

MICHIGAN PUBLIC SERVICE COMMISSION

ANNUAL REPORT OF NATURAL GAS UTILITIES (MAJOR AND NON-MAJOR)

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 violation of the Acts.

Report submitted for year ending: January 1, 2013 through December 31, 2013																	
Present name of respondent: Michigan Gas Utilities Corporation																	
Address of principal place of business: 899 South Telegraph Road, Monroe, MI 48161																	
Utility representative to whom inquires regarding this report may be directed: <table><tr><td>Name:</td><td>Barbara Nick</td><td>Title:</td><td>President</td></tr><tr><td>Address:</td><td colspan="3">899 South Telegraph Road</td></tr><tr><td>City:</td><td>Monroe</td><td>State:</td><td>MI Zip: 48161</td></tr><tr><td>Telephone, Including Area Code:</td><td colspan="3">(734) 457-6156</td></tr></table>		Name:	Barbara Nick	Title:	President	Address:	899 South Telegraph Road			City:	Monroe	State:	MI Zip: 48161	Telephone, Including Area Code:	(734) 457-6156		
Name:	Barbara Nick	Title:	President														
Address:	899 South Telegraph Road																
City:	Monroe	State:	MI Zip: 48161														
Telephone, Including Area Code:	(734) 457-6156																
If the utility name has been changed during the past year: Prior Name: Date of Change:																	
Two copies of the published annual report to stockholders: <table><tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td>were forwarded to the Commission</td></tr><tr><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td>will be forwarded to the Commission</td></tr><tr><td colspan="2"></td><td>on or about April 30, 2014</td></tr></table>		<input type="checkbox"/>	<input type="checkbox"/>	were forwarded to the Commission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	will be forwarded to the Commission			on or about April 30, 2014							
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Annual reports to stockholders: <table><tr><td><input type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td>are published</td></tr><tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td>are not published</td></tr></table>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	are published	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	are not published								
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	are published														
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	are not published														

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Heather Cantin) at
(517) 241-0967 or cantinh@michigan.gov OR forward correspondence to:

DLARA/MPSC
Financial Analysis & Audit Division (Heather Cantin)
4300 W. Sagniaaw Hwy
Lansing, MI 48917

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:
Michigan Gas Utilities Corporation:

We have audited the accompanying financial statements of Michigan Gas Utilities Corporation (the "Company"), which comprise the balance sheet — regulatory basis as of December 31, 2013, and the related statements of income — regulatory basis, retained earnings — regulatory basis, and cash flows — regulatory basis for the year then ended, included on pages 110 through 123 of the accompanying Michigan Public Service Commission Form P-522, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, the assets, liabilities, and proprietary capital of Michigan Gas Utilities Corporation as of December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

Basis of Accounting

As discussed in Note 1 to the financial statements, these financial statements were prepared in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restricted Use

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

Deloitte & Touche LLP

April 30, 2014

INSTRUCTIONS FOR THE FILING OF THE ANNUAL REPORT OF
MAJOR AND NONMAJOR ELECTRIC UTILITIES

GENERAL INFORMATION

I. Purpose:

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

II. Who Must Submit:

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

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

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

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

III. What and Where to Submit:

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

Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy.
Lansing, MI 48917

Retain one copy of this report for your files. Also submit the electronic version of this record to Heather Cantin at the address below or to cantinh@michigan.gov

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

Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy
Lansing, MI 48917

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

- (i) Contain a paragraph attesting to the conformity, in all material aspects, of the schedules and pages listed below with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- (ii) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority or a state or other political subdivision of the U.S. (See 18 CFR 41.10-41.12 for specific qualifications).

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

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

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

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

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

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

Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy.
Lansing, MI 48917

IV. When to Submit

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

GENERAL INSTRUCTIONS

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

at the end of the current reporting year, and use for statement of income accounts the current year's amounts.

- III.** Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
- IV.** For any page(s) that is not applicable to respondent, either
- (a) Enter the words "NOT APPLICABLE" on the particular page(s), OR
 - (b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column (c) on the List of Schedules, pages 2, 3, 4.
- V.** Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. The copies, however, may be carbon copies or other similar means or reproduction provided the impressions are clear and readable.
- VI.** Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" at the top of each page is applicable only to resubmissions (See VIII, below).
- VII.** Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ().
- VIII.** When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the identification and Attestation page, page 1. Mail dated resubmissions to:
- Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy
Lansing, MI 48917
- IX.** Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and page number supplemented.
- X.** Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI.** Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XII.** Report all gas volumes on a pressure base of 14.65 psia and a temperature base of 60° F.
- XIII.** Respondents may submit computer printed schedules (reduced to 8 1/2 x 11 inch size) instead of preprinted schedules if they are in substantially the same format.

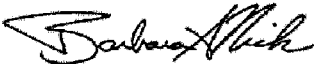
DEFINITIONS

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

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

MPSC FORM P-522

ANNUAL REPORT OF NATURAL GAS COMPANIES (Major and Nonmajor)

IDENTIFICATION		
01 Exact Legal Name of Respondent Michigan Gas Utilities Corporation		02 Year of Report December 31, 2013
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Business Office at End of Year (Street, City, State, Zip) 899 South Telegraph Road, Monroe, Michigan 48161		
05 Name of Contact Person Barbara A. Nick		06 Title of Contact Person President
07 Address of Contact Person (Street, City, State, Zip) 899 South Telegraph Road, Monroe, Michigan 48161		
08 Telephone of Contact Person, Including Area Code: (734) 457-6156	09 This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) April 30, 2014
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including April 1 and including December 31 of the year of the report.		
01 Name Barbara A. Nick	03 Signature 	04 Date Signed (Mo, Da, Yr) April 11, 2014
02 Title President		

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
LIST OF SCHEDULES (Natural Gas Utility)			
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
General Information	101		
Control Over Respondent & Other Associated Companies	M 102		
Corporations Controlled by Respondent	103	None	
Officers and Employees	M 104		
Directors	105		
Security Holders and Voting Powers	M 106-107		
Important Changes During the Year	108-109		
Comparative Balance Sheet	M 110-113		
Statement of Income for the Year	M 114-117	Page 116 - None	
Statement of Retained Earnings for the Year	M 118-119		
Statement of Cash Flows	120-121		
Notes to Financial Statements	122-123		
BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201		
Gas Plant in Service	M 204-212B		
Gas Plant Leased to Others	213	None	
Gas Plant Held for Future Use	214	None	
Production Properties Held for Future Use	215	None	
Construction Work in Progress - Gas	216		
Construction Overheads - Gas	217		
General Description of Construction Overhead Procedure	M 218		
Accumulated Provision for Depreciation of Gas Utility Plant	M 219		
Gas Stored	220		
Nonutility Property	221	None	
Accumulated Provision for Depreciation and Amortization of Nonutility Property	221	None	
Investments	222-223		
Investment in Subsidiary Companies	224-225	None	
Gas Prepayments Under Purchase Agreements	226-227		
Advances for Gas Prior to Initial Deliveries or Commission Certification	229	None	
Prepayments	230		
Extraordinary Property Losses	230	None	
Unrecovered Plant and Regulatory Study Costs	230	None	
Preliminary Survey and Investigation Charges	231	None	
Other Regulatory Assets	232		
Miscellaneous Deferred Debits	233		
Accumulated Deferred Income Taxes (Account 190)	234-235		

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
LIST OF SCHEDULES (Natural Gas Utility) (Continued)			
Title of Schedule	Reference Page No.	Remarks	
(a)	(b)	(c)	
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)			
Capital Stock	250-251		
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252		
Other Paid-In Capital	253		
Discount on Capital Stock	254	None	
Capital Stock Expense	254	None	
Securities Issued or Assumed and Securities Refunded or Retired During the Year	255	None	
Long-Term Debt	256-257		
Unamortized Debt Expense, Premium and Discount on Long-Term Debt	258-259	None	
Unamortized Loss and Gain on Reacquired Debt	260	None	
Notes Payable	260A	None	
Payables to Associated Companies	260B		
Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	M 261 A-B	See MPSC Form P-522, Page 261	
Calculation of Federal Income Tax	M 261 C-D	See MPSC Form P-522, Page 261	
Taxes Accrued, Prepaid and Charged During Year	262-263		
Investment Tax Credits Generated and Utilized	264-265	None	
Accumulated Deferred Investment Tax Credits	M 266-267		
Miscellaneous Current and Accrued Liabilities	M 268		
Other Deferred Credits	269		
Accumulated Deferred Income Taxes - Accelerated Amortization Property	272-273	None	
Accumulated Deferred Income Taxes - Other Property	274-275		
Accumulated Deferred Income Taxes - Other	M 276 A-B		
Other Regulatory Liabilities	278		
INCOME ACCOUNT SUPPORTING SCHEDULES			
Gas Operating Revenues	300-301		
Rates and Sales Section	M 305 A-C		
Off-System Sales - Natural Gas	M 310 A-B		
Revenue from Transportation of Gas of Others-Natural Gas	312-313		
Sales of Products Extracted from Natural Gas	315	None	
Revenues from Natural Gas Processed by Others	315	None	
Gas Operation and Maintenance Expenses	M 320-325		
Number of Gas Department Employees	325		
Exploration and Development Expenses	326	None	
Abandoned Leases	326	None	
Gas Purchases	M 327, 327A-B		
Exchange Gas Transactions	328-330	None	
Gas Used in Utility Operations - Credit	331		
Transmission and Compression of Gas by Others	332-333	None	
Other Gas Supply Expenses	334		
Miscellaneous General Expenses - Gas	M 335		
Depreciation, Depletion and Amortization of Gas Plant	336-338		
Income from Utility Plant Leased to Others	339	None	
Particulars Concerning Certain Income Deduction and Interest Charges	340		

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
LIST OF SCHEDULES (Natural Gas Utility) (Continued)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
COMMON SECTION			
Regulatory Commission Expenses	350-351		
Research, Development and Demonstration Activities	352-353	None	
Distribution of Salaries and Wages	354-355		
Charges for Outside Professional and Other Consultative Services	357		
GAS PLANT STATISTICAL DATA			
Natural Gas Reserves and Land Acreage	500-501	None	
Changes in Estimated Hydrocarbon Reserves and Costs, and Net Realizable Value	504-505	None	
Compressor Stations	508-509		
Gas and Oil Wells	510	None	
Gas Storage Projects	M 512-513		
Distribution and Transmission Lines	M 514		
Liquefied Petroleum Gas Operations	516-517	None	
Distribution System Peak Deliveries	M 518		
Auxiliary Peaking Facilities	519		
System Map	522		
Footnote Data	551		
Stockholders' Report	---		
MPSC SCHEDULES			
Reconciliation of Deferred Income Tax Expense	117 A-B		
Operating Loss Carryforward	117 C	None	
Notes & Accounts Receivable Summary for Balance Sheet	228 A		
Accumulated Provision for Uncollectible Accounts - Credit	228 A		
Receivables From Associated Companies	228 B		
Materials and Supplies	228 C		
Notes Payable	260 A	None	
Payables to Associated Companies	260 B		
Customer Advances for Construction	268		
Accumulated Deferred Income Taxes - Temporary	277	None	
Gas Operation and Maintenance Expenses (Nonmajor)	320N-324N	None	
Lease Rentals Charges	333A-333D	None	
Depreciation, Depletion and Amortization of Gas Plant (Nonmajor)	336 N	None	
Particulars Concerning Certain Other Income Accounts	341		
Gain or Loss on Disposition of Property	342 A-B	None	
Expenditures for Certain Civic, Political and Related Activities	343		
Common Utility Plant and Expenses	356	None	
Summary of Costs Billed to Associated Companies	358-359		
Summary of Costs Billed from Associated Companies	360-361		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
GENERAL INFORMATION			
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>Linda Kallas, Vice President - Corporate Controller Integrus Energy Group, Inc. 700 North Adams Street Green Bay, WI 54307</p>			
<p>2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.</p> <p>Delaware, September 16, 2005</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>N/A</p>			
<p>4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.</p> <p>Retail sale and transportation of natural gas and administrative services.</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) Yes...Enter the date when such independent accountant was initially engaged: _____</p> <p>(2) <input checked="" type="checkbox"/> No</p>			

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Michigan Gas Utilities Corporation			
CONTROL OVER RESPONDENT			
<p>1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for</p>		<p>whom trust was maintained, and purpose of the trust. If other companies are controlled by the organization which holds control over the respondent, list the names of such companies and the kind of business each is engaged in.</p> <p>2. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.</p>	
<p>Michigan Gas Utilities Corporation is a wholly-owned subsidiary of Integrys Energy Group, Inc.</p> <p>The 2013 Annual Report and Form 10-K of Integrys Energy Group, Inc. are included.</p>			

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

OFFICERS			
<p>1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy-making functions.</p>		<p>2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and date the change incumbency was made.</p> <p>3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.</p>	

