224,143	338	46
-	-	-	8,932,694		47
					48
-	-	-	-	340.1	49
-	-	-	-	340.2	50
-	-	-	-	341	51
-	-	-	-	342	52
-	-	-	-	343	53
-	-	-	-	344	54
-	-	-	-	345	55
-	-	-	-	346	56
-	-	-	-	347	57
-	-	-	-		58
-	-	-	8,932,694		59
-	-	-	-		60
-	-	-	8,932,694		
					62
					63
-	-	-	8,225,862	350.1	64

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No	Acct No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
65	350.2	Rights of Way	1,412,553	(290)
66	351	Structures and Improvements	12,705,360	1,731,481
67	352	Wells	66,014,450	2,645,629
68	352.1	Storage Leaseholds and Rights	6,838,555	-
69	352.2	Reservoirs	-	-
70	352.3	Non-Recoverable Natural Gas	-	-
71	353	Lines	33,618,935	3,247,129
72	354	Compressor Station Equipment	83,110,270	6,527,174
73	355	Measuring and Regulating Equipment	7,302,507	12,527,961
74	356	Purification Equipment	18,715,830	2,461,054
75	357	Other Equipment	6,425,477	425,181
76	358	Gas in Underground Storage-Noncurrent	26,253,198	-
77	358.1	Asset Retirement Costs for Underground Storage Plant	177,744	-
78		TOTAL Underground Storage Plant	270,360,477	30,005,583
79		Other Storage Plant		
80	360.1	Land	-	-
81	360.2	Land Rights	-	-
82	361	Structures and Improvements	-	-
83	362	Gas Holders	-	-
84	363	Purification Equipment	-	-
85	363.1	Liquefaction Equipment	-	-
86	363.2	Vaporizing Equipment	-	-
87	363.3	Compressor Equipment	-	-
88	363.4	Measuring and Regulating Equipment	-	-
89	363.5	Other Equipment	-	-
90		TOTAL Other Storage Plant	-	-
91		Base Load Liquefied NG Terminating and Processing Plant		
92	364.1	Land	-	-
93	364.1a	Land Rights	-	-
94	364.2	Structures and Improvements	-	-
95	364.3	LNG Processing Terminal Equipment	-	-
96	364.4	LNG Transportation Equipment	-	-
97	364.5	Measuring and Regulating Equipment	-	-
98	364.6	Compressor Station Equipment	-	-
99	364.7	Communication Equipment	-	-
100	364.8	Other Equipment	-	-
101		TOTAL Base Load LNG Terminating and Processing Plant	-	-
102				
103		TOTAL Natural Gas Storage and Processing Plant	270,360,477	30,005,583

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct No	Line No.
-	-	-	1,412,263	350.2	65
7,084	-	-	14,429,757	351	66
1,300	-	-	68,658,779	352	67
-	-	-	6,838,555	352.1	68
-	-	-	-	352.2	69
-	-	-	-	352.3	70
3,012	-	-	36,863,052	353	71
225,125	-	-	89,412,319	354	72
-	-	-	19,830,468	355	73
130,449	-	-	21,046,435	356	74
50,140	-	(1,178,532)	5,621,986	357	75
-	-	-	26,253,198	358	76
-	-	-	177,744	358.1	77
417,110	-	(1,178,532)	298,770,418		78
					79
-	-	-	-	360.1	80
-	-	-	-	360.2	81
-	-	-	-	361	82
-	-	-	-	362	83
-	-	-	-	363	84
-	-	-	-	363.1	85
-	-	-	-	363.2	86
-	-	-	-	363.3	87
-	-	-	-	363.4	88
-	-	-	-	363.5	89
-	-	-	-		90
					91
-	-	-	-	364.1	92
-	-	-	-	364.1a	93
-	-	-	-	364.2	94
-	-	-	-	364.3	95
-	-	-	-	364.4	96
-	-	-	-	364.5	97
-	-	-	-	364.6	98
-	-	-	-	364.7	99
-	-	-	-	364.8	100
-	-	-	-		101
					102
417,110	-	(1,178,532)	298,770,418		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	8,995,883	9,687,807
105	365.2	Land Rights	-	-
106	365.3	Rights of Way	33,917,801	13,845,011
107	366	Structures and Improvements	12,394,864	2,726,322
108	367	Mains	319,665,492	62,079,937
109	368	Compressor Station Equipment	42,315,230	1,838,369
110	369	Measuring and Regulating Station Equipment	40,099,051	11,028,008
111	370	Communication Equipment	9,792,713	308,137
112	371	Other Equipment	5,468,522	506,705
112	372	ARO for Transmission Plant	458,056	-
113		TOTAL Transmission Plant	473,107,612	102,020,296
114		5. Distribution Plant		
115	374.1	Land	1,920,959	128,522
116	374.2	Land Rights	9,247,144	88,164
117	375	Structures and Improvements	5,350,155	154,513
118	376	Mains	1,073,901,127	22,643,432
119	377	Compressor Station Equipment	-	-
120	378	Measuring and Regulating Station Equipment - General	46,216,454	4,274,210
121	379	Measuring and Regulating Station Equipment - City Gate	-	-
122	380	Services	798,383,150	40,857,272
123	381	Meters	206,338,833	15,944,933
124	382	Meter Installations	197,337,987	10,803,670
125	383	House Regulators	20,282,714	1,332,853
126	384	House Regulator Installations	-	-
127	385	Industrial Measuring and Regulating Station Equipment	-	-
128	386	Other Prop. on Customer's Premises	-	-
129	387	Other Equipment	-	-
130	388	Asset Retirement Costs for Distribution Plant	100,464,751	14,723,029
131		TOTAL Distribution Plant	2,459,443,274	110,950,598
132		6. GENERAL PLANT		
133	389.1	Land	784,305	1,599,674
134	389.2	Land Rights	1,516	-
135	390	Structures and Improvements	27,335,112	4,512,912
136	391	Office Furniture and Equipment	805,526	63,416
137	391.1	Computers and Computer Related Equipment	3,989,908	1,443,203
138	392	Transportation Equipment	10,008,236	829,067
139	393	Stores Equipment	50,840	-
140	394	Tools, Shop and Garage Equipment	7,327,439	767,944
141	395	Laboratory Equipment	772,917	-

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
42,504	-	(61,631)	18,579,555	365.1	104
-	-	-	-	365.2	105
2,522	-	(57,967)	47,702,323	365.3	106
39,298	-	4,410	15,086,298	366	107
309,736	-	-	381,435,693	367	108
301,246	-	-	43,852,353	368	109
439,765	-	26,403	50,713,697	369	110
89,476	-	-	10,011,374	370	111
27,501	-	(1,128,190)	4,819,536	371	112
-	-	-	458,056	371	112
1,252,048	-	(1,216,975)	572,658,885		113
					114
-	-	-	2,049,481	374.1	115
-	-	-	9,335,308	374	
21,972	-	(4,410)	5,478,286	375	117
1,550,330	-	2,131	1,094,996,360	376	118
-	-	-	-	377	119
1,057,228	-	(26,403)	49,407,033	378	120
-	-	-	-	379	121
3,511,971	-	(2,131)	835,726,320	380	122
5,044,007	-	-	217,239,759	381	123
1,288,152	-	-	206,853,505	382	124
468,587	-	-	21,146,980	383	125
-	-	-	-	384	126
-	-	-	-	385	127
-	-	-	-	386	128
-	-	-	-	387	129
-	-	-	115,187,780	388	130
12,942,247	-	(30,813)	2,557,420,812		131
					132
-	-	-	2,383,979	389.1	133
-	-	-	1,516	389.2	134
17,589	-	-	31,830,435	390	135
210,261	-	(432)	658,249	391	136
2,408,215	-	(6,584)	3,018,312	391.1	137
(20,520)	-	1,495,438	12,353,261	392	138
-	-	-	50,840	393	139
102,384	-	(1,326,247)	6,666,752	394	140
74,895	-	(289,054)	408,968	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	1,990,587	75,800
142	397	Communication Equipment	8,292,392	172,138
143	398	Miscellaneous Equipment	635,769	13,339
144		SUBTOTAL	61,994,547	9,477,493
145	399	Other Tangible Property	-	-
146		TOTAL General Plant	61,994,547	9,477,493
147		TOTAL (Accounts 101 and 106)	3,302,071,112	255,324,357
148	101.1	Property Under Capital Leases	7,776,930	1,013,345
149	102	Gas Plant Purchased (See Instruction 8)	-	-
150	102	Gas Plant Sold (See Instruction 8)	-	-
151	103	Experimental Gas Plant Unclassified	-	-
152		TOTAL GAS PLANT IN SERVICE	3,309,848,042	256,337,702

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.
(38)	-	(239,601)	1,826,824	396	141
1,694,338	-	-	6,770,192	397	142
17,879	-	(129,412)	501,817	398	143
4,505,003	-	(495,892)	66,471,145		144
-	-	-	-	399	145
4,505,003	-	(495,892)	66,471,145		146
27,620,506	-	(2,922,212)	3,526,852,751		147
3,115,825	2,796	-	5,677,246	101.1	148
-	-	-	-	102	149
-	-	-	-	(LESS) 102	150
-	-	-	-	103	151
30,736,331	2,796	(2,922,212)	3,532,529,997		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	Gas Properties	Various	Various	465,092
3				
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41				
42	TOTAL			\$465,092

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	Intangible Plant - Gas Total	\$240,693	\$16,025,476
2			
3	Natural Gas Store & Processing Plant Total	16,729,822	13,541,315
4			
5	Transmission Plant - Gas Total	93,094,493	113,013,029
6			
7	Distribution Plant - Gas Total	7,440,701	109,719,900
8			
9	General Plant - Gas Total	7,593,647	8,827,293
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37			
38			
39			
40			
41			
42	TOTAL	\$125,099,356	\$261,127,013

## 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	\$33,107,008	\$105,199,055
2	Administrative and General	25,854,468	65,823,489
3			
4			
5			
6			
7			
8			
9			
10			
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12			
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41			
42			
43			
44			
45			
46	TOTAL	\$58,961,476	

## 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 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	\$1,815,472,180	\$1,815,451,805	\$20,375	\$0
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	\$94,616,977	\$94,616,977	\$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	0	0	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)	\$94,616,977	\$94,616,977	\$0	\$0
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	\$19,073,702	\$19,073,702	\$0	\$0
13	Cost of Removal	13,994,249	13,994,249	0	0
14	Salvage (Credit)	(224,468)	(224,468)	0	0
15	TOTAL Net Charges for Plant Ret. (Enter Total of lines 12 thru 14)	\$32,843,483	\$32,843,483	\$0	\$0
16	Other Debit or Credit Items (Describe):				
17	See Footnote 1	\$1,118,771	\$1,118,771	\$0	\$0
18	Retirement WIP	(\$30,409)	(30,409)	0	0
19	Balance End of Year (Enter Total of lines 1, 10, 15, and 17)	\$1,878,334,036	\$1,878,313,661	\$20,375	\$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	690,718	670,343	20,375	0
22	Products Extraction - Natural Gas	0	0	0	0
23	Underground Gas Storage	127,809,276	127,809,276	0	0
24	Other Storage Plant	0	0	0	0
25	Base Load LNG Terminating & Processing Plan	0	0	0	0
26	Transmission	194,021,476	194,021,476	0	0
27	Distribution	1,528,832,364	1,528,832,364	0	0
28	General	26,980,202	26,980,202	0	0
29	TOTAL (Enter Total of Lines 20 thru 28)	\$1,878,334,036	\$1,878,313,661	\$20,375	\$0

1. Line 17, column (c) amount consists primarily of transfer activity for prior years.

2. Gas Plant in Service Retirements-	
Page 212B, Line 147, Col (d)	\$27,620,506
Nondepreciable Property	(8,549,125)
Other Adjustments	2,321
Book Cost of Plant Retired-Line 12, Col (c)	<u>\$19,073,702</u>

## 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	\$1,168,112,051	\$0	\$0	\$1,168,112,051
2	Gas Delivered to Storage (contra Account)	0	718,629,258	0	0	718,629,258
3	Gas Withdrawn from Storage (contra Account)	0	845,416,018	0	0	845,416,018
4	Other Debits or Credits (Net)	0	(3,268,865)	0	0	(3,268,865)
5	Balance at End of Year	\$0	\$1,038,056,426	\$0	\$0	\$1,038,056,426
6	Mcf	0	140,986,550	0	0	140,986,550
7	Amount Per Mcf	\$0.00	\$7.36	\$0.00	\$0.00	\$7.36

- 8 State basis of segregation of inventory between current and noncurrent portions:
- 9 Inventory Account 164.1 was decreased \$3,268,865 to reflect gas storage losses of approximately 441,251 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
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
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35				
36				
37				
38				
39				
40				
41				
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 (i)		
NA	0	NA	NA	NA		1
						2
						3
						4
						5
						6
						7
						8
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						41
0	0		0			42

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	10,870,871				
2	EPRI Fees	505,889				
3	Generation	767,684				
4	Prepaid Parking Structure	252,967				
5	Prepaid MPSC Assessment	2,621,025				
6	Prepaid Software Fees-BTS & Misc	2,042,811				
7	Prepaid Software Fees-PowerPlan	40,308				
8	Prepaid Maintenance-Substation Transformer	1,065,306				
9	Prepaid Fees-CEA	1,306,299				
10	Prepaid Fees-PCRB's	87,692				
11	Prepaid Fees-NERC Reliability	212,456				
12						
13	TOTAL	19,773,308				

  

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	TOTAL					

  

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)						
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2, and period of amortization (mo, yr, to mo yr).] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
10	None					
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	TOTAL				0	0