Line No.	Title (a)	Name of Officer (b)	Salary for Year* (c)
1	Chief Executive Officer	L T BORGARD	\$ 1,982,090
2	President	B A NICK	608,796
3	Vice President	C F HAUSKA	239,145
4	Vice President-External Affairs	J F SCHOTT	1,159,640
5	Secretary	J J CARO	776,991
6	Treasurer	W J GUC	491,108
7	Assistant Secretary	D E ALLEN	204,144
8			
9			
10			
11	*Included in 'Salary for Year' is Base Wages and other compensation.		
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14			
15	*Note: Salary for the year includes elective deferred compensation, FASB ASC Topic 718 stock compensation, above market earnings compensation, incentives, and company contributions under the Employee Stock Ownership Plan and Trust. Balances reported agree with amount in the Proxy and Form 10-K, if applicable.		
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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
DIRECTORS			
<p>1. Report below any information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.</p> <p>2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.</p>			
Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
1 Lawrence T. Borgard - President & Chief Operating Officer	200 East Randolph Street Chicago, IL 60601	5	\$ -
2 *Mary J. Boettcher - Vice President - Customer Relations	200 East Randolph Street Chicago, IL 60601	1	-
3 *William J. Guc - Treasurer	700 North Adams Street Green Bay, WI 54301	1	-
4 Barbara A. Nick - President	700 North Adams Street Green Bay, WI 54301	5	-
5 James F. Schott - Vice President Regulatory Affairs	700 North Adams Street Green Bay, WI 54301	5	-
6 *Charles A. Schrock - President & Chief Executive Officer	200 East Randolph Street Chicago, IL 60601	1	-
<p><u>Footnote Data</u></p> <p>*Removed from the board of directors on March 15, 2013.</p>			

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
SECURITY HOLDERS AND VOTING POWERS			
<p>1. (A) Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting power.</p> <p>Integrys Energy Group, Inc. 200 East Randolph Street Chicago, IL 60601</p>			
<p>1. (B) Give also the name and indicate the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders. N/A</p> <p>2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such securities. N/A</p> <p>3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote. N/A</p> <p>4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration date. N/A</p>			
<p>1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:</p> <p>Stock books are not closed prior to the end of the year.</p>			
<p>2. State the total number of votes cast at the latest general proxy meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy:</p> <p>Total: 100</p> <p>By Proxy: 0</p> <p style="text-align: right;">Meeting conducted by unanimous consent of the sole shareholder, Integrys Energy Group, Inc., on May 30, 2013.</p>			
<p>3. Give the date and place of such meeting:</p> <p>Directors were elected May 30, 2013, via unanimous consent of the sole shareholder, Integrys Energy Group, Inc., in lieu of an Annual Meeting.</p>			

Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
SECURITY HOLDERS AND VOTING POWERS (Continued)					
Line	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes all voting securities		100		
5	TOTAL number of security holders		1		
6	TOTAL votes of security holders listed below		100		
	Integrus Energy Group, Inc.		100		
7	200 East Randolph Street				
8	Chicago, IL 60601				
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35					
# <u>RESPONSE/NOTES TO INSTRUCTION #</u> 2 Not Applicable. 3 Not Applicable. 4 Not Applicable.					

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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
IMPORTANT CHANGES DURING THE YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none", "not applicable" or "NA" where applicable.</p>			
<p>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</p> <p>2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.</p> <p>3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.</p> <p>4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents and other conditions. State name of Commission authorizing lease and give reference to such authorization.</p> <p>5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.</p> <p>6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required.</p> <p>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</p> <p>8. State the estimated annual effect and nature of any important wage scale changes during the year.</p> <p>9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.</p> <p>10. Describe briefly and materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</p> <p>11. Estimated increase or decrease in annual revenues due to important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.</p> <p>12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be attached to this page.</p>			

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
IMPORTANT CHANGES DURING THE YEAR			
<p>1. None.</p> <p>2. None.</p> <p>3. None.</p> <p>4. Michigan Gas Utilities Corporation ("MGUC") had no material leases as of December 31, 2013.</p> <p>5. MGUC had no new major source of gas made available to it during 2013.</p> <p>6. None.</p> <p>7. None.</p> <p>8. MGUC's general wage increase and market wage data adjustments for non-union exempt and non-exempt employees was 2.6%, effective February 17, 2013, with an annual impact of \$92K. MGUC's general wage increase for union employees represented by The Utility Workers Union, Local 417 was 3.00%, effective February 3, 2013, with an annual impact of \$47.5K. MGUC's general wage increase for union members represented by The United Steeelworkers, Local 12295 was 3.0%, effective January 6, 2013, with an annual impact of \$125.5K.</p> <p>9. MGUC is involved in various legal proceedings which arise in the normal course of operations. The individual claims are not material to Integrys Energy Group, as a whole, and reserves have been provided on the balance sheet as appropriate.</p> <p>10. None.</p> <p>11. None.</p> <p>12. None.</p>			

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114, 118)	200-201	315,033,515	330,659,409
3	Construction Work in Progress (107)	200-201	5,086,345	5,144,448
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		320,119,860	335,803,857
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115, 119)		174,948,414	176,539,743
6	Net Utility Plant (Enter Total of line 4 less 5)		145,171,446	159,264,114
7	Nuclear Fuel (120.1-120.4, 120.6)		0	0
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)		0	0
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		0	0
10	Net Utility Plant (Enter Total of lines 6 and 9)		145,171,446	159,264,114
11	Utility Plant Adjustments (116)	122-123	0	0
12	Gas Stored-Base Gas (117.1)	220	3,601,761	3,132,625
13	System Balancing Gas (117.2)	220	0	0
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220	0	0
15	Gas Owed to System Gas (117.4)	220	0	0
16	OTHER PROPERTY AND INVESTMENTS			
17	Nonutility Property (121)	221	0	0
18	(Less) Accum. Prov. for Depr. and Amort. (122)	221	0	0
19	Investments in Associated Companies (123)	222-223	0	0
20	Investments in Subsidiary Companies (123.1)	224-225	0	0
21	(For cost of Account 123.1 See Footnote Page 224, line 42)			
22	Noncurrent Portion of Allowances	---	0	0
23	Other Investments (124)	222-223,229	0	0
24	Sinking Funds (125)		0	0
25	Depreciation Fund (126)		0	0
26	Amortization Fund - Federal (127)		0	0
27	Other Funds (128)		0	25,000
28	LT Portion of Derivative Assets (175)		0	500
29	LT Portion of Derivative Assets - Hedges (176)		0	0
30	TOTAL Other Property and Investments (Total of lines 17 thru 27)		0	25,500
31	CURRENT AND ACCRUED ASSETS			
32	Cash (131)	---	821,018	370,841
33	Special Deposits (132-134)	---	365,419	3,927
34	Working Fund (135)	---	2,000	2,000
35	Temporary Cash Investments (136)	222-223	750,000	0
36	Notes Receivable (141)	228A	0	0
37	Customer Accounts Receivable (142)	228A	15,267,691	18,819,367
38	Other Accounts Receivable (143)	228A	600,558	476,464
39	(Less) Accum. Prov. for Uncoll. Acct.-Credit (144)	228A	1,235,876	1,221,877
40	Notes Receivable from Associated Companies (145)	228B	0	0
41	Accounts Receivable from Associated Companies (146)	228B	33,583	80,695
42	Fuel Stock (151)	228C	0	0
43	Fuel Stock Expenses Undistributed (152)	228C	0	0
44	Residuals (Elec) and Extracted Products (153)	228C	0	0
45	Plant Materials and Operating Supplies (154)	228C	475,637	543,930
46	Merchandise (155)	228C	0	0
47	Other Materials and Supplies (156)	228C	0	0
48	Nuclear Material Held for Sale (157)	228C	0	0

Name of Respondent		This Report Is:		Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2014	December 31, 2013
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
49	Allowances (158.1 and 158.2)	---	0	0	
50	(Less) Noncurrent Portion of Allowances	---	0	0	
51	Stores Expense Undistributed (163)	228C	19,610	9,055	
52	Gas Stored Underground-Current (164.1)	220	16,382,884	14,958,083	
53	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	220	0	0	
54	Prepayments (165)	226,230	481,750	4,097,979	
55	Advances for Gas (166-167)	229	0	0	
56	Interest and Dividends Receivable (171)	---	2	4	
57	Rents Receivable (172)	---	0	0	
58	Accrued Utility Revenues (173)	---	10,998,407	15,419,921	
59	Miscellaneous Current and Accrued Assets (174)	---	7,146,415	4,930,346	
60	Derivative Instrument Assets (175)		28,723	327,649	
61	(Less) LT Portion of Derivative Instrument Assets (175)		0	500	
62	Derivative Instrument Assets - Hedges (176)		0	0	
63	(Less) LT Portion of Derivative Instrument Assets - Hedges (176)		0	0	
64	TOTAL Current and Accrued Assets (Enter Total of lines 30 thru 62)		52,137,821	58,817,884	
65	DEFERRED DEBITS				
66	Unamortized Debt Expenses (181)	---	0	0	
67	Extraordinary Property Losses (182.1)	230	0	0	
68	Unrecovered Plant & Regulatory Study Costs (182.2)	230	0	0	
69	Other Regulatory Assets (182.3)	232	49,787,291	32,363,625	
70	Prelim. Survey & Invest. Charges (Electric) (183)	---	0	0	
71	Prelim. Survey & Invest. Charges (Gas) (183.1, 183.2)	231	0	0	
72	Clearing Accounts (184)	---	0	0	
73	Temporary Facilities	---	0	0	
74	Miscellaneous Deferred Debits (186)	233	64,178,336	70,270,961	
75	Def. Losses from Disposition of Utility Plant (187)	---	0	0	
76	Research, Devel. And Demonstration Expend. (188)	352-353	0	0	
77	Unamortized Loss on Reacquired Debt (189)	---	0	0	
78	Accumulated Deferred Income Taxes (190)	234-235	30,942,396	26,503,653	
79	Unrecovered Purchased Gas Costs (191)	---	0	0	
80	TOTAL Deferred Debits (Enter Total of lines 64 thru 77)		144,908,023	129,138,239	
81	TOTAL Assets and Other Debits (Enter Total of lines 10 - 15, 28, 62 and 78)		345,819,051	350,378,362	

Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) May 1, 2014	Year of Report December 31, 2013
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	100	100
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	168,715,930	164,346,084
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	(25,347,379)	(17,639,209)
12	Unappropriate Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reacquired Capital Stock (217)	250-251	0	0
14	Accumulated Other Comprehensive Income (219)	117	0	0
15	TOTAL Proprietary Capital (Enter Total of lines 2 thru 14)		143,368,651	146,706,975
16	LONG-TERM DEBT			
17	Bonds (221)	256-257	0	0
18	(Less) Reacquired Bonds (222)	256-257	0	0
19	Advances from Associated Companies (223)	256-257	56,000,000	71,000,000
20	Other Long-Term Debt (224)	256-257	0	0
21	Unamortized Premium on Long-Term Debt (225)	258-259	0	0
22	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	258-259	0	0
23	(Less) Current Portion of Long-Term Debt		0	0
24	TOTAL Long-Term Debt (Enter Total of lines 17 thru 23)		56,000,000	71,000,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases-Noncurrent (227)	---	0	0
27	Accumulated Prov. For Property Insurance (228.1)	---	0	0
28	Accumulated Prov. For Injuries and Damages (228.2)	---	17,717	0
29	Accumulated Prov. For Pensions and Benefits (228.3)	---	18,898,521	3,676,882
30	Accumulated Misc. Operating Provisions (228.4)	---	0	0
31	Accumulated Provision for Rate Refunds (229)	---	0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		1,567,193	1,658,921
35	TOTAL Other Noncurrent Liabilities (Enter Total of lines 26 thru 34)		20,483,431	5,335,803
36	CURRENT AND ACCRUED LIABILITIES			
37	Current Portion of Long-Term Debt			
38	Notes Payable (231)	260A	0	0
39	Accounts Payable (232)	---	19,417,902	19,341,372
40	Notes Payable to Associated Companies (233)	260B	28,000,000	21,800,000
41	Accounts Payable to Associated Companies (234)	260B	2,630,594	2,510,649
42	Customer Deposits (235)	---	254,622	180,901
43	Taxes Accrued (236)	262-263	5,057,520	3,866,025
44	Interest Accrued (237)	---	20,459	28,705
45	Dividends Declared (238)	---	0	0
46	Matured Long-Term Debt (239)	---	0	0

Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) May 1, 2014	Year of Report December 31, 2013
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
47	Matured Interest		0	0
48	Tax Collections Payable (241)		0	209,442
49	Misc. Current and Accrued Liabilities (242)		1,929,810	1,976,237
50	Obligations Under Capital Leases-Current (243)		0	0
51	Derivative Instrument Liabilities (244)		150,120	37,082
52	(Less) LT Portion of Derivative Instrument Liabilities		0	0
53	Derivative Instrument Liabilities - Hedges (245)		0	0
54	(Less LT Portion of Derivative Instrument Liabilities - Hedges)		0	0
55	Federal Income Taxes Accrued for Prior Years (246)		0	0
56	State and Local Taxes Accrued for Prior Years (246.1)		0	0
57	Federal Income Taxes Accrued for Prior Years - Adjustments (247)		0	0
58	State and Local Taxes Accrued for Prior Years - Adjustments (247.1)		0	0
59	TOTAL Current and Accrued Liabilities (Enter Total of lines 37 thru 58)		57,461,027	49,950,413
60	DEFERRED CREDITS			
61	Customer Advances for Construction (252)		0	0
62	Accumulated Deferred Investment Tax Credits (255)		603,881	580,399
63	Deferred Gains from Disposition of Utility Plt. (256)		0	0
64	Other Deferred Credits (253)		20,660,862	26,368,898
65	Other Regulatory Liabilities (254)		1,076,162	2,177,474
66	Unamortized Gain on Reacquired Debt (257)		0	0
67	Accumulated Deferred Income Taxes - Accelerated Amortization (281)		0	0
68	Accumulated Deferred Income Taxes - Other Property (282)		25,250,336	29,961,084
69	Accumulated Deferred Income Taxes - Other (283)		20,914,701	18,297,316
70	TOTAL Deferred Credits (Enter Total of lines 61 thru 69)		68,505,942	77,385,171
71	TOTAL Liabilities and Other Credits (Enter Total of lines 15, 24, 35, 59 and 70)		345,819,051	350,378,362

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2014	December 31, 2013

STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, *Revenue and Expenses from Utility Plant Leased to Others*, in another utility column (l, k, m, o) in a similar manner to a utility department. Spread the amount(s) over lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.

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

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

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

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

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

Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Gas Operating Revenues (400)	300-301	134,388,387	126,281,255
3	Operating Expenses			
4	Operation Expenses (401)	320-325	105,187,013	98,880,424
5	Maintenance Expenses (402)	320-325	1,977,700	1,915,958
6	Depreciation Expenses (403)	336-338	6,039,353	8,088,631
7	Depreciation Expense for Asset Retirement Costs (403.1)		0	0
8	Amort. & Depl. Of Utility Plant (404-405)	336-338	26,744	26,744
9	Amort. Of Utility Plant Acq. Adj. (406)	336-338	0	0
10	Amort. Of Property Losses, Unrecovered Plant and Regulatory Study Costs (407.1)		0	0
11	Amort. Of Conversion Expenses (407.2)		0	0
12	Regulatory Debits (407.3)		0	0
13	(Less) Regulatory Credits (407.4)		0	0
14	Taxes Other Than Income Taxes (408.1)	262-263	4,308,707	4,263,950
15	Income Taxes - Federal (409.1)	262-263	637,267	(1,685,133)
16	Income Taxes - Other (409.1)	262-263	408,664	(256,601)
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	22,530,712	13,040,056
18	(Less) Provision for Deferred Income Taxes Cr. (411.1)	234, 272-277	18,713,946	8,188,419
19	Investment Tax Credit Adj. - Net (411.4)	266	(23,482)	9,482
20	(Less) Gains from Disp. Of Utility Plant (411.6)		0	0
21	Losses from Disp. Of Utility Plant (411.7)		0	0
22	(Less) Gains from Disposition of Allowances (411.8)		0	0
23	Losses from Disposition of Allowances (411.9)		0	0
24	Accretion Expense (411.10)		0	
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		122,378,732	116,095,092
26	Net Utility Operating Income (Enter Total of line 2 less 25) (Carry forward to page 117, line 27)		12,009,655	10,186,163

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2014	December 31, 2013

STATEMENT OF INCOME FOR THE YEAR (Continued)

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

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

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

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

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

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

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
(e)	(f)	(e)	(f)	(e)	(f)	
						1
		134,388,387	126,281,255			2
						3
		105,187,013	98,881,269		(845)	4
		1,977,700	1,915,958			5
		6,039,353	8,088,631			6
		0	0			7
		26,744	26,744			8
		0	0			9
		0	0			10
		0	0			11
		0	0			12
		0	0			13
		4,308,707	4,263,933		17	14
		637,267	(1,685,133)			15
		408,664	(256,601)			16
		22,530,712	13,040,056			17
		18,713,946	8,188,419			18
		(23,482)	9,482			19
		0	0			20
		0	0			21
		0	0			22
		0	0			23
		0	0			24
		122,378,732	116,095,920		(828)	25
		12,009,655	10,185,335		828	26

Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
STATEMENT OF INCOME PER THE YEAR (Continued)					
Line No.	Account (a)	Ref. Page No. (b)	TOTAL		
			Current Year (c)	Previous Year (d)	
27	Net Utility Operating Income (Carried forward from Page 114)	---	12,009,655	10,186,163	
28	Other Income and Deductions				
29	Other Income				
30	Nonutility Operating Income				
31	Revenue From Merchandising, Jobbing and Contract Work (415)		33,956	69,488	
32	(Less) Costs and Exp. Of Merchandising, Job & Contract Work (416)		0	0	
33	Revenue From Non Utility Operations (417)		1,022	2,408	
34	(Less) Expenses of Nonutility Operations (417.1)		(21,016)	(32,370)	
35	Nonoperating Rental Income (418)		1,285	0	
36	Equity in Earnings of Subsidiary Companies (418.1)	119	0	0	
37	Interest and Dividend Income (419)		9,251	14,000	
38	Allowance for Other Funds Used During Construction (419.1)		0	(13,893)	
39	Miscellaneous Nonoperating Income (421)		71,703	39,332	
40	Gain on Disposition of Property (421.1)		0	0	
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		96,201	78,965	
42	Other Income Deductions				
43	Loss on Disposition of Property (421.2)		0	0	
44	Miscellaneous Amortization (425)	340	0	0	
45	Donations (426.1)	340	11,622	11,442	
46	Life Insurance (426.2)		0	0	
47	Penalties (426.3)		(13,713)	0	
48	Expenditures for Certain Civic, Political, and Related Activities (426.4)		16,506	22,181	
49	Other Deductions (426.5)		(8,663)	2,010	
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		5,752	35,633	
51	Taxes Applic. To Other Income and Deductions				
52	Taxes Other Than Income Taxes (408.2)	262-263	125	125	
53	Income Taxes -- Federal (409.2)	262-263	(1,921,721)	(3,135,068)	
54	Income Taxes -- Other (409.2)	262-263	(665,406)	(662,259)	
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	7,213,412	6,204,078	
56	(Less) Provision for Deferred Income Taxes -- Cr. (411.2)	234, 272-277	4,591,987	2,389,573	
57	Investment Tax Credit Adj. -- Net (411.5)		0	0	
58	(Less) Investment Tax Credits (420)		0	0	
59	TOTAL Taxes on Other Inc. and Ded. (Total of lines 52 thru 58)		34,423	17,303	
60	Net Other Income and Deductions (Enter Total of lines 41, 50, 59)		56,026	26,029	
61	Interest Charges				
62	Interest on Long-Term Debt (427)		0	0	
63	Amort. Of Debt Disc. And Expenses (428)	258-259	0	0	
64	Amortization of Loss on Reacquired Debt (426.1)		0	0	
65	(Less) Amort. Of Premium on Debt-Credit (429)	258-259	0	0	
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		0	0	
67	Interest on Debt to Assoc. Companies (430)	340	4,191,459	5,172,921	
68	Other Interest Expenses (431)	340	159,321	(99,112)	
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		0	3,993	
70	Net Interest Charges (Enter Total of lines 62 thru 69)		4,350,780	5,077,802	
71	Income Before Extraordinary Items (Enter Total of lines 27, 60 and 70)		7,714,901	5,134,390	
72	Extraordinary Items				
73	Extraordinary Income (434)		0	0	
74	(Less) Extraordinary Deductions (435)		0	0	
75	Net Extraordinary Items (Enter Total of line 73 less line 74)		0	0	
76	Income Taxes--Federal and Other (409.3)	262-263	0	0	
77	Extraordinary Items After Taxes (Enter Total of line 75 less line 76)		0	0	
78	Net Income (Enter Total of lines 71 and 77)		7,714,901	5,134,390	

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Name of Respondent		This Report is:	Date of Report:	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
RECONCILIATION OF DEFERRED INCOME TAX EXPENSE				
1. Report on this page the charges to accounts 410, 411 and 420 reported in the contra accounts 190, 281, 282, 283 and 284. 2. The charges in the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on these pages.		In the event the deferred income tax expenses reported on pages 114-117 do not directly reconcile with the amounts found on these pages, then provide the additional information requested in instruction #3, on a separate page.		
Line No.		Electric Utility	Gas Utility	
1	Debits to Account 410 from:			
2	Account 190		12,196,343	
3	Account 281			
4	Account 282		6,965,912	
5	Account 283		3,368,456	
6	Account 284			
7	Reconciling Adjustments			
8	TOTAL Account 410.1 (on pages 114-115 line 16)		22,530,711	
9	TOTAL Account 410.2 (on page 117 line 49)			
10	Credits to Account 411 from:			
11	Account 190		(6,362,081)	
12	Account 281			
13	Account 282		(2,270,613)	
14	Account 283		(10,081,252)	
15	Account 284			
16	Reconciling Adjustments			
17	Total Account 411.1 (on pages 114-15 line 17)		(18,713,946)	
18	Total Account 411.2 (on page 117 line 50)			
19	Net ITC Adjustment:			
20	ITC Utilized for the Year DR		(32)	
21	ITC Amortized for the Year CR		(23,450)	
22	ITC Adjustments:			
23	Adjust last year's estimate to actual per filed return			
24	Other (specify)			
25	Net Reconciling Adjustments Account 411.4*		(23,482)	
26	Net Reconciling Adjustments Account 411.5			
27	Net Reconciling Adjustments Account 420			

Name of Respondent	This Report is:	Date of Report:	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

RECONCILIATION OF DEFERRED INCOME TAX EXPENSE (Continued)

3. (a) Provide a detail reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on this page.

(b) Identify all contra accounts (other than accounts 190 and 281-284).

(c) Identify the company's regulatory authority to utilize a contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).

Other Utility	Total Utility	Other Income	Total Company	Line No.
				1
	12,196,343	5,913,844	18,110,187	2
			0	3
	6,965,912	1,299,569	8,265,481	4
	3,368,456		3,368,456	5
			0	6
	0		0	7
	22,530,711			8
		7,213,413		9
	(6,362,081)	(3,208,132)	(9,570,213)	10
			0	11
	(2,270,613)	(1,383,855)	(3,654,468)	12
	(10,081,252)	-	(10,081,252)	13
			0	14
			0	15
				16
	(18,713,946)			17
		(4,591,987)		18
	(32)		(32)	19
	(23,450)		(23,450)	20
				21
				22
				23
				24
	(23,482)			25
				26
				27

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

STATEMENT OF RETAINED EARNINGS FOR THE YEAR			
<p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).</p> <p>3. State the purpose and amount for each reservation or appropriation of retained earnings.</p> <p>4. List first account 439 (Adjustments to Retained Earnings), reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit, items in that order.</p> <p>5. Show dividends for each class and series of capital stock.</p> <p>6. Show separately the State and Federal income tax effect of items shown in account 439 (Adjustments to Retained Earnings)</p> <p>7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.</p>			
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		(25,347,379)
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	TOTAL Credits to Retained Earnings (439)		
9	Debit:		
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (439)		
14	Balance Transferred from Income (Account 433)		7,714,901
15	Appropriations of Retained Earnings (Account 436)		
16			
17			
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		
22	Dividends Declared-Preferred Stock (Account 437)		
23			
24			
25			
26			
27			
28	TOTAL Dividends Declared-Preferred Stock (Account 437)		

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)				
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
29	Dividends Declared-Common Stock (Account 438)		(6,732)	
30				
31				
32				
33				
34				
35	TOTAL Dividends Declared-Common Stock (Account 438)		(6,732)	
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings			
37	Balance - End of the Year (Enter Total of lines 1 thru 36)		(17,639,210)	
APPROPRIATED RETAINED EARNINGS (Account 215) State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.				
38				
39				
40				
41				
42				
43	TOTAL Appropriated Retained Earnings (Account 215)			
APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1) State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.				
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)			
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)			
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)		(17,639,210)	
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)				
47	Balance-Beginning of Year (Debit or Credit)			
48	Equity in Earnings for Year (Credit) (Account 418.1)			
49	(Less) Dividends Received (Debit)			
50	Other Changes (Explain)			
51	Balance-End of Year (Enter Total of lines 47 thru 50)			

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
STATEMENT OF CASH FLOWS			
<p>1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be included on pages 122-123. Information about noncash investing and financing activities should be provided on pages 122-123. Provide also on pages 122-123 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.</p> <p>2. Under "Other" specify significant amounts and group others.</p> <p>3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on pages 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.</p>			
Line No.	Description (See instructions for Explanation of Codes) (a)	Current Year to Date (b)	
1	Net Cash Flow from Operating Activities: (enter outflows from company as negative #s)		
2	Net Income (Line 72 on page 117)	7,714,901	
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	6,039,353	
5	Amortization of Utility Plant	26,744	
6	Amortization of Manufactured Gas Plant Clean-up Expenditures	417,994	
7	Intangible Plant		
8	Deferred Income Taxes (Net)	6,270,354	
9	Investment Tax Credit Adjustment (Net)	(23,482)	
10	Net (Increase) Decrease in Receivables	(3,380,811)	
11	Net (Increase) Decrease in Inventory	1,367,062	
12	Net (Increase) Decrease in Allowances Inventory		
13	Net (Increase) Decrease in Payables and Accrued Expenses	(2,195,430)	
14	Net (Increase) Decrease in Other Regulatory Assets	4,053,499	
15	Net (Increase) Decrease in Other Regulatory Liabilities	806,110	
16	(Less) Allowance for Other Funds Used During Construction		
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other: (provide details in footnote)	(9,116,759)	
19			
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 21)	11,979,535	
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant	(17,682,741)	
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance to Other Funds Used During Construction		
31	Other: Def Notes Receivable - Loan		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	(17,682,741)	
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