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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 therm 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	1,823,981,370	1,953,393,083
3	481 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	515,626,164	592,728,007
5	Large (or Ind.) (See Instr. 6)	101,822,000	123,070,699
6	482 Other Sales to Public Authorities	-	-
7	484 Interdepartmental Sales	3,467,832	4,662,942
8	TOTAL Sales to Ultimate Consumers	2,444,897,366	2,673,854,731
9	483 Sales for Resale	-	-
10	TOTAL Nat. Gas Service Revenues	2,444,897,366	2,673,854,731
11	Revenues from Manufactured Gas	-	-
12	TOTAL Gas Service Revenues	2,444,897,366	2,673,854,731
13	<b>OTHER OPERATING REVENUES</b>		
14	485 Intracompany Transfers	-	-
15	487 Forfeited Discounts	11,285,917	13,031,957
16	488 Misc. Service Revenues	44,953,976	43,171,491
17	489 Rev. from Trans. of Gas of Others	59,447,775	56,422,384
18	490 Sales of Prod. Ext. from Nat. Gas	-	-
19	491 Rev. from Nat. Gas Proc. by Others	-	-
20	492 Incidental Gasoline and Oil Sales	-	-
21	493 Rent from Gas Property	894,545	1,072,413
22	494 Interdepartmental Rents	-	-
23	495 Other Gas Revenues	23,254,731	14,753,844
24	TOTAL Other Operating Revenues	139,836,944	128,452,089
25	TOTAL Gas Operating Revenues	2,584,734,310	2,802,306,820
26	(Less) 496 Provision for Rate Refunds	22,086,190	(24,777,281)
27	TOTAL Gas Operating Revenues Net of Provision	2,562,648,120	2,827,084,101
28	Sales by Communities (Incl. Main Line Sales to Resid. and Comm. Custrs.)	2,441,429,534	
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	-	
30	Sales for Resale	-	
31	Other Sales to Public Authorities (from Local Dist.	-	
32	Interdepartmental Sales	3,467,832	
33	TOTAL (Same as Line 10, Columns (b) and (d))	2,444,897,366	

GAS OPERATING REVENUES (Account 400) (Continued)				
<p>explain any inconsistencies in a footnote.</p> <p>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</p>		<p>requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)</p> <p>7. See pages 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.</p>		
MCF OF NATURAL GAS SOLD		AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH		
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	Line No
				1
162,001,891	169,649,846	1,574,246	1,577,863	2
				3
51,594,751	56,233,528	118,199	118,870	4
10,563,572	12,187,011	7,073	6,961	5
-	-	-	-	6
389,091	485,058	88	85	7
224,549,305	238,555,443	1,699,606	1,703,779	8
-	-	-	-	9
224,549,305	238,555,443	1,699,606	1,703,779	10
				11
NOTES				12
				13
				14
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				24
				25
				26
				27
				28
224,160,214				29
-				30
-				31
389,091				32
224,549,305				33

## 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	6,058	342,982	4,124,069	56.62	680.76	12.02
3	B. Residential space heating service	1,568,188	162,538,467	1,803,384,085	103.65	1,149.98	11.10
4	CD. Commercial service						
5	C. Commercial service, except SH	118,199	51,874,874	511,164,022	438.88	4,324.61	9.85
6	D. Commercial space heating				-	-	-
7	E. Industrial service	7,073	10,620,926	100,765,901	1,501.62	14,246.56	9.49
8	F. Public street & highway lighting				-	-	-
9	G. Other sales to public authorities				-	-	-
10	H. Interdepartmental sales	88	391,206	3,285,496			8.40
11	I. Other sales				-	-	-
12	A-I. Total sales to ultimate customers	1,699,606	225,768,455	2,422,723,573	132.84	1,425.46	10.73
13	J. Sales to other gas utilities for resale	-	-	-	-	-	-
14	A-J. TOTAL SALES OF GAS	1,699,606	225,768,455	2,422,723,573	132.84	1,425.46	10.73
15	K. Other gas revenues			139,924,547			
16	A-K. TOTAL GAS OPERATING REVENUE			2,562,648,120			
* 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	6,058	308,759	3,749,995
2	Residential - Rate A	(2)	B	1,558,034	156,466,320	1,758,454,931
3	Residential - Rate A-1	(2)	A & B	10,154	7,903,943	79,960,929
4	Comm & Ind - Rate B/GS-1	(3)	D & E	92,431	14,947,843	160,297,057
5	Comm & Ind - Rate GS-2	(3)	D & E	31,851	38,144,396	376,066,798
6	Comm & Ind - Rate C/GS-3	(3)	D & E	982	11,121,338	101,373,504
7	Commercial - Rate GL-1	(4)	F	8	1,783	13,308
8	Interdepartmental	(5)	H	88	412,815	3,680,243
9	Total Sales to Ultimate Customers			1,699,606	229,307,197	2,483,596,765
10	Unbilled Sales and Revenue				(3,538,742)	(38,699,400)
11	Provisions for Rate Refunds				-	(22,173,792)
12					-	-
13					-	-
14					-	-
15					-	-
16					-	-
17						
18						
19						
20						
21						
22						
23	Net Sales and Revenues				225,768,455	2,422,723,573

(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.

## 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	140,054	14,619,377	184,091,945
2	277; 278; 289	Commercial	C	16,423	10,767,940	109,098,894
3	279; 280; 290	Industrial	E	1,163	1,429,833	14,652,807
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTALS			157,640	26,817,150	307,843,646

## 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, XLT-1, XLT-2 and CS Customers (1); 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	Nutra Sweet (1)		
16	State of Michigan (1)		
17	State University (1)		
18	Western Michigan (1)		
19			
20	Others under 1,000,000 Mcf per company	2,663	
21			
22			
23			
24	Midland Cogeneration Venture; U-9101 (1,2)		
25			
26			
27	Southeastern Michigan Gas Company (1,2)		
28			
29			
30	Kinder Morgan (1,2)		
31			
32			
33	Others under 1,000,000 Mcf per company (2)	2	
<b>TOTAL</b>			

(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.
1,753,958	1,742,151	203,672	11.7		1
					2
					3
					4
					5
					6
					7
3,395,717	3,374,117	1,646,226	48.8		8
3,030,113	3,088,939	1,543,145	50.0		9
3,034,237	2,951,354	1,693,775	57.4		10
6,994,939	6,071,808	3,041,996	50.1		11
2,243,054	2,187,632	922,343	42.2		12
1,505,590	1,471,405	722,054	49.1		13
2,054,158	2,028,284	957,041	47.2		14
1,189,837	1,114,141	534,078	47.9		15
1,224,376	1,228,441	1,077,706	87.7		16
1,162,969	1,143,213	516,843	45.2		17
1,300,749	1,274,486	594,940	46.7		18
					19
35,235,442	32,578,841	34,778,459	106.8		20
					21
					22
					23
31,698,906	28,890,984	9,291,970	32.2		24
					25
					26
1,426,860	1,452,422	197,941	13.6		27
					28
					29
2,927,375	2,927,375	1,714,643	58.6		30
					31
					32
(14,063,246)	343	10,943	3190.4		33
86,115,034	93,525,936	59,447,775	63.6		

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

## 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	-	-
7	735 Marysville Production Expense	-	-
9	TOTAL Operation	-	-
10			
11	Maintenance		
12	740 Maintenance Supervision and Engineering	-	-
13	741 Maintenance Structures and Improvements	-	-
14	742 Maintenance of Production Equipment	-	-
16	TOTAL Maintenance	-	-
18	TOTAL Manufactured Gas Production	-	-

## 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	-	-
50	785 Maintenance of Structures and Improvements	-	-
51	786 Maintenance of Extraction and Refining Equipment	-	-
52	787 Maintenance of Pipe Lines	-	-
53	788 Maintenance of Extracted Products Storage Equipment	-	-
54	789 Maintenance of Compressor Equipment	-	-
55	790 Maintenance of Gas Measuring and Reg. Equipment	-	-
56	791 Maintenance of Other Equipment	-	-
57	TOTAL Maintenance (Enter Total of lines 49 thru 56)	-	-
58	TOTAL Products Extraction (Enter Total of line 47 and 57)	-	-
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals	-	-
62	796 Nonproductive Well Drilling	-	-
63	797 Abandoned Leases	-	-
64	798 Other Exploration	-	-
65	TOTAL Exploration and Development (Enter Total of lines 61 thru 64)	-	-
	D. Other Gas Supply Expenses		
66	Operation		
67	800 Natural Gas Well Head Purchases	-	-
68	801 Natural Gas Field Line Purchases	-	-
69	802 Natural Gas Gasoline Plant Outlet Purchases	-	-
70	803 Natural Gas Transmission Line Purchases	1,661,537,982	2,138,558,759
71	803.1 Off-System Gas Purchases	-	-
72	804 Natural Gas City Gate Purchases	-	-
73	804.1 Liquefied Natural Gas Purchases	-	-
74	805 Other Gas Purchases	-	-
75	(Less) 805.1 Purchased Gas Cost Adjustments	-	-
76	(Less) 805.2 Incremental Gas Cost Adjustments	-	-
77	TOTAL Purchased Gas (Enter Total of lines 68 to 76)	1,661,537,982	2,138,558,759
78	806 Exchange Gas	-	-
79	Purchased Gas Expenses		
80	807.1 Well Expenses - Purchased Gas	-	-
81	807.2 Operation of Purchased Gas Measuring Stations	-	-
82	807.3 Maintenance of Purchased Gas Measuring Stations	-	-
83	807.4 Purchased Gas Calculations Expenses	-	-
84	807.5 Other Purchased Gas Expenses	-	-
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 thru 84)	-	-
86	808.1 Gas Withdrawn from Storage - Debit	845,416,017	914,470,292
87	(Less) 808.2 Gas Delivered to Storage - Credit	718,629,258	962,956,640
88	809.1 Withdrawals of Liquefied Natural Gas for Processing - Debit	-	-
89	(Less) 809.2 Deliveries of Natural Gas for Processing - Credit	-	-
90	(Less) Gas Used in Utility Operations - Credit		
91	810 Gas Used for Compressor Station Fuel - Credit	7,690,058	7,504,734
92	811 Gas Used for Products Extraction - Credit	-	-
93	812 Gas Used for Other Utility Operations - Credit	2,976,610	3,613,720
94	TOTAL Gas Used in Utility Operations - Credit (Enter Total of lines 91 thru 93)	10,666,668	11,118,454
95	813 Other Gas Supply Expenses		
95a	813.1 Synthetic Gas Supply Expenses	-	-
95b	813.2 Gas Cost Recovery Expenses-Royalties	-	-
96	TOTAL Other Gas Supply Expenses (Total of lines 77,78,85,86 thru 89,94 & 95)	1,777,658,073	2,078,953,957
97	TOTAL Production Expenses (Enter Total of lines 3, 30, 58, 65, and 96)	1,777,658,073	2,078,953,957

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	952,613	1,783,622
102	815	Maps and Records	-	-
103	816	Wells Expenses	54,361	1,038,151
104	817	Lines Expense	1,438,010	981,222
105	818	Compressor Station Expenses	3,301,332	2,847,885
106	819	Compressor Station Fuel and Power	9,163,498	9,748,814
107	820	Measuring and Regulating Station Expenses	47,502	82,283
108	821	Purification Expenses	72,024	295,405
109	822	Exploration and Development	-	-
110	823	Gas Losses	1,664,368	1,985,246
111	824	Other Expenses	745,201	943,537
112	825	Storage Well Royalties	-	14,333
113	826	Rents	-	-
114	TOTAL Operation (Enter Total of lines 101 thru 113)		17,438,909	19,720,498
115	Maintenance			
116	830	Maintenance Supervision and Engineering	822,764	1,168,781
117	831	Maintenance of Structures and Improvements	-	-
118	832	Maintenance of Reservoirs and Wells	200,393	341,676
119	833	Maintenance of Lines	961,145	176,122
120	834	Maintenance of Compressor Station Equipment	667,707	1,059,382
121	835	Maintenance of Measuring and Regulating Station Equipment	56,103	35,305
122	836	Maintenance of Purification Equipment	-	159,951
123	837	Maintenance of Other Equipment	-	-
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)		2,708,112	2,941,217
125	TOTAL Underground Storage Expenses (Enter Total of lines 114 and 124)		20,147,021	22,661,715
126	B. Other Storage Expenses			
127	Operation			
128	840	Operation Supervision and Engineering	-	-
129	841	Operation Labor and Expenses	-	-
130	842	Rents	-	-
131	842.1	Fuel	-	-
132	842.2	Power	-	-
133	842.3	Gas Losses	-	-
134	TOTAL Operation (Enter Total of lines 128 thru 133)		-	-
135	Maintenance			
136	843.1	Maintenance Supervision and Engineering	-	-
137	843.2	Maintenance of Structures and Improvements	-	-
138	843.3	Maintenance of Gas Holders	-	-
139	843.4	Maintenance of Purification Equipment	-	-
140	843.5	Maintenance of Liquefaction Equipment	-	-
141	843.6	Maintenance of Vaporizing Equipment	-	-
142	843.7	Maintenance of Compressor Equipment	-	-
143	843.8	Maintenance of Measuring and Regulating Equipment	-	-
144	843.9	Maintenance of Other Equipment	-	-
145	TOTAL Maintenance (Enter Total of lines 136 thru 144)		-	-
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)		-	-