STATEMENT OF CASH FLOWS (Continued)		
4. Investing Activities (a) Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of asset acquired with liabilities assumed on pages 122-123. (b) Do not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on pages 122-123.		5. Codes used: (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc. 6. Enter on Pages 122-123 clarifications and explanations.
Line No.	Description (See instructions for Explanation of Codes) (a)	Current Year to Date (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in Allowances Held for Speculation	
52	Net Increase (Decrease) in Payables and Accrued Expenses	
53	Other: (provide details in footnote)	(25,000)
54	Other: Acquisition	
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 34 thru 54)	(17,707,741)
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from Issuance of:	
61	Long Term Debt	15,000,000
62	Preferred Stock	
63	Common Stock	
64	Other:	
65	Return on Capital to Parent	(4,369,845)
66	Redemption of Inter-Company Notes Payable	(6,200,000)
67	Net Decrease in Short-Term Debt	
68	Other:	
69	Changes in Loans on Executive Life Insurance	
70		
71	Cash Provided by Outside Sources (Total of lines 61 thru 69)	4,430,155
72		
73	Payments for Retirement of:	
74	Long Term Debt	
75	Preferred Stock	
76	Common Stock	
77	Other:	
78	Equity Adjustments to Parent	
79	Net Decrease in Short-Term Debt	
80		
81	Dividends on Preferred Stock	
82	Dividends on Common Stock	(6,732)
83	Net Cash Provided by (Used in) Financing Activities	
84	(Total of lines 70 thru 81)	4,423,423
85		
86	Net Increase (Decrease) in Cash and Cash Equivalents	
87	(Total of lines 22, 57 and 83)	(1,304,783)
88		
89	Cash and Cash Equivalents at Beginning of Year	1,938,437
90		
91	Cash and Cash Equivalents at End of Year	633,654

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
FOOTNOTE DATA			
Schedule Page: 110 Line No.: 38 Column (d)			
Other Accounts Receivable			
Non Service Accounts Receivable		\$	339,164
Other AR-Misc Liab Reclass			52,067
Oth AR Nat Gas NonCore Sales			50,125
A/R Medicare Part D Subsidy			16,851
Other AR-Contrib in Aid of Cons			18,257
TOTAL		\$	476,464
Schedule Page: 111 Line No.: 69 Column (d)			
Other Regulatory Assets			
Reg Asset - Derivatives-Current		\$	20,750
Reg Asset - Curr-Non Deriv Adj			102,042
Reg Asset - FAS158			9,596,038
Reg Asset - Purch Acctg Effect on Benefits Acctg			19,154,223
ARO Deprec/Accr Non-Rate Base			766,715
Reg Asset - Deferred Taxes			3,352,899
Clean-up Gas - Insurance Recovery			(688,846)
MGP Current Year Clean-up			8,188
Rev Decoupling-Under Collect 2011			21,674
Rev Decoupling-Under Collect 2012			718,788
TOTAL		\$	33,052,471
Schedule Page: 111 Line No.: 74 Column (d)			
Miscellaneous Deferred Debits			
Goodwill		\$	34,517,361
Tradename			5,218,000
Def Deb-Area Expans Program			1,281,401
Def Debit-Work Orders			1,442
Reg Asset-Cleanup Gas-Expendit			28,563,911
TOTAL		\$	69,582,115
Schedule Page: 113 Line No.: 64 Column (d)			
Other Deferred Credits			
Outstanding Checks Cancelled		\$	12,413
Deferred Income Plan			159,264
Def Comp Res Loan Program			34,978
Def Comp Variable Stock			623
Def Comp Mut Fund Option			143,620
Gas Site Clean-up			26,018,000
TOTAL		\$	26,368,898
Schedule Page: 113 Line No.: 65 Column (d)			
Other Regulatory Liabilities			
Deferred taxes-2010 Health Care Leg		\$	157,272
Derivatives			273,860
Revenue Overcollect Decouple 2013			472,959
FASB 158			105,320
Uncoll Exp Tracker-MI			1,168,063
TOTAL		\$	2,177,474
Schedule Page: 120 Line No.: 18 Column (b)			
Other Operating			
Accrued Revenues		\$	(4,421,514)
Prepayments and Misc Current Assets			(2,194,271)
Deferred Debits			422,739
Investments			8,964
Pension and Post Retirement Liability			1,082,096
Pension and Post Retirement Funding			(4,017,809)
Other Long Term Liabilities			3,036
Misc			
TOTAL		\$	(9,116,759)
Schedule Page: 120 Line No.: 53 Column (b)			
Other Investing			
Mich Self-Insurance Loss Fund		\$	25,000
TOTAL		\$	25,000

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2014	December 31, 2013

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

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

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

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

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued) – Page 123			

MICHIGAN GAS UTILITIES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) **MPSC Form P-522 Presentation Compared to United States Generally Accepted Accounting Principles ("GAAP")**--The accompanying financial statements have been prepared in accordance with the accounting requirements of the Michigan Public Service Commission ("MPSC") as set forth in the Uniform System of Accounts and accounting releases, which differ from GAAP. As required by the MPSC, Michigan Gas Utilities Corporation ("MGUC") classifies certain items in its 2013 Form P-522 in a manner different from GAAP, as described below. These items have no impact on the reported net income.

- Removal costs that do not have an associated legal obligation are recognized as a component of accumulated depreciation, whereas these costs are recognized for GAAP as a regulatory liability.
- Accumulated deferred income taxes are reported as deferred debits and deferred credits and are not netted into short-term or long-term classifications as required by GAAP.
- The FERC financial presentation reports energy costs receivable or refundable through rate adjustments as deferred debits and deferred credits, whereas the GAAP financial statements presentation reports these balances as regulatory assets and liabilities.
- Regulatory assets and liabilities, unamortized debt expense, unamortized credit line fees, accumulated deferred income taxes, and a current portion of long-term debt, if applicable, are reported as deferred debits or deferred credits, whereas GAAP reporting requires a current and long-term portion of these assets and liabilities.
- The GAAP financial statements are reported in accordance with the Income Taxes Topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"), whereas the Form P-522 is reported in accordance with the MPSC-issued accounting guidance. As such, in the Form P-522, deferred income taxes are recognized based on the difference between positions taken in tax returns filed and amounts reported in the financial statements and does not report interest and penalties on tax deficiencies as income tax expense.

(b) **Nature of Operations**--MGUC, a wholly-owned subsidiary of Integrys Energy Group, Inc., is a regulated natural gas utility that supplies and distributes natural gas to southern and western Michigan customers in Grand Haven, Otsego, Benton Harbor, Coldwater, Monroe, and surrounding areas. MGUC is subject to the jurisdiction of, and regulation by, the MPSC, which have general supervisory and regulatory powers over virtually all phases of the public utility industry in Michigan. MGUC is also subject to the jurisdiction of the FERC, which regulates its natural gas pipelines.

As used in these notes, the term "financial statements" refers to the statements of income, balance sheets, statements of retained earnings, and statements of cash flows included in this Form P-522, unless otherwise noted.

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

(c) **Use of Estimates**--MGUC prepares its financial statements in conformity with the rules and regulations of the MPSC. MGUC makes estimates and assumptions that affect assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

(d) **Cash and Cash Equivalents**--Short-term investments with an original maturity of three months or less are considered to be cash equivalents. Cash paid for income taxes was \$2.1 million for the year ended December 31, 2013, and cash received for income taxes was \$7.4 million for the year ended December 31, 2012. Cash paid for interest was \$4.2 million and \$5.2 million for the years ended December 31, 2013, and 2012, respectively.

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
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- (e) **Revenues and Customer Receivables**--Revenues related to the sale of natural gas are recognized when service is provided or natural gas is delivered to customers. MGUC accrues estimated amounts of revenues for services provided or natural gas delivered but not yet billed to customers. Estimated unbilled revenues are calculated using a variety of judgments and assumptions related to customer class, contracted rates, weather, and customer use. At December 31, 2013, and 2012, MGUC's unbilled revenues were \$15.4 million and \$11.0 million, respectively.

MGUC presents revenues net of pass-through taxes on the statement of income.

A summary of the significant mechanisms MGUC had in place in 2013 that allowed them to recover or refund changes in prudently incurred costs from rate case-approved amounts are listed below:

- MGUC's rates included a one-for-one recovery mechanism for natural gas commodity costs.
- MGUC's rates included a rider for cost recovery or refund of bad debts based on the difference between actual bad debt write-offs (as defined in the latest rate order) and the amount recovered in rates. MGUC's rider was terminated after December 31, 2013.
- MGUC's rates included a decoupling mechanism, which allowed MGUC to recover or refund differences between the actual and authorized margins. See Note 13, "Regulatory Environment," for more information.

- (f) **Gas Cost Recovery ("GCR")**--Natural gas costs are recovered from customers pursuant to a Gas Cost Recovery Clause, as authorized by the provisions of the 1982 Public Act 304, in MGUC's Rules, Regulations and Rate Schedules, Rule B10. This is implemented by filing an application with the MPSC in December of each year requesting approval of maximum rates to be charged to customers during the subsequent GCR period (April 1 through March 31) for natural gas costs expected to be incurred during that period. Until an order is received approving or rejecting the rates, the rates requested may be billed. An annual reconciliation is completed for natural gas costs incurred during the preceding GCR period with natural gas cost recovery revenues collected during that period with provisions for rolling over-collections and under-collections into the next GCR period, together with interest on any such amounts. The over-collections and under-collections are recorded in Account 174 on the balance sheet. The Company recorded an under-collection of \$0.6 million and \$2.4 million at December 31, 2013, and 2012, respectively.

- (g) **Inventories**--Inventories consist of materials and supplies and natural gas in storage. Average cost is used to value materials and supplies. Natural gas injections are priced at the average cost of natural gas purchased for the month. Natural gas withdrawals are priced at the average cost of natural gas in storage.

MGUC also has arrangements with third parties for natural gas storage. Such arrangements provide for spot and term purchases by MGUC of 3.8 Million Cubic Feet ("Mcf") of natural gas each summer for storage with other utilities, on pipelines, as well as MGUC owned storage facilities for delivery during the following heating season. As the natural gas is purchased under these arrangements, its cost, together with the related storage and transportation service charges, is recorded to gas in storage inventory. As natural gas is withdrawn, it is priced at the average cost of natural gas in storage computed separately for each storage location. Base gas stored underground is gas that is used to maintain the integrity of the storage field by maintaining pressure for working gas, and will only vary if the conditions of the storage field change. Base gas stored recorded by MGUC was \$3.1 million and \$3.6 million at December 31, 2013, and 2012, respectively.

- (h) **Risk Management Activities**--As part of MGUC's regular operations, MGUC uses derivative instruments to manage commodity costs. See Note 2, *Risk Management Activities*, for more information. Derivative instruments are governed by MGUC's risk management policies, which have been approved by its Board of Directors, and its related risk management plans.

All derivatives are recognized on the balance sheets at their fair value unless they qualify for the normal purchases and sales exception, and are so designated. MGUC continually assesses its contracts designated as normal and will discontinue the treatment of these contracts as normal if the required criteria are no longer met. Because MGUC's tariffs allow for full recovery from its customers of prudently incurred natural gas supply costs, including gains or losses on these derivative instruments, management believes any gains or losses resulting from the eventual settlement of these derivative instruments will be refunded to or collected from customers in rates. As such, any changes in fair value of these instruments recorded as either risk management assets or liabilities are offset with regulatory liabilities or assets, as appropriate.

MGUC classifies derivative assets and liabilities as current or long-term on the balance sheets based upon the maturities of the underlying contracts. MGUC records unrealized gains and losses on derivative instruments that do not qualify for regulatory deferral as miscellaneous nonoperating income or other deductions. Cash flows from derivative activities are presented in the same category as the item being hedged within operating activities on the statements of cash flows.

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Derivative accounting rules provide the option to present certain asset and liability derivative positions net on the balance sheets and to net the related cash collateral against these net derivative positions. MGUC elects not to net these items. On the balance sheets, cash collateral provided to others is reflected in special deposits, and cash collateral received from others is reflected in miscellaneous current and accrued liabilities.

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

MGUC records straight-line depreciation expense over the estimated useful life of utility property, using depreciation rates approved by the MPSC. The annual utility composite depreciation rates were 1.93% and 2.71% for 2013 and 2012, respectively. The 2013 depreciation rate includes the impact of a \$2.5 million reduction in depreciation expense that was recorded in the first quarter of 2013 as a result of the Michigan Court of Appeal's order reversing the MPSC's previously ordered disallowance associated with early retirement of certain MGU assets in 2010. The \$2.5 million will now be expensed over five years starting January 2014. MGUC's 2013 Composite Depreciation Rate would have been 2.73% without the \$2.5 million depreciation expense reduction in 2013.

- (j) **Asset Impairment**--Goodwill and other intangible assets with indefinite lives are not amortized, but are subject to an annual impairment test. Interim impairment tests are performed when impairment indicators are present. Intangible assets with definite lives are reviewed for impairment on a quarterly basis. Other long-lived assets require an impairment review when events or circumstances indicate that the carrying amount may not be recoverable. MGUC bases its evaluation of other long-lived assets on the presence of impairment indicators such as the future economic benefit of the assets, any historical or future profitability measurements, and other external market conditions or factors.