## 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	-	-
150	844.2 LNG Processing Terminal Labor and Expenses	-	-
151	844.3 Liquefaction Processing Labor and Expenses	-	-
152	844.4 Liquefaction Transportation Labor and Expenses	-	-
153	844.5 Measuring and Regulating Labor and Expenses	-	-
154	844.6 Compressor Station Labor and Expenses	-	-
155	844.7 Communication System Expenses	-	-
156	844.8 System Control and Load Dispatching	-	-
157	845.1 Fuel	-	-
158	845.2 Power	-	-
159	845.3 Rents	-	-
160	845.4 Demurrage Charges	-	-
161	(Less) 845.5 Wharfage Receipts - Credit	-	-
162	845.6 Processing Liquefied or Vaporized Gas by Others	-	-
163	846.1 Gas Losses	-	-
164	846.2 Other Expenses	-	-
165	TOTAL Operation (Enter Total of lines 149 thru 164)	-	-
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering	-	-
168	847.2 Maintenance of Structures and Improvements	-	-
169	847.3 Maintenance of LNG Processing Terminal Equipment	-	-
170	847.4 Maintenance of LNG Transportation Equipment	-	-
171	847.5 Maintenance of Measuring and Regulating Equipment	-	-
172	847.6 Maintenance of Compressor Station Equipment	-	-
173	847.7 Maintenance of Communication Equipment	-	-
174	847.8 Maintenance of Other Equipment	-	-
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)	-	-
176	TOTAL Liquefied Natural Gas Terminating & Processing Expenses (Lines 165 & 175)	-	-
177	TOTAL Natural Gas Storage (Enter Total of lines 125, 146, and 176)	20,147,021	22,661,715
178	3. TRANSMISSION EXPENSES		
179	Operation		
180	850 Operation Supervision and Engineering	2,370,937	2,381,074
181	851 System Control and Load Dispatching	4,013,710	3,946,717
182	852 Communication System Expenses	203,662	155,917
183	853 Compressor Station Labor and Expenses	3,078,778	1,777,895
184	854 Gas for Compressor Station Fuel	(1,380,853)	(3,577,345)
185	855 Other Fuel and Power for Compressor Stations	-	182,717
186	856 Mains Expenses	1,562,635	4,399,739
187	857 Measuring and Regulating Station Expenses	3,768,467	3,744,294
188	858 Transmission and Compression of Gas by Others	-	-
189	859 Other Expenses	173,720	115,663
190	860 Rents	-	-
191	TOTAL Operation (Enter Total of lines 180 thru 190)	13,791,056	13,126,671

GAS OPERATION AND MAINTENANCE EXPENSES (CONTINUED)				
Line No.	Account (a)		Amount for Current Year (b)	Amount for Previous Year (c)
	3. TRANSMISSION EXPENSES (Continued)			
192	Maintenance			
193	861	Maintenance Supervision and Engineering	580,726	652,058
194	862	Maintenance of Structures and Improvements	-	-
195	863	Maintenance of Mains	3,023,302	657,948
196	864	Maintenance of Compressor Station Equipment	3,067,909	1,758,331
197	865	Maintenance of Measuring and Reg. Station Equipment	98,396	369,635
198	866	Maintenance of Communication Equipment	-	-
199	867	Maintenance of Other Equipment	-	-
200	TOTAL Maintenance (Enter Total of lines 193 thru 199)		6,770,333	3,437,972
201	TOTAL Transmission Expenses (Enter Total of lines 191 and 200)		20,561,389	16,564,643
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870	Operation Supervision and Engineering	11,545,004	12,863,571
205	871	Distribution Load Dispatching	-	-
206	872	Compressor Station Labor and Expenses	-	-
207	873	Compressor Station Fuel and Power	-	-
208	874	Mains and Services Expenses	22,374,006	16,933,161
209	875	Measuring and Regulating Station Expenses - General	2,066,353	2,778,387
210	876	Measuring and Regulating Station Expenses - Industrial	-	-
211	877	Measuring and Regulating Station Expenses - City Gate Check Station	-	-
212	878	Meter and House Regulator Expenses	6,578,416	9,502,366
213	879	Customer Installations Expenses	26,100,826	25,843,803
214	880	Other Expenses	24,698,191	22,920,608
215	881	Rents	-	-
216	TOTAL Operation (Enter Total of lines 204 thru 215)		93,362,796	90,841,896
217	Maintenance			
218	885	Maintenance Supervision and Engineering	2,850,987	2,270,186
219	886	Maintenance of Structures and Improvements	-	1,366
220	887	Maintenance of Mains	8,925,048	9,067,862
221	888	Maintenance of Compressor Station Equipment	-	-
222	889	Maintenance of Meas. and Reg. Sta. Equip.-General	1,101,323	1,020,685
223	890	Maintenance of Meas. and Reg. Sta. Equip.-Industrial	-	-
224	891	Maintenance of Meas. and Reg. Sta. Equip.-City Gate Check Station	-	-
225	892	Maintenance of Services	4,179,265	6,921,415
226	893	Maintenance of Meters and House Regulators	2,487,621	2,051,974
227	894	Maintenance of Other Equipment	545,829	1,539,277
228	TOTAL Maintenance (Enter Total of lines 218 thru 227)		20,090,073	22,872,765
229	TOTAL Distribution Expenses (Enter Total of lines 216 and 228)		113,452,869	113,714,661
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901	Supervision	3,841,054	4,052,575
233	902	Meter Reading Expenses	8,357,432	8,802,904
234	903	Customer Records and Collection Expenses	31,866,626	28,724,460
235	904	Uncollectible Accounts	32,745,694	26,682,325
236	905	Miscellaneous Customer Accounts Expenses	92,701	377,735
237	TOTAL Customer Accounts Expenses (Enter Total of lines 232 thru 236)		76,903,507	68,639,999

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	54,164	76,366
241	908	Customer Assistance Expenses	32,200,831	18,834,094
242	909	Informational and Instructional Expenses	423,520	343,368
243	910	Miscellaneous Customer Service and Information Expenses	6,960	54,407
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)		32,685,475	19,308,235
245	7. SALES EXPENSES			
246	Operation			
247	911	Supervision	-	-
248	912	Demonstrating and Selling Expenses	80,187	94,450
249	913	Advertising Expenses	-	-
250	916	Miscellaneous Sales Expenses	-	-
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)		80,187	94,450
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920	Administrative and General Salaries	20,760,931	20,744,024
255	921	Office Supplies and Expenses	11,309,961	9,414,127
256	(Less) 922	Administrative Expenses Transferred-Credit	5,095,200	3,556,200
257	923	Outside Services Employed	6,990,319	9,157,222
258	924	Property Insurance	779,755	739,913
259	925	Injuries and Damages	12,591,414	12,486,180
260	926	Employee Pensions and Benefits	77,151,924	66,169,068
261	927	Franchise Requirements	-	-
262	928	Regulatory Commission Expenses	298,912	319,059
263	(Less) 929	Duplicate Charges - Credit	-	-
264	930.1	General Advertising Expenses	1,678,635	1,608,567
265	930.2	Miscellaneous General Expenses	2,058,500	3,008,704
266	931	Rents	87,492	141,708
267	TOTAL Operation (Enter Total of lines 254 thru 266)		128,612,643	120,232,372
268	Maintenance			
269	935	Maintenance of General Plant	3,702,725	3,142,510
270	TOTAL Administrative and General Expenses (Enter Total of lines 267 and 269)		132,315,368	123,374,882
271	TOTAL Gas O and M Expenses (Lines 97,177,201,229,237,244,251,and 270)		2,173,803,889	2,443,312,542
NUMBER OF GAS DEPARTMENT EMPLOYEES				
1. The data on number of employees should be of special construction employees in a footnote.				
reported for the payroll period ending nearest 3. The number of employees assignable to the gas department				
to October 31. from joint functions of combination utilities may be				
2. If the respondent's payroll for the reporting determined by estimate, on the basis of employee equivalents.				
period includes any special construction personnel, Show the estimated number of equivalent employees				
include such employee on line 3, and show the number attributed to the gas department from joint functions.				
1	Payroll Period Ended (Date)		10/31/09	
2	Total Regular Full-Time Employees		2,476	
3	Total Part-Time and Temporary Employees (Full Time Equivalents)		35	
4	Total Employees		2,511	

## 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 be 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	Miscellaneous Short Term Purchases	N/A	N/A
2	803	ANR Pipeline (Unused Reservation)		
3	803	Great Lakes Trans.(Unused Reservation)		
4	803	Trunkline Gas Co. (Unused Reservation)		
5				
6	803	Imbalance Gas		
7	803	Chevron USA		
8	803	Conoco Phillips Company		
9	803	Noble Energy Marketing		
10	803	Eagle Energy		
11	803	Oneok Gas Marketing		
12	803	Occidental		
13	803	BP Canada Energy Marketing		
14	803	Panhandle Pipeline (Unused Reserv.)		
15				
16	803	Tenaska Marketing Ventures		
17	803	Fortis Energy		
18	803	Morgan Stanley Capital Group		
19	803	Integrus		
20	803	Total Gas & Power North America, Inc		
21	803	Vector Pipeline (Unused Reservation)		
22	803	Nexen Marketing USA Inc		
23	803	Shell/Coral Energy Resources		
24	803	National Fuel Marketing		
25	803	Texla Energy		
26	803	BG Energy		
27	803	Cargill		
28	803	Powerex Corporation		
29	803	Sequent		
30	803	J Aron & Company		
31	803	Centerpoint		
32	803	Louis/Dreyfus		
33	803	Merrill Lynch		
34	803	Enbridge Marketing		
35	803	Adams Resources		
36	803	Barclays Bank		
37	803	Nicor		
38	803	Macquaire Cook		
39	803	Enterprise		
40	803	NJR Energy Services		
41	803	Laclede Energy Resources		
42	803	JP Morgan		
43	803	GCC - Integrus Energy Services		
44				
45	803	GCC - Direct Energy Services		
46				
47				
48				
49	803	GCC - Interstate Gas Supply		
50				
51				
52	803	GCC - MX Energy		
53				
54				
55				
56	803	GCC - Miscellaneous		
57	803	GCC - Lakeshore Energy		
58				
59	803	GCC - Universal Gas & Electric		
60				
61	803	GCC - My Choice Energy		
62				
63	803	GCC - Volunteer Energy Services		
64				
65	803	GCC - Constellation New Energy		
66	803	GCC - Energy USA-TPC		
67	803	GCC - Realgy Energy		
68	803	GCC - Spark Energy		
69	803	GCC - US Gas and Electric		
70				

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	153,341	1,333,197	869.43	1
	12/06/05	N/A	-	223,278	N/A	2
	10/09/06	N/A	-	1,333,653	N/A	3
	09/01/93	N/A	-	371,838	N/A	4
	[02/01/04]					5
	N/A	1,019	251,119	2,047,706	815.43	6
	02/01/03	1,019	15,141,700	70,640,386	466.53	7
	03/01/03	1,019	27,932,687	219,306,485	785.12	8
	01/01/03	1,019	6,940,332	60,147,699	866.64	9
	07/01/03	1,019	1,727,991	12,894,062	746.19	10
	01/01/03	1,019	2,583,979	19,673,392	761.36	11
	11/01/02	1,019	7,241,513	57,007,337	787.23	12
	03/01/03	1,019	33,612,478	249,751,683	743.03	13
	04/01/05		-	92,558	N/A	14
	[10/01/05]					15
	11/01/02	1,019	9,577,035	72,932,009	761.53	16
	004/01/02	1,019	867,890	7,817,217	900.72	17
	10/01/01	1,019	6,123,304	35,793,028	584.54	18
	12/18/02	1,019	4,813,141	40,111,264	833.37	19
	04/01/03	1,019	22,067,701	180,329,173	817.16	20
	06/29/06	N/A	-	351,408	N/A	21
	03/01/03	1,019	13,059,876	91,982,150	704.31	22
	10/01/04	1,019	14,477,084	100,848,085	696.60	23
	03/01/06	1,019	2,402,098	9,363,454	389.80	24
	03/15/06	1,019	1,102,147	10,120,883	918.29	25
	05/02/03	1,019	1,392,382	12,102,750	869.21	26
	09/01/05	1,019	11,225,731	59,007,579	525.65	27
	08/01/08	1,019	821,510	4,153,915	505.64	28
	01/01/03	1,019	4,228,065	18,483,882	437.17	29
	10/01/01	1,019	2,079,465	9,390,100	451.56	30
	03/01/05	1,019	580,923	2,118,023	364.60	31
	12/01/04	1,019	3,591,754	14,270,303	397.31	32
	03/29/07	1,019	892,893	3,721,900	416.84	33
	06/01/06	1,019	53,137	227,072	427.33	34
	08/01/08	1,019	3,150,404	12,332,012	391.44	35
	02/01/08	1,019	2,687,085	10,925,600	406.60	36
	04/01/03	1,019	293,682	1,156,500	393.79	37
	03/01/04	1,019	190,228	929,432	488.59	38
	04/10/09	1,019	1,579,350	6,096,192	385.99	39
	05/01/09	1,019	13,695	52,279	381.74	40
	08/01/05	1,019	1,823,178	6,657,288	365.15	41
	06/17/09	1,019	1,070,315	4,041,209	377.57	42
	08/25/05	1,019	285,607	1,672,842	585.71	43
	[03/31/07]					44
	12/21/00	1,019	5,491,636	53,695,056	977.76	45
	[03/10/03]					46
	[03/31&8/01/05]					47
	[03/31/07]					48
	01/05/05	1,019	8,781,280	63,376,492	721.72	49
	[03/31/05]					50
	[03/31/07]					51
	01/15/02	1,019	1,360,679	10,590,417	778.32	52
	[04/01/03]					53
	[03/31/05]					54
	[03/31/07]					55
	N/A	1,019	(151,050)	(1,316,242)	871.39	56
	11/28/05	1,019	2,383,007	16,254,537	682.10	57
	[03/31/07]					58
	01/03/06	1,019	5,879,883	61,658,622	1,048.64	59
	[03/31/07]					60
	01/31/06	1,019	464,241	3,287,518	708.15	61
	[03/31/07]					62
	06/28/06	1,019	3,882,703	23,690,817	610.16	63
	[03/31/07]					64
	03/15/07	1,019	816,780	4,868,811	596.10	65
	11/05/07	1,019	110,960	710,585	640.40	66
	04/02/08	1,019	148,599	920,887	619.71	67
	04/15/08	1,019	194,687	1,364,977	701.11	68
	04/15/08	1,019	1,678,747	10,624,682	632.89	69
	[01/31/09]					70