MGUC performs its annual impairment test for its trade name in the fourth quarter of each year. The annual goodwill impairment test is performed during the second quarter of each year. The carrying amount of the reporting unit's goodwill is considered not recoverable if the carrying amount of the reporting unit exceeds the reporting units' fair value. An impairment loss is recorded for the excess of the carrying amount of the goodwill over its implied fair value. See Note 4, "*Goodwill and Other Intangible Assets*," for more information on MGUC's goodwill and other intangible assets.

The carrying amount of tangible long-lived assets held and used is considered not recoverable if the carrying amount exceeds the undiscounted sum of cash flows expected to result from the use and eventual disposition of the asset. If the carrying amount is not recoverable, the impairment loss is measured as the excess of the asset's carrying amount over its fair value.

- (k) **Regulatory Assets and Liabilities**--Regulatory assets represent probable future revenue associated with certain costs or liabilities that have been deferred and are expected to be recovered from customers through rates charged to customers. Regulatory liabilities represent amounts that are expected to be refunded to customers in future rates or amounts collected in rates for future costs. Recovery or refund of regulatory assets and liabilities is based on specific periods determined by the regulators or occurs over the normal operating period of the assets and liabilities to which they relate. If at any reporting date a previously recorded regulatory asset is no longer probable of recovery, the regulatory asset is reduced to the amount considered probable of recovery with the reduction charged to expense in the year the determination is made. See Note 3, "*Regulatory Assets and Liabilities*," for more information.
- (l) **Asset Retirement Obligations**--MGUC recognizes at fair value legal obligations associated with the retirement of tangible long-lived assets that result from the acquisition, construction or development, and/or normal operation of the assets. A liability is recorded for these obligations as long as the fair value can be reasonably estimated, even if the timing or method of settling the obligation is unknown. The asset retirement obligations are accreted using a credit-adjusted risk-free interest rate commensurate with the expected settlement dates of the asset retirement obligations. This rate is determined at the date the obligation is incurred. The associated retirement costs are capitalized as part of the related long-lived assets and are depreciated over the useful lives of the assets. Subsequent changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amount of the liability and the associated retirement cost. See Note 7, "*Asset Retirement Obligations*," for more information.

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- (m) **Environmental Remediation Costs**—MGUC is subject to federal and state environmental laws and regulations that in the future may require them to pay for environmental remediation at sites where they have been, or may be, identified as a potentially responsible party (PRP). Loss contingencies may exist for the remediation of hazardous substances at various potential sites, including former manufactured gas plant sites. See Note 9, "*Commitments and Contingencies*," for more information on MGUC's manufactured gas plant sites.

MGUC records environmental remediation liabilities when site assessments indicate remediation is probable and they can reasonably estimate the loss or a range of possible losses. The estimate includes both MGUC's share of the liability and any additional amounts that will not be paid by other PRPs or the government. When possible, MGUC estimates costs using site-specific information but also considers historical experience for costs incurred at similar sites. Remediation efforts for a particular site generally extend over a period of several years. During this period, the laws governing the remediation process may change, as well as site conditions, potentially affecting the cost of remediation.

MGUC has received approval to defer certain environmental remediation costs, as well as estimated future costs, through a regulatory asset. The recovery of deferred costs is subject to MPSC approval.

MGUC reviews its estimated costs of remediation annually for the manufactured gas plant sites and adjusts the liabilities and related regulatory assets to reflect the new cost estimates. Any material changes in cost estimates are adjusted throughout the year.

- (n) **Income Taxes**—MGUC is included in the consolidated United States income tax return filed by Integrys Energy Group. MGUC is party to a federal and state tax allocation arrangement with Integrys Energy Group and its subsidiaries under which each entity determines its provision for income taxes on a stand-alone basis. MGUC settles the intercompany liabilities at the time that payments are made to the applicable taxing authority. At December 31, 2013, there were no significant intercompany payables or receivables for income taxes.

Deferred income taxes have been recorded to recognize the expected future tax consequences of events that have been included in the financial statements by using currently enacted tax rates for the differences between the income tax basis of assets and liabilities and the basis reported in the financial statements. MGUC records valuation allowances for deferred income tax assets unless it is more likely than not that the benefit will be realized in the future. MGUC defers certain adjustments made to income taxes that will impact future rates and records regulatory assets or liabilities related to these adjustments.

MGUC uses the deferral method of accounting for investment tax credits ("ITCs"). Under this method, MGUC records the ITCs as deferred credits and amortizes such credits as a reduction to the provision for income taxes over the life of the asset that generated the ITCs. ITCs that do not reduce income taxes payable for the current year are eligible for carryover and recognized as a deferred income tax asset.

See Note 8, "*Income Taxes*," for more information regarding MGUC's accounting for income taxes.

- (o) **Employee Benefits**—The costs of pension and other postretirement benefits are expensed over the periods during which employees render service. In computing the expected return on plan assets, a market-related value of plan assets is used. Changes in realized and unrealized investment gains and losses are recognized over the subsequent five years for plans sponsored by Wisconsin Public Service Corporation ("WPS"), while differences between actual investment returns and the expected return on plan assets are recognized over a five-year period for the Integrys Energy Group Retirement Plan, sponsored by Integrys Business Support, LLC ("IBS"). The benefit costs associated with employee benefit plans are allocated among Integrys Energy Group's subsidiaries based on current employment status and actuarial calculations, as applicable. MGUC's regulators allow recovery in rates for the net periodic benefit cost calculated under GAAP.

MGUC recognizes the funded status of defined benefit postretirement plans on the balance sheet, and recognizes changes in the plans' funded status in the year in which the changes occur. MGUC records changes in the funded status to regulatory asset or liability accounts, pursuant to the Regulated Operations Topic of the FASB ASC.

MGUC accounts for its participation in pension and other postretirement plans sponsored by affiliates as multiple employer plans. Under affiliate agreements, MGUC is responsible for its share of plan costs and obligations and is entitled to its share of plan assets. Accordingly, MGUC accounts for its pro rata share of these plans as its own plan.

See Note 10, "*Employee Benefit Plans*," for more information.

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- (p) **Fair Value**—A fair value measurement is required to reflect the assumptions market participants would use in pricing an asset or liability based on the best available information. These assumptions include the risks inherent in a particular valuation technique (such as a pricing model) and the risks inherent in the inputs to the model.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). MGUC uses a mid-market pricing convention (the mid-point price between bid and ask prices) as a practical measure for valuing the majority of its derivative assets and liabilities.

Fair value accounting rules provide a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are defined as follows:

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

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

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

MGUC determines fair value using a market-based approach that uses observable market inputs where available and internally developed inputs only when observable market data is not readily available. For the unobservable inputs, consideration is given to the assumptions that market participants would use in valuing the asset or liability. These factors include not only the credit standing of the counterparties involved, but also the impact of MGUC's nonperformance risk on its liabilities.

MGUC's risk management assets and liabilities include NYMEX contracts used to manage the risk associated with the market price volatility of natural gas costs and gasoline and diesel fuel used by utility vehicles. NYMEX contracts are valued using the NYMEX end-of-day settlement price, which is a Level 1 input.

MGUC has established a risk oversight committee whose primary responsibility includes directly or indirectly ensuring that all valuation methods are applied in accordance with predefined policies. The development and maintenance of its forward price curves has been assigned to its risk management department, which is part of the corporate treasury function. This group is separate and distinct from the trading function. To validate the reasonableness of its fair value inputs, MGUC's risk management department compares changes in valuation and researches any significant differences in order to determine the underlying cause. Changes to the fair value inputs are made if necessary.

The fair values of long-term debt are estimated based on the quoted market price for the same or similar issues, or on the current rates offered to MGUC for debt of the same remaining maturity. The fair values of long-term debt instruments are categorized within Level 2 of the fair value hierarchy. Due to the short-term nature of cash and cash equivalents, accounts receivable, and accounts payable, the carrying amount for each such item approximates fair value.

MGUC conducts a thorough review of fair value hierarchy classifications on a quarterly basis.

See Note 12, "Fair Value," for more information.

(q) **New Accounting Pronouncements**

Recently Issued Accounting Guidance Not Yet Effective

Accounting Standards Update ("ASU") 2013-04, "Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation is Fixed at the Reporting Date," was issued in February 2013. The guidance requires an entity to measure obligations under these arrangements, for which the total amount of the obligation is fixed at the reporting date, as the sum of the reporting entity's portion and any additional amount it expects to pay on behalf of its co-obligors. The guidance also requires additional disclosures about the

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nature and amount of the obligations. The guidance is effective for us for the reporting period ending December 31, 2014. Adoption of this guidance is not expected to have a significant impact on our financial statements included within Form P-522.

ASU 2013-11, "Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists," was issued in July 2013. The guidance states that an unrecognized tax benefit should be presented in the financial statements as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward. However, there are certain exceptions under which the unrecognized tax benefit would be presented in the balance sheet as a liability. The guidance is effective for us for the reporting period ending December 31, 2014. Adoption of this guidance is not expected to have a significant impact on our financial statements included within Form P-522.

- (r) **Subsequent Events**--Subsequent events were evaluated for potential recognition or disclosure through April 30, 2014, which is the date the financial statements were available to be issued.

NOTE 2--RISK MANAGEMENT ACTIVITIES

MGUC uses derivative instruments to manage commodity costs. None of these derivatives are designated as hedges for accounting purposes. These derivatives include natural gas purchase contracts as well as financial derivative contracts used to manage the risks associated with the market price volatility of natural gas supply costs and the costs of gasoline and diesel fuel used by its utility vehicles.

The following table shows MGUC's assets and liabilities from risk management activities at December 31:

(Millions)	Balance Sheet	Assets		Liabilities	
		2013	2012	2013	2012
Natural gas contracts	Current	\$ 0.3	\$ —	\$ —	\$ 0.2

The following tables show the potential effect on MGUC's financial position of netting arrangements for recognized derivative assets and liabilities:

(Millions)	December 31, 2013		
	Gross Amount	Potential Effects of Netting, Including Cash Collateral	Net Amount
Derivative assets subject to master netting or similar arrangements	\$ 0.3	\$ 0.1	\$ 0.2

(Millions)	December 31, 2012		
	Gross Amount	Potential Effects of Netting, Including Cash Collateral	Net Amount
Derivative liabilities subject to master netting or similar arrangements	\$ 0.2	\$ 0.2	\$ —

MGUC's master netting and similar arrangements have conditional rights of setoff that can be enforced under a variety of situations, including counterparty default or credit rating downgrade below investment grade. MGUC has trade receivables and trade payables, subject to master netting or similar arrangements that are not included in the above table. These amounts may offset (or conditionally offset) the net amounts presented in the above table.

Financial collateral received or provided is restricted to the extent that it is required per the terms of the related agreements. At December 31, 2013, MGUC had no cash collateral provided to others, and had \$0.1 million of cash collateral received from others. At December 31, 2012, MGUC had \$0.4 million of cash collateral provided to others, and had no cash collateral received from others. All cash collateral received from or provided to others related to contracts under master netting or similar arrangements.

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The unrealized gains (losses) recorded on the income statements related to petroleum product contracts were not significant. The table below shows the net unrealized gains (losses) recorded related to derivative contracts:

(Millions)	Financial Statement Presentation	2013	2012
Natural gas	Balance Sheet – Regulatory assets (current)	\$ —	\$ (0.2)
Natural gas	Balance Sheet – Regulatory assets (long-term)	0.2	—
Natural gas	Balance Sheet – Regulatory liabilities (current)	0.3	(0.4)

MGUC had the following notional volumes of outstanding derivative contracts at December 31:

	Purchases		Sales	
	2013	2012	2013	2012
Natural gas (millions of therms)	36.5	67.2	2.4	0.1
Petroleum products (barrels)	3,322.0	3,322.0	—	—

NOTE 3—REGULATORY ASSETS AND LIABILITIES

The following regulatory assets and liabilities were reflected in MGUC's balance sheets as of December 31:

(Millions)	2013	2012	See Note
Regulatory assets ⁽¹⁾			
Acquisition related pension and other postretirement benefit costs ⁽³⁾	\$19.2	\$20.7	11
Unrecognized pension and other postretirement benefit costs ⁽⁴⁾	9.6	22.3	11
Uncollectible expense ⁽²⁾	0.0	1.3	
Decoupling ⁽²⁾	0.7	1.3	
Other	3.6	4.2	
Total	\$33.0	\$49.8	
Regulatory liabilities			
Other	2.2	1.1	
Total	\$ 2.2	\$ 1.0	

⁽¹⁾ Based on prior and current rate treatment, MGUC believes it is probable that it will continue to recover from customers the regulatory assets described above.

⁽²⁾ Regulatory assets not earning a return. However, these regulatory assets are expected to be recovered from customers in future rates.

⁽³⁾ Composed of unrecognized benefit costs that existed prior to the MGUC acquisition on April 1, 2006. MGUC is authorized recovery of this regulatory asset through 2026.

⁽⁴⁾ Represents the unrecognized future pension and other postretirement costs resulting from actuarial gains and losses on Integrys Energy Group's defined benefit and other postretirement plans. MGUC is authorized recovery of this regulatory asset over the average future remaining service life of each plan.