## 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				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
41				
42	Total		-	-

## 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)			
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
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					26
					27
					28
					29
					30
					31
					32
					33
					34
					35
					36
					37
					38
					39
					41
	-	-	-	-	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 Indenti- fication (n)
		Amount (j)	Account (k)	Amount (l)	Account (m)	
1	None					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
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21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
41						
42		Total	-		-	

## 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)	1,117,475	7,690,058	688.16	-	-
2	811 Gas Used for Products Extraction-Credit	-	-	-	-	-	-
3	Gas Shrinkage and Other Usage in Respondent's Own Processing	-	-	-	-	-	-
4	Gas Shrinkage, Etc., for Respondent's Gas Processed by Others	-	-	-	-	-	-
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	59,673	442,320	741.24	-	-
8	Transmission Measuring and Regulating Stations	857	216,162	1,671,828	773.41	-	-
9	Maintenance, Construction and Testing	367, 833	111,243	862,462	-	-	-
10	Gas Used in Company Buildings		48,314				
11							
12	Total Account 812 (Operations Usage)		435,392	2,976,610	683.66	-	-
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	Total		1,552,867	10,666,668	686.90	-	-

(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)	
Well Fargo Equipment Finance, Inc.	Vehicles (Note 1)	
Mobile Facility Engineering, Inc.	White Pigeon	
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)	2,043,781				(Note 3)	
	(Note 2)	228,796				(Note 3)	
		34,485				(Note 3)	
		35,168				(Note 3)	
		28,884				(Note 3)	
		49,736				(Note 3)	
		151,852				(Note 3)	
		25,518				(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.

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)		
Line No.	Description (a)	Amount (b)
1	Industry Association Dues	501,594
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	14,367
7	CE FIN 45	11,524
8	Common Ground Alliance	10,000
9	Miscellaneous Under \$5,000	41,814
10		
11	Total	77,705
12		
13		
14		
15		
16		
17	EMPLOYEE'S RELOCATION EXPENSES	
18		
19	Cartus Corp.	109,990
20	Company Reimbursed Employee Expenses	143,402
21		
22	Total	253,392
23		
24	EXEMPT VACATION LIABILITY	
25	To Accrue Vacation Earned	(855,224)
26		
27		
28	BOARD OF DIRECTORS' FEES	524,718
29		
30		
31	OTHER	
32		
33	Trustee Fees-Bonds	54,835
34	Various Banks - Service Charges	1,479,428
35	Billing Credits	(30,997)
36	Radio/TV Media	30,083
37	USWAG Fees	16,333
38	Miscellaneous Under \$5,000	6,633
39		
40		
41		
42		
43	Total	1,556,315
44		
45		
46		
47		
48	Total Account 930.2 (Gas)	2,058,500
49		
50		
51		
52		
53		
54		
55	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	-	-	-
2	Production plant, manufactured gas	-	-	-
3	Production and gathering plant, natural gas	-	-	-
4	Products extraction plant	-	-	-
5	Underground gas storage plant	7,320,047	-	107,166
6	Other storage plant	-	-	-
7	Base load LNG terminating and processing plant	-	-	-
8	Transmission plant	9,618,576	-	-
9	Distribution plant	73,156,518	-	-
10	General plant	4,521,836	-	-
11	Common plant gas			
12	Allocated gas portion of electric general plant	-	-	-
13	Allocated gas portion of common general plant	14,055,494	-	-
14	Allocated gas portion of common limited term plant	-	-	-
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	TOTAL	108,672,471	-	107,166

## 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.
18,910	1,430,971	1,449,881	Intangible plant	1
-	-	-	Production plant, manufactured gas	2
-	-	-	Production and gathering plant, natural gas	3
-	-	-	Products extraction plant	4
-	-	7,427,213	Underground gas storage plant	5
-	-	-	Other storage plant	6
-	-	-	Base load LNG terminating and processing plant	7
-	-	9,618,576	Transmission plant	8
-	-	73,156,518	Distribution plant	9
-	-	4,521,836	General plant	10
			Common plant gas	11
-	-	-	Allocated gas portion of electric general plant	12
-	7,535,130	21,590,624	Allocated gas portion of common general plant	13
36,361	-	36,361	Allocated gas portion of common limited term plant	14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
55,271	8,966,101	117,801,009	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	-	-
3	Onshore	535	Units of Production
4	Underground Gas Storage Plant	250,129	2.97
5	Transmission Plant		
6	Offshore	-	-
7	Onshore	484,919	1.97
8	General Plant	51,272	5.55
9	Distribution	2,398,621	3.06
10	Transmission Plant (Onshore)	23,718	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 2009
2. Depreciation rates in column (c) are composite rates.
3. Change in estimated gas reserves at December 31, 2009 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	-	-
3			Onondaga "10"	Ingham	-	-
4			Puttygut	St Clair	-	-
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		-	-
26						
27			B. NONPRODUCING GAS LANDS			
28			Undeveloped Leaseholds -			
29			Various		-	-
30						
31			Total Undeveloped Leaseholds		-	-
32						
33						
34						
35						
36	TOTAL				-	-

(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)	
-	160	38,415	504	891	664	39,306	1
-	3	4,091	-	-	3	4,091	2
-	-	130,053	-	-	-	130,053	3
							4
							5
							6
							7
							8
							9
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							12
							13
							14
							15
							16
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							18
							19
							20
							21
							22
							23
-	163	172,559	504	891	667	173,450	24
							25
							26
-	-	-	-	-	-	-	27
-	-	-	-	-	-	-	28
-	-	-	-	-	-	-	29
							30
							31
							32
							33
							34
							35
-	163	172,559	504	891	667	173,450	36

## COMPRESSOR STATIONS

1. Report below particulars (details) concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.

2. For column (a), indicate the production areas where such stations are used. Relatively small field compressor stations may be grouped by production areas. Show the number of stations grouped. Designate any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership,