In addition, a regulatory asset of \$27.9 million is included in miscellaneous deferred debits related to manufactured gas plant remediation. See Note 9, "Commitments and Contingencies."

NOTE 4—GOODWILL AND OTHER INTANGIBLE ASSETS

MGUC had no changes to the carrying amount of goodwill during the years ended December 31, 2013, and 2012. Net goodwill related to the acquisition of the natural gas distribution operations in Michigan in April 2006 and was \$34.5 million at December 31, 2013, and 2012. In the second quarter of 2013, we completed our annual goodwill impairment test, and no impairment resulted from this test.

In conjunction with the acquisition of the natural gas distribution operations, MGUC recorded an indefinite-lived intangible asset related to the MGUC trade name. The balance of this intangible asset was \$5.2 million at December 31, 2013, and 2012. No impairment was recorded during 2013 or 2012.

Goodwill and other intangible assets are recorded on the balance sheets in miscellaneous deferred debits.

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NOTE 5--SHORT-TERM DEBT

Information about MGUC's short-term borrowings was as follows:

<i>(Millions, except percentages)</i>	2013	2012
Short-term notes payable to Integrys Energy Group		
Amount outstanding at December 31	\$21.8	\$ -
Average interest rate on amounts outstanding at December 31	0.24%	0.45%
Average amount outstanding during the year ⁽²⁾	\$8.1	\$0.1

⁽¹⁾ Based on daily outstanding balances during the year.

MGU's short-term borrowing capacity with Integrys Energy Group is \$90.0 million. Short-term borrowings bear interest computed at the average stated interest rate payable on commercial paper issued by Integrys Energy Group, Inc. Short-term debt is callable by the lender at any time.

NOTE 6--LONG-TERM DEBT

Long-term debt for MGUC (reflected on the balance sheet in Account 223, Advances from Affiliated Companies) consists of long-term notes payable to Integrys Energy Group, pursuant to a Senior Note agreement entered into on April 1, 2006. Amounts shown are as of December 31:

<i>(Millions)</i>				2013	2012
<u>Term</u>	<u>Interest Rate</u>	<u>Year Due</u>	<u>Description</u>		
7 Year	5.72%	2013	Senior Note	\$ -	\$28.0
10 Year	5.76%	2016	Senior Note	28.0	28.0
15 Year	5.98%	2021	Senior Note	28.0	28.0
10 Year	3.00%	2023	Senior Note	15.0	-
Total debt				\$71.0	\$84.0
Less current portion				-	(28.0)
Total long-term debt				\$71.0	\$56.0

In April 2013, MGUC issued a \$15.0 million 3.00% Senior Note, due in April 2023. Proceeds from this note were used to retire the \$28 million Senior Note that matured in April 2013.

Interest is paid semi-annually on the notes, and there are no covenants associated with these obligations.

A schedule of all principal debt payment amounts related to senior note maturities is as follows:

<i>(Millions)</i>	Payments
2014	-
2015	-
2016	28.0
2017	-
2018	-
Later Years	43.0
Total	\$71.0

NOTE 7--ASSET RETIREMENT OBLIGATIONS

MGUC has asset retirement obligations primarily related to removal of natural gas distribution mains and service pipes (including asbestos) and asbestos abatement at certain office buildings and service centers. MGUC establishes regulatory assets and liabilities to record the differences between ongoing expense recognition under the asset retirement obligations accounting rules and the rate-making practices for retirement costs authorized by the MPSC. All asset retirement obligations are recorded as other noncurrent liabilities on our balance sheets.

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The following table shows changes to MGUC's asset retirement obligations through December 31, 2013:

<i>(Millions)</i>	
Asset retirement obligations at December 31, 2011	1.6
Accretion	0.1
Revisions to estimated cash flows	(0.1)
Asset retirement obligations at December 31, 2012	1.6
Accretion	0.1
Asset retirement obligations at December 31, 2013	\$1.7

NOTE 8--INCOME TAXES

The principal deferred income tax assets included in the balance sheets as of December 31, 2013, and 2012, primarily related to plant. The principal deferred income tax liabilities included in the balance sheets as of December 31, 2013, and 2012, primarily related to plant and regulatory deferrals.

Deferred income tax assets decreased \$4.4 million in 2013. This decrease was primarily driven by the amortization of goodwill for tax purposes. There was no material change in deferred income tax liabilities in 2013.

MGUC records certain adjustments related to deferred income taxes to regulatory assets and liabilities. As the related temporary differences reverse, MGUC prospectively refunds taxes to or collects taxes from customers for which deferred taxes were recorded in prior years at rates potentially different than current rates or upon enactment of changes in tax law. The net regulatory asset for these net recoveries and other regulatory tax effects totaled \$3.2 million and \$3.1 million at December 31, 2013, and 2012, respectively.

The components of the provision for income taxes were as follows:

<i>(Millions)</i>	2013	2012
Current provision (benefit)		
Federal	\$(1.3)	\$(4.8)
State	(0.3)	(0.9)
Total current provision (benefit)	(1.6)	(5.7)
Deferred provision		
Federal	5.8	7.9
State	0.7	0.9
Total deferred provision	6.5	8.8
Total provision for income taxes	\$4.9	\$3.1

The statutory federal income tax rate was 35.0% at December 31, 2013, and 2012. The effective income tax rate was 38.8% and 38.0% at December 31, 2013, and 2012, respectively. State income taxes were the only significant item impacting the reconciliation of the statutory federal income tax rate to the effective income tax rate as of December 31, 2013, and 2012.

MGUC did not have an unrecognized tax benefit liability at December 31, 2013, and 2012. MGUC had no accrued interest or accrued penalties related to unrecognized tax benefits at December 31, 2013, and 2012.

MGUC files income tax returns in the United States federal jurisdiction and in its major state operating jurisdiction of Michigan as part of Integrys Energy Group filings. MGUC is no longer subject to federal income tax examinations by the IRS for years prior to 2011. During 2013, the IRS completed its examinations of 2009 and 2010. MGUC is no longer subject to examination by the Michigan tax authority for years prior to 2008. During 2013, the Michigan taxing authority initiated its examination of the 2008 through 2011 tax years.

In the next 12 months, MGUC does not expect to significantly change the amount of unrecognized tax benefits.

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NOTE 9--COMMITMENTS AND CONTINGENCIES

Unconditional Purchase Obligations and Purchase Order Commitments

MGUC routinely enters into long-term purchase and sale commitments for various quantities and lengths of time. MGUC has obligations to distribute and sell natural gas to its customers, which extend through 2019. MGUC expects to recover costs related to these obligations in future customer rates. The following table shows MGUC's minimum future commitments related to these purchase obligations as of December 31, 2013.

(Millions)	Total Amounts Committed	Payments Due By Period					
		2014	2015	2016	2017	2018	Later Years
Natural gas supply and transportation	\$50.3	\$11.9	\$11.9	\$11.8	\$7.7	\$4.5	\$2.5

MGUC also had commitments of \$15.0 million in the form of purchase orders issued to various vendors at December 31, 2013, that relate to normal business operations.

Manufactured Gas Plant Remediation

MGUC operated facilities in the past at multiple sites for the purpose of manufacturing and storing manufactured gas. In connection with these activities, waste materials were produced that may have resulted in soil and groundwater contamination at these sites. Under certain laws and regulations relating to the protection of the environment, MGUC is required to undertake remedial action with respect to some of these materials.

MGUC is responsible for the environmental remediation of 11 sites. Contaminated soil has been removed from nine of the sites. Future investigations are needed at many of the sites to evaluate on-site, off-site and sediment impacts. As MGUC continues to collect more data on these sites, cost estimates may change. MGUC will also evaluate the feasibility of transferring the sites into the EPA Superfund Alternative Sites Program. As of December 31, 2013, MGUC estimated and accrued for \$26.0 million of future undiscounted investigation and cleanup costs for all sites. These costs are included in Account 253, Other Deferred Credits, on the balance sheet. MGUC may adjust these estimates in the future due to remedial technology, regulatory requirements, remedy determinations, and any claims of natural resource damages. As of December 31, 2013, cash expenditures for environmental remediation not yet recovered in rates were \$1.9 million. MGUC recorded a regulatory asset (reflected on the balance sheet in Account 186, Miscellaneous Deferred Debit) of \$27.9 million at December 31, 2013, which is net of insurance recoveries, related to the expected recovery through rates of both cash expenditures and estimated future expenditures.

Management believes that any costs incurred for environmental activities relating to former manufactured gas plant operations that are not recoverable through contributions from other entities or from insurance carriers have been prudently incurred and are, therefore, recoverable through rates. Accordingly, MGUC does not expect these costs to have a material impact on its financial statements. However, any changes in the approved rate mechanisms for recovery of these costs, or any adverse conclusions by the MPSC with respect to the prudence of costs actually incurred, could materially affect recovery of such costs through rates.

NOTE 10--EMPLOYEE BENEFIT PLANS

Defined Benefit Plans

MGUC participates in the Integrys Energy Group Retirement Plan, a noncontributory, qualified pension plan sponsored by IBS, as well as an unfunded, nonqualified retirement plan sponsored by WPS. MGUC also maintains an unfunded, nonqualified Supplemental Employee Retirement Plan. MGUC is responsible for its share of the plan assets and obligations for all these plans. MGUC's balance sheets reflect only the liabilities associated with its past and current employees and its share of the plan assets. The defined benefit pension plans are closed to all new hires. In addition, the service accruals for the defined benefit pension plans were frozen for non-union employees as of January 1, 2013.

Integrys Energy Group also offers medical, dental, and life insurance benefits to MGUC's active employees and their dependents. In addition, MGUC participates in other postretirement benefit plans sponsored by WPS. MGUC expenses the allocated costs of these benefits as incurred.

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The following tables provide a reconciliation of the changes in MGUC's share of the plans' benefit obligations and fair value of assets:

(Millions)	Pension Benefits		Other Benefits	
	2013	2012	2013	2012
Change in benefit obligation				
Obligation at January 1	\$ 50.6	\$ 45.5	\$ 21.2	\$ 20.8
Service cost	0.7	0.9	0.2	0.2
Interest cost	2.0	2.2	0.8	1.0
Actuarial (gain) loss, net	(4.9)	4.8	(2.2)	0.1
Participant contributions	—	—	0.1	0.1
Benefit payments	(2.1)	(2.8)	(1.3)	(1.1)
Federal subsidy on benefits paid	—	—	0.1	0.1
Obligation at December 31	\$ 46.3	\$ 50.6	\$ 18.9	\$ 21.2
Change in fair value of plan assets				
Fair value of plan assets at January 1	\$ 37.2	\$ 28.1	\$ 15.6	\$ 14.8
Actual return on plan assets	6.0	4.7	2.0	1.5
Employer contributions	3.7	7.2	0.3	0.3
Participant contributions	—	—	0.1	0.1
Benefit payments	(2.1)	(2.8)	(1.3)	(1.1)
Fair value of plan assets at December 31	\$ 44.8	\$ 37.2	\$ 16.7	\$ 15.6
Funded status at December 31	\$ (1.5)	\$ (13.4)	\$ (2.2)	\$ (5.6)

The amounts recognized on MGUC's balance sheets at December 31 related to the funded status of the benefit plans were as follows:

(Millions)	Pension Benefits		Other Benefits	
	2013	2012	2013	2012
Long-term liabilities	\$ 1.5	\$ 13.3	\$ 2.2	\$ 5.6
Total net liabilities	\$ 1.5	\$ 13.4	\$ 2.2	\$ 5.6

The accumulated benefit obligation for the qualified pension plans was \$42.9 million and \$46.5 million at December 31, 2013 and 2012, respectively.

The following table shows information for qualified pension plans with an accumulated benefit obligation in excess of plan assets. Amounts presented as of December 31:

(Millions)	2013	2012
Projected benefit obligation	\$ 0.6	\$ 50.6
Accumulated benefit obligation	0.6	46.5
Fair value of plan assets	—	37.2

The following table shows the amounts that had not yet been recognized in MGUC's net periodic benefit cost as of December 31:

(Millions)	Pension Benefits		Other Benefits	
	2013	2012	2013	2012
Net regulatory assets				
Net actuarial loss	\$ 7.0	\$ 16.4	\$ 2.3	\$ 5.7
Prior service cost	—	—	0.2	0.2
Total	\$ 7.0	\$ 16.4	\$ 2.5	\$ 5.9

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The following table shows the estimated amounts that will be amortized into net periodic benefit cost during 2014:

(Millions)	Pension Benefits	Other Benefits
Total 2014 estimated amortization - net actuarial loss	\$ 0.9	\$ 0.1

The following table shows the components of net periodic benefit cost (including amounts capitalized to the balance sheets) for MGUC's benefit plans:

(Millions)	Pension Benefits		Other Benefits	
	2013	2012	2013	2012
Service cost	\$ 0.7	\$ 0.9	\$ 0.2	\$ 0.2
Interest cost	2.0	2.2	0.8	1.0
Expected return on plan assets	(3.0)	(2.8)	(1.0)	(1.1)
Amortization of net actuarial loss	1.6	0.9	0.2	0.3
Net periodic benefit cost	\$ 1.3	\$ 1.2	\$ 0.2	\$ 0.4

Assumptions – Pension and Other Postretirement Benefit Plans

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

	Pension Benefits		Other Benefits	
	2013	2012	2013	2012
Discount rate	4.94%	4.09%	4.79%	3.91%
Rate of compensation increase	4.21%	4.22%	N/A	N/A
Assumed medical cost trend rate	N/A	N/A	6.50%	7.00%
Ultimate trend rate	N/A	N/A	5.00%	5.00%
Year ultimate trend rate is reached	N/A	N/A	2019	2019
Assumed dental cost trend rate	N/A	N/A	5.00%	5.00%

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

	Pension Benefits		Other Benefits	
	2013	2012	2013	2012
Discount rate	4.09%	5.10%	3.91%	4.91%
Expected return on assets	8.00%	8.25%	8.00%	8.25%
Rate of compensation increase	4.22%	4.22%	N/A	N/A
Assumed medical cost trend rate (under age 65)	N/A	N/A	7.00%	7.00%
Ultimate trend rate	N/A	N/A	5.00%	5.00%
Year ultimate trend rate is reached	N/A	N/A	2019	2016
Assumed medical cost trend rate (over age 65)	N/A	N/A	7.00%	7.50%
Ultimate trend rate	N/A	N/A	5.00%	5.50%
Year ultimate trend rate is reached	N/A	N/A	2019	2016
Assumed dental cost trend rate	N/A	N/A	5.00%	5.00%

MGUC establishes its expected return on assets assumption based on consideration of historical and projected asset class returns, as well as the target allocations of the benefit trust portfolios. For 2014, the expected return on assets assumption for the plans is 8.00%.

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Assumed health care cost trend rates have a significant effect on the amounts reported by MGUC for the health care plans. For the year ended December 31, 2013, a one-percentage-point change in assumed health care cost trend rates would have had the following effects:

(Millions)	One-Percentage-Point	
	Increase	Decrease
Effect on total of service and interest cost components of net periodic postretirement health care benefit cost	\$ 0.1	\$ (0.1)
Effect on the health care component of the accumulated postretirement benefit obligation	1.4	(1.3)

Pension and Other Postretirement Benefit Plan Assets

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

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

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

Pension and other postretirement benefit plan investments are recorded at fair value. See Note 1(p), "Fair Value," for more information regarding the fair value hierarchy and the classification of fair value measurements based on the types of inputs used.

The following table provides the fair values of MGUC's investments by asset class:

(Millions)	December 31, 2013							
	Pension Plan Assets				Other Benefit Plan Assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Asset Class								
Cash and cash equivalents	\$ 0.1	\$ 1.2	\$ —	\$ 1.3	\$ —	\$ 0.1	\$ —	\$ 0.1
Equity securities:								
United States equity	3.1	13.9	—	17.0	0.7	3.6	—	4.3
International equity	3.6	13.4	—	17.0	0.9	3.4	—	4.3
Fixed income securities:								
United States government	—	2.9	—	2.9	3.5	—	—	3.5
Foreign government	—	0.5	0.1	0.6	—	—	—	—
Corporate debt	—	7.8	—	7.8	—	—	—	—
Asset-backed securities	—	1.9	—	1.9	—	—	—	—
Other	—	0.6	—	0.6	0.2	—	—	0.2
	6.8	42.2	0.1	49.1	5.3	7.1	—	12.4
401(h) other benefit plan assets invested as pension assets ⁽¹⁾	(0.6)	(3.7)	—	(4.3)	0.6	3.7	—	4.3
Total ⁽²⁾	\$ 6.2	\$ 38.5	\$ 0.1	\$ 44.8	\$ 5.9	\$ 10.8	\$ —	\$ 16.7

⁽¹⁾ Pension trust assets are used to pay other postretirement benefits as allowed under Internal Revenue Code Section 401(h).

⁽²⁾ Investments do not include accruals or pending transactions that are included in the table reconciling the change in fair value of plan assets.

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(Millions)	December 31, 2012							
	Pension Plan Assets				Other Benefit Plan Assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Asset Class								
Cash and cash equivalents	\$ 0.2	\$ 0.7	\$ —	\$ 0.9	\$ —	\$ 0.3	\$ —	\$ 0.3
Equity securities:								
United States equity	4.9	11.8	—	16.7	1.3	3.4	—	4.7
International equity	2.8	8.8	—	11.6	0.8	2.5	—	3.3
Fixed income securities:								
United States government	—	3.0	—	3.0	3.4	—	—	3.4
Foreign government	—	0.6	0.1	0.7	—	—	—	—
Corporate debt	—	5.8	0.1	5.9	—	—	—	—
Asset-backed securities	—	1.7	—	1.7	—	—	—	—
Other	—	0.3	—	0.3	0.5	—	—	0.5
	7.9	32.7	0.2	40.8	6.0	6.2	—	12.2
401(h) other benefit plan assets invested as pension assets ⁽¹⁾	(0.6)	(2.8)	—	(3.4)	0.6	2.8	—	3.4
Total ⁽²⁾	\$ 7.3	\$ 29.9	\$ 0.2	\$ 37.4	\$ 6.6	\$ 9.0	\$ —	\$ 15.6

⁽¹⁾ Pension trust assets are used to pay other postretirement benefits as allowed under Internal Revenue Code Section 401(h).

⁽²⁾ Investments do not include accruals or pending transactions that are included in the table reconciling the change in fair value of plan assets.

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

(Millions)	Foreign Government Debt	Corporate Debt	Total
Beginning balance at January 1, 2013	\$ 0.1	\$ 0.1	\$ 0.2
Sales	—	(0.1)	(0.1)
Ending balance at December 31, 2013	\$ 0.1	\$ —	\$ 0.1
Net unrealized gains (losses) related to assets still held at the end of the period	\$ —	\$ —	\$ —

(Millions)	Foreign Government Debt	Corporate Debt	Total
Beginning balance at January 1, 2012	\$ 0.1	\$ 0.1	\$ 0.2
Purchases	0.1	—	0.1
Sales	(0.1)	—	(0.1)
Ending balance at December 31, 2012	\$ 0.1	\$ 0.1	\$ 0.2
Net unrealized gains (losses) related to assets still held at the end of the period	\$ —	\$ —	\$ —

Cash Flows Related to Pension and Other Postretirement Benefit Plans

MGUC's funding policy is to contribute at least the minimum amounts that are required to be funded under the Employee Retirement Income Security Act, but not more than the maximum amounts that are currently deductible for income tax purposes. MGUC expects to contribute \$4.9 million to pension plans and \$0.3 million to other postretirement benefit plans in 2014, dependent on various factors affecting MGUC, including its liquidity position and tax law changes.

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

(Millions)	Pension Benefits	Other Benefits	Federal Subsidies
2014	\$ 2.5	\$ 1.7	\$ 0.1
2015	2.6	1.7	0.1
2016	2.7	1.8	0.1
2017	2.8	1.7	0.1
2018	2.8	1.7	0.1
2019 through 2023	14.4	8.3	0.5

Defined Contribution Benefit Plans

Integrus Energy Group maintains a 401(k) Savings Plan for substantially all of MGUC's full-time employees. A percentage of employee contributions are matched through an employee stock ownership plan contribution up to certain limits. Certain employees participate in a defined contribution pension plan, in which certain amounts are contributed to an employee's account based on the employee's wages, age, and years of service. MGUC's share of the total costs incurred under all these plans was \$0.8 million in 2013 and \$0.5 million in 2012.

Integrus Energy Group maintains deferred compensation plans that enable certain key employees, including some who are the Company's employees, to defer payment of a portion of their compensation on a pre-tax basis. Compensation is generally deferred in the form of cash and is indexed to certain investment options or Integrus Energy Group common stock. The deemed dividends paid on the common stock are automatically reinvested.

The portion of the deferred compensation obligation that is indexed to various investment options and allows for distributions in cash is classified as a liability on the balance sheets. The liability is adjusted, with a charge or credit to expense, to reflect changes in the fair value of the deferred compensation obligation. The obligation classified within other long-term liabilities was \$0.2 million at December 31, 2013, and 2012. The costs incurred under this arrangement were not significant in 2013 and 2012.

NOTE 11--COMMON STOCK

Common Stock of MGUC consists of common stock without par value, \$1 stated value, 1,000 shares authorized, and 100 shares issued and outstanding. The common stock balance was \$100 at December 31, 2013, and 2012. All shares of MGUC's common stock are owned by Integrus Energy Group.

Integrus Energy Group may provide equity contributions to us or request a return of capital from us in order to maintain utility common equity levels consistent with those allowed by the MPSC. During the twelve months ended December 31, 2013, we returned \$4.5 million of capital to Integrus Energy Group.

NOTE 12--FAIR VALUE

Fair Value Measurements

The following tables show assets and liabilities that were accounted for at fair value on a recurring basis, categorized by level within the fair value hierarchy:

(Millions)	December 31, 2013			
	Level 1	Level 2	Level 3	Total
Risk management assets				
Natural gas contracts	\$ 0.3	\$ —	\$ —	\$ 0.3

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(Millions)	December 31, 2012			
	Level 1	Level 2	Level 3	Total
Risk management liabilities				
Natural gas contracts	\$ 0.2	\$ —	\$ —	\$ 0.2

The risk management assets and liabilities listed in the tables above include futures and options used to manage volatility in natural gas supply costs. MGUC also uses financial contracts to manage volatility in the costs of gasoline and diesel fuel used by its utility vehicles. The fair value of these financial contracts was not significant at December 31, 2013, and 2012. See Note 2, "Risk Management Activities," for more information.

There were no transfers between the levels of the fair value hierarchy during 2013 and 2012.

Fair Value of Financial Instruments

The following table shows the financial instruments included on MGUC's balance sheets that are not recorded at fair value:

(Millions)	2013		2012	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long-term debt to parent	\$ 71.0	\$ 75.8	\$ 84.0	\$ 95.1

NOTE 13--REGULATORY ENVIRONMENT

2014 MGUC Rates

In November 2013, the MPSC issued a final written order for MGUC, effective January 1, 2014. The order authorized a retail natural gas rate increase of \$4.5 million. The rates reflected a 10.25% return on common equity and a common equity ratio of 48.62% in MGUC's regulatory capital structure. Additionally, the order required MGUC to terminate its existing decoupling mechanism after December 31, 2013, and replace it with a new decoupling mechanism based on total margins, beginning January 1, 2015. The new decoupling mechanism will not cover variations in volumes due to actual weather being different from rate case-assumed weather. The rate order also terminated MGUC's existing uncollectible expense true-up mechanism after December 31, 2013. As a result, MGUC reduced revenues by \$1.2 million related to uncollectible expense amounts previously recorded as regulatory assets as of December 31, 2013.

MGUC Depreciation Case

In January 2013, the Michigan Court of Appeals issued an order reversing the MPSC's 2010 disallowance of \$2.5 million associated with the early retirement of certain MGUC assets. As a result, a \$2.5 million reduction to depreciation expense was recorded in the first quarter of 2013. In June 2013, the MPSC issued an order related to MGUC's most recent depreciation case. This order also approved a settlement agreement reflecting recovery of these previously disallowed costs.

NOTE 14--RELATED PARTY TRANSACTIONS

MGUC routinely enters into transactions with related parties, including Integrys Energy Group, its subsidiaries, and other entities in which it has material interests. The following agreements result in related party receivables and payables.

MGUC provides and receives services, property, and other items of value to and from its parent, Integrys Energy Group, and other subsidiaries of Integrys Energy Group. All such transactions are made pursuant to an affiliated interest agreement ("Regulated Agreement") approved by the MPSC. Minnesota Energy Resources Corporation, WPS, Upper Peninsula Power Company, The Peoples Gas Light and Coke Company, and North Shore Gas Company (together with MGUC, the "regulated subsidiaries") have all been added as parties to the Regulated Agreement and, like MGUC, can also provide and receive services, property, and other items of value to and from their parent, Integrys Energy Group, and other regulated subsidiaries of Integrys Energy Group. The Regulated Agreement requires that all services are provided at cost. Modification or amendment to this agreement requires the approval of the MPSC.

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IBS provides 15 categories of services (including financial, human resources, and administrative services) to us pursuant to an affiliated interest agreement ("IBS AIA"), which has been approved, or from which we have been granted appropriate waivers, by the appropriate regulators. As required by FERC regulations for centralized service companies, IBS renders services at cost. The appropriate public utility commissions, including the Illinois Commerce Commission ("ICC"), must be notified prior to making changes to the services offered under and the allocation methods specified in the IBS AIA, and other changes would require prior ICC approval. Recovery of allocated costs is addressed in our rate cases.

Effective January 1, 2014, after approval by the ICC and other state commissions, a new Affiliated Interest Agreement ("Non-IBS AIA") replaced the Regulated Agreement. It governs the provision and receipt of services by Integrys Energy Group subsidiaries, except that IBS will continue to provide services only under the IBS AIA. Services under the Non-IBS AIA are subject to various pricing methodologies. All services provided by any regulated subsidiary to another regulated subsidiary are priced at cost. All services provided by any regulated subsidiary to any nonregulated subsidiary are priced at the greater of cost or fair market value. All services provided by any nonregulated subsidiaries to any regulated subsidiaries are priced at the lesser of cost or fair market value. All services provided by either any regulated or nonregulated subsidiary to IBS are priced at cost.