Line No.	Name of Station and Location (a)	Number of Employees (b)	Plant Cost (c)
1	STORAGE:		
2			
3	Overisel	9	23,361,873
4			
5	St Clair	9	21,246,103
6			
7	Ray	10	64,471,518
8			
9	TRANSMISSION:		
10			
11	Northville	5	9,740,564
12			
13	White Pigeon	9	19,213,390
14			
15	Muskegon River Plant 1/2	14	33,933,189
16			
17	Muskegon River Plant 3 - Stab Plant (1)		
18			
19	Freedom	7	11,743,969
20			
21			
22			
23	TOTAL	63	183,710,606
24			
25			
26			
27			
28			
29			
30			
31			
32			
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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 Comprs. Operated of Time of Station Peak (h)	Date of Station Peak (i)	
1,912,328 (2)	429,802	23,361,873	12,789	3	1/10/09	1
178,837 (3)						2
1,799,798 (2)	1,455,895	21,246,103	8,827	3	1/27/09	3
92,953 (3)						4
2,153,074 (2)	904,190	64,471,518	7,916	4	6/16/09	5
154,029 (3)						6
						7
						8
						9
55,924 (2)	1,270,694	9,740,564	626	1	10/12/09	10
47,542 (3)						11
3,538,216 (2)	271,690	19,213,390	27,697	6	2/9/09	12
93,358 (3)						13
1,774,564 (2)	1,046,169	33,933,189	14,304	5	12/16/09	14
56,082 (3)						15
276,892 (2)		40,600	2,009	2	1/17/09	16
897 (3)						17
1,235,102 (2)	478,624	11,743,969	18,555	7	4/26/09	18
107,301 (3)						19
						20
						21
						22
12,745,898 (2)	5,857,064	183,751,206	92,723			23
730,999 (3)						24
						25
						26
						27
						28
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						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										
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GAS STORAGE PROJECTS		
<p>1. Report particulars (details) for total gas storage projects.</p> <p>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).</p> <p>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.</p>		
Line No.	Item (a)	Total Amount (b)
1	Natural Gas Storage Plant	
2	Land and Land Rights	16,476,679
3	Structures and Improvements	14,429,757
4	Storage Wells and Holders	68,658,779
5	Storage Lines	36,863,052
6	Other Storage Equipment	162,164,407
7	ARO Gas Intangible Asset	177,744
8	TOTAL (Enter Total of Lines 2 Thru 6)	298,770,418
9	Storage Expenses	
10	Operation	17,438,909
11	Maintenance	2,708,112
12	Rents	-
13	TOTAL (Enter Total of Lines 9 thru 11)	20,147,021
14	Storage Operations (In Mcf)	
15	Gas Delivered to Storage (1)	
16	January	135
17	February	229,759
18	March	722,490
19	April	9,782,488
20	May	14,413,515
21	June	19,731,325
22	July	20,636,416
23	August	21,031,659
24	September	18,324,291
25	October	8,084,469
26	November	811,215
27	December	22
28	TOTAL (Enter Total of Lines 15 thru 26)	113,767,784
29	Gas Withdrawn from Storage (1)	
30	January	32,785,512
31	February	18,360,984
32	March	12,675,822
33	April	1,118,006
34	May	24,589
35	June	26,143
36	July	120,562
37	August	18,201
38	September	15,492
39	October	578,803
40	November	6,837,883
41	December	27,938,698
42	TOTAL (Enter Total of Lines 29 Thru 40)	100,500,695

(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	94,035,940
44	Cushion Gas (Including Native Gas)	169,663,949
45	Total Gas in Reservoir (Enter Total of Line 43 and Line 44)	263,699,889
46	Certificated Storage Capacity	310,789,869
47	Number of Injection - Withdrawal Wells	843
48	Number of Observation Wells	158
49	Maximum Day's Withdrawal from Storage	1,766,000
50	Date of Maximum Days' Withdrawal	1/17/2009
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		
<p>1. Report below by States the total miles of pipeline operated by respondent at end of year.</p> <p>2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.</p> <p>3. Report separately any line that was not operated during the past year. Enter in a footnote the particulars (details) and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book cost are contemplated.</p> <p>4. Report the number of miles of pipe to one decimal point.</p>		
Line No.	Designation (Identification) of Line or Group of Lines (a)	Total Miles of Pipe (to O.1) (b)
1	Overisel-Laingsburg Line 1100	82.9
2	Trunkline-White Pigeon Ln 1200	184.2
3	Overisel-Kalamazoo Line 1300	42.7
4	Northville-Clarkston Line 1400	23.4
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	Ln 1200b Mendon To Lutes Rd	11.8
24	Goose Creek to Mrc Station	5.4
25	Ln 600 Rochester Line	29.2
26	Panhandle Eastern North Line	140.1
27	Kinder Morgan Line	15.0
28	Freedom-Ovid Line	61.1
29	Ovid-Musk River Line	81.4
30	Laingsburg-Ithaca Line	30.4
31	Ithaca-Herrick Line	39.5
32	Muskegon Rvr-Mt Pleasant Line	37.2
33	Lansing Lateral Line	13.3
34	Lngsbrg Clarkston-Mt Clemens	72.3
35	Ovid-Grad Blanc	41.9
36	Zilwaukee Jct-Musk Rvr	61.4
37	Mt Pleasant-Zilwaukee	34.9
38	Riverside-Muskegon	11.8
39	Alma-Saginaw	30.7
40	Southern Mich Laterals	42.5
41	Plymouth-Clawson-8mi Purch R/W	10.8
42	Adam Road City Gate	5.3
43	Northville to Newburgh 24"	10.8
44	Miscellaneous Lines	33.0
45		
46	Total Miles of Distribution Main	26,526.4
47	TOTAL	28,178.1

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)
Section A. Three Highest Days of System Peak Deliveries				
1	Date of Highest Day's Deliveries	1/16/2009		
2	Deliveries to Customers Subject to MPSC Rate Schedules		2,404,000	
3	Deliveries to Others (End User Transport)		N/A	
4	TOTAL		2,404,000	
5	Date of Second Highest Day's Deliveries	1/15/2009		
6	Deliveries to Customers Subject to MPSC Rate Schedules		2,376,000	
7	Deliveries to Others (End User Transport)		N/A	
8	TOTAL		2,376,000	
9	Date of Third Highest Day's Deliveries	2/4/2009		
10	Deliveries to Customers Subject to MPSC Rate Schedules		2,248,000	
11	Deliveries to Others (End User Transport)		N/A	
12	TOTAL		2,248,000	
Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)				
13	Dates of Three Consecutive Days Highest System Peak Deliveries	1/14/2009 1/15/2009 1/16/2009		
14	Deliveries to Customers Subject to MPSC Rate Schedules		7,000,000	
15	Deliveries to Others (End User Transport)		N/A	
16	TOTAL		7,000,000	
17	Supplies from Line Pack		N/A	
18	Supplies from Underground Storage		4,946,000	
19	Supplies from Other Peaking Facilities		N/A	
Section C. Highest Month's System Deliveries				
20	Month of Highest Month's System Deliveries	January -09		
21	Deliveries to Customers Subject to MPSC Rate Schedules		56,293,000	
22	Deliveries to Others (End User Transport)		N/A	
23	TOTAL		56,293,000	

(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
- PIPELINES-PANHANDLE EASTERN PIPE LINE CO.
- OTHER PIPELINES
- MICH CON PIPELINES
- OTHER PIPELINES OPERATED BY CE
- ⊙ COMPRESSOR STATIONS-CONSUMERS ENERGY

STRAITS OF MACKINAC

**Consumers Energy**

INTEGRATED NATURAL GAS SYSTEM  
GAS SYSTEM MAP