MGUC was billed \$13.9 million in 2013 and \$12.2 million in 2012 for services provided by IBS. The amount owed to IBS was \$1.4 million and \$1.2 million, at December 31, 2013, and 2012, respectively.

The following table shows intercompany balances as of December 31:

<i>(Millions)</i>	2013	2012
Advances from affiliated companies	\$71.0	\$56.0
Notes payable to affiliated companies	21.8	28.0
Accounts payable to affiliated companies	2.6	2.6

Interest expense for the twelve months ended December 31, 2013, and 2012, included \$4.2 million and \$5.2 million, respectively, on debts from affiliated companies. Interest expense owed to affiliated companies was \$.9 million and \$1.2 million, at December 31, 2013, and 2012, respectively.

IBS serves as plan sponsor and administrator for the qualified retirement plan and WPS serves as plan sponsor and administrator for the other postretirement benefits.

See Note 5, "Short-Term Debt," Note 6, "Long-Term Debt," and Note 10, "Employee Benefit Plans," for additional disclosures on related party transactions.

NOTE 15 – SUBSEQUENT EVENTS

Other Postretirement Benefit Plan Remeasurement

On March 1, 2014, Integrys Energy Group remeasured the obligation of certain other postretirement benefit plans in which we participate. The remeasurement was necessary because Integrys Energy Group, Inc. will replace the current retiree medical plans for participants age 65 and older with a Medicare Advantage plan starting in 2015.

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item (a)	Total (b)	Electric (c)	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified) Includes ARO	316,571,109		
4	Property Under Capital Leases	0		
5	Plant Purchased or Sold	0		
6	Completed Construction not Classified	14,088,300		
7	Experimental Plant Unclassified	0		
8	TOTAL (Enter Total of lines 3 thru 7)	330,659,409		
9	Leased to Others	0		
10	Held for Future Use	0		
11	Construction Work in Progress	5,144,448		
12	Acquisition Adjustments	0		
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	335,803,857		
14	Accum. Prov. for Depr., Amort., & Depl.	176,539,743		
15	Net Utility Plant (Enter Total of line 13 less 14)	159,264,114		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation (108000,108001, 108200,254485)	175,190,627		
19	Amort. and Depl. of Producing Natural Gas Land and Land Rights	0		
20	Amort. of Underground Storage Land and Land Rights	0		
21	Amort. of Other Utility Plant (111000)	1,349,116		
22	TOTAL In Service (Enter Total of lines 18 thru 21)	176,539,743		
23	Leased to Others			
24	Depreciation	0		
25	Amortization and Depletion	0		
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	0		
27	Held for Future Use			
28	Depreciation	0		
29	Amortization	0		
30	TOTAL Held for Future Use (Enter Total of lines 28 and 29)	0		
31	Abandonment of Leases (Natural Gas)	0		
32	Amort. of Plant Acquisition Adj.			
33	TOTAL Accumulated provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31, and 32)	176,539,743		

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Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
316,571,109					3
0					4
0					5
14,088,300					6
0					7
330,659,409					8
0					9
0					10
5,144,448					11
0					12
335,803,857					13
176,539,743					14
159,264,114					15
					16
					17
175,190,627					18
0					19
0					20
1,349,116					21
176,539,743					22
					23
					24
					25
0					26
					27
					28
					29
0					30
					31
					32
176,539,743					33

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Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2014	December 31, 2013
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)					
<p>1. Report below the original cost of gas plant in service according to the prescribed accounts.</p> <p>2. In addition to Acct 101, Gas Plant in Service (Classified), this schedule includes Account 102, Gas Plant Purchased or Sold; Acct 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified - Gas.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts.</p> <p>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</p>			<p>for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements.</p> <p>Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior year's tentative account distributions of these amounts.</p>		
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
1		1. Intangible Plant			
2	301	Organization	-	-	
3	302	Franchises and Consents	22,656	-	
4	303	Miscellaneous Intangible Plant	-	-	
5		TOTAL Intangible Plant	22,656	-	
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	-	-	

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013		
Michigan Gas Utilities Corporation					
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
<p>Careful observation of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.</p> <p>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.</p>			<p>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.</p> <p>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.</p>		
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					1
-	-	-	-	301	2
-	-	-	22,656	302	3
	-	-	-	303	4
-	-	-	22,656		5
					6
					7
-	-	-	-	304.1	8
-	-	-	-	304.2	9
-	-	-	-	305	10
-	-	-	-	306	11
-	-	-	-	307	12
-	-	-	-	308	13
-	-	-	-	309	14
-	-	-	-	310	15
-	-	-	-	311	16
-	-	-	-	312	17
-	-	-	-	313	18
-	-	-	-	314	19
-	-	-	-	315	20
-	-	-	-	316	21
-	-	-	-	317	22
-	-	-	-	318	23
-	-	-	-	319	24
-	-	-	-	320	25
-	-	-	-		26

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
27		Natural Gas Production & Gathering Plant		
28	325.1	Producing Lands	-	-
29	325.2	Producing Leaseholds	-	-
30	325.3	Gas Rights	-	-
31	325.4	Rights-of-Way	16,869	-
32	325.5	Other Land	18,223	-
33	325.6	Other Land Rights	-	-
34	326	Gas Well Structures	-	-
35	327	Field Compressor Station Structures	-	-
36	328	Field Measuring and Regulating Station Structures	-	-
37	329	Other Structures	87,403	-
38	330	Producing Gas Wells-Well Construction	-	-
39	331	Producing Gas Wells-Well Equipment	5,150	-
40	332	Field Lines	41,943	-
41	333	Field Compressor Station Equipment	115,824	-
42	334	Field Measuring and Regulating Station Equipment	2,051	-
43	335	Drilling and Cleaning Equipment	-	-
44	336	Purification Equipment	22,055	-
45	337	Other Equipment	14,957	-
46	338	Unsuccessful Exploration & Development Costs	-	-
47		TOTAL Production and Gathering Plant	324,475	-
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	324,475	-
60		SNG Production Plant (Submit Supplemental Statement)	-	-
61		TOTAL Production Plant	324,475	-
62		3. Natural Gas Storage and Processing Plant		
63		Underground Storage Plant		
64	350.1	Land	13,312	-

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report		
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2014	December 31, 2013		
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					27
-	-	-	-	325.1	28
-	-	-	-	325.2	29
-	-	-	-	325.3	30
-	-	-	16,869	325.4	31
-	-	-	18,223	325.5	32
-	-	-	-	325.6	33
-	-	-	-	326	34
-	-	-	-	327	35
-	-	-	-	328	36
-	-	-	87,403	329	37
-	-	-	-	330	38
-	-	-	5,150	331	39
-	-	-	41,943	332	40
-	-	-	115,824	333	41
-	-	-	2,051	334	42
-	-	-	-	335	43
-	-	-	22,055	336	44
-	-	-	14,957	337	45
-	-	-	-	338	46
-	-	-	324,475		47
					48
-	-	-	-	340.1	49
-	-	-	-	340.2	50
-	-	-	-	341	51
-	-	-	-	342	52
-	-	-	-	343	53
-	-	-	-	344	54
-	-	-	-	345	55
-	-	-	-	346	56
-	-	-	-	347	57
-	-	-	-		58
-	-	-	324,475		59
-	-	-	-		60
-	-	-	324,475		61
					62
					63
-	-	-	13,312	350.1	64

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
65	350.2	Rights-of-Way	2,455	-
66	351	Structures and Improvements	305,896	-
67	352	Wells	-	-
68	352.1	Storage Leaseholds and Rights	-	-
69	352.2	Reservoirs	95,267	-
70	352.3	Non-recoverable Natural Gas	1,033,000	895,252
71	352.4	Gas URG-Storage Wells	3,100,536	172,145
72	352.5	Gas URG-Storage Leasehold & Rght	1,666,932	-
73	353	Lines	897,299	-
74	354	Compressor Station Equipment	3,069,588	12,396
75	355	Measuring and Regulating Equipment	676,304	-
76	356	Purification Equipment	1,121,981	-
77	357	Other Equipment	25,701	-
78	358	Gas in Underground Storage-Noncurrent	-	-
79		TOTAL Underground Storage-Noncurrent	12,008,271	1,079,793
80		Other Storage Plant		
81	360.1	Land	-	-
82	360.2	Land Rights	-	-
83	361	Structures and Improvements	-	-
84	362	Gas Holders	-	-
85	363	Purification Equipment	-	-
86	363.1	Liquefaction Equipment	-	-
87	363.2	Vaporizing Equipment	-	-
88	363.3	Compressor Equipment	-	-
89	363.4	Measuring and Regulating Equipment	-	-
90	363.5	Other Equipment	-	-
91		TOTAL Other Storage Plant	-	-
92		Base Load Liquefied NG Terminating and Processing Plant		
93	364.1	Land	-	-
94	364.1a	Land Rights	-	-
95	364.2	Structures and Improvements	-	-
96	364.3	LNG Processing Terminal Equipment	-	-
97	364.4	LNG Transportation Equipment	-	-
98	364.5	Measuring and Regulating Equipment	-	-
99	364.6	Compressor Station Equipment	-	-
100	364.7	Communication Equipment	-	-
101	364.8	Other Equipment	-	-
102		TOTAL Base Load LNG Terminating and Processing Plant	-	-
103				
104		TOTAL Natural Gas Storage and Processing Plant	12,008,271	1,079,793

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013		
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements	Adjustments	Transfers	Balance at End of Year	Acct. No.	Line No.
(d)	(e)	(f)	(g)		
-	-	-	2,455	350.2	65
(8,731)	-	-	297,165	351	66
-	-	-	-	352	67
-	-	-	-	352.1	68
-	-	-	95,267	352.2	69
-	-	469,136	2,397,388	352.3	70
(432,182)	-	-	2,840,499	352.4	71
-	-	-	1,666,932	352.5	72
(1,407)	-	-	895,892	353	73
(151,111)	-	-	2,930,873	354	74
-	-	-	676,304	355	75
(3,353)	-	-	1,118,628	356	76
-	-	-	25,701	357	77
-	-	-	-	358	78
(596,784)	-	469,136	12,960,416		79
					80
-	-	-	-	360.1	81
-	-	-	-	360.2	82
-	-	-	-	361	83
-	-	-	-	362	84
-	-	-	-	363	85
-	-	-	-	363.1	86
-	-	-	-	363.2	87
-	-	-	-	363.3	88
-	-	-	-	363.4	89
-	-	-	-	363.5	90
-	-	-	-		91
					92
-	-	-	-	364.1	93
-	-	-	-	364.1a	94
-	-	-	-	364.2	95
-	-	-	-	364.3	96
-	-	-	-	364.4	97
-	-	-	-	364.5	98
-	-	-	-	364.6	99
-	-	-	-	364.7	100
-	-	-	-	364.8	101
-	-	-	-		102
					103
(596,784)	-	469,136	12,960,416		104

Name of Respondent		This Report Is:		Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) [X] An Original (2) [] A Resubmission		(Mo, Da, Yr) April 30, 2014	December 31, 2013
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Line No.	Acct. No.	Account	Balance at Beginning of Year	Additions	
		(a)	(b)	(c)	
105		4. Transmission Plant			
106	365.1	Land	31,394	-	
107	365.2	Land Rights	927,544	-	
108	365.3	Rights-of-Way	-	-	
109	366	Structures and Improvements	1,503,845	388,731	
110	367	Mains	34,636,435	3,761,809	
111	368	Compressor Station Equipment	-	-	
112	369	Measuring and Regulating Station Equipment	7,121,295	188,645	
113	370	Communication Equipment	-	-	
114	371	Other Equipment	-	-	
115		TOTAL Transmission Plant	44,220,513	4,339,185	
116		5. Distribution Plant			
117	374.1	Land	81,375	-	
118	374.2	Land Rights	235,632	-	
119	375	Structures and Improvements	332,146	-	
120	376	Mains	112,819,896	5,601,033	
121	377	Compressor Station Equipment	-	-	
122	378	Measuring and Regulating Station Equip.-General	4,342,157	278,698	
123	379	Measuring and Regulating Station Equip.-City Gate	(35,210)	-	
124	380	Services	67,309,043	4,112,027	
125	381	Meters	34,228,688	1,820,057	
126	382	Meter Installations	-	-	
127	383	House Regulators	14,041,778	207,239	
128	384	House Regulator Installations	-	-	
129	385	Industrial Measuring and Regulating Station Equip.	573,139	31,645	
130	386	Other Property on Customer's Premises	-	-	
131	387	Other Equipment	-	-	
132	388	Distribution Plant - ARC Gas	1,277,488	-	
133		TOTAL Distribution Plant	235,206,132	12,050,699	
134		6. General Plant			
135	389.1	Land	1,251,451	-	
136	389.2	Land Rights	-	-	
137	390	Structures and Improvements	10,516,567	430,140	
138	391	Office Furniture and Equipment	446,031	2,240	
139	391.1	Computers and Computer Related Equipment	642,526	2,299	
140	392	Transportation Equipment	4,093,638	1,065,760	
141	393	Stores Equipment	41,675	-	
142	394	Tools, Shop and Garage Equipment	1,889,194	379,010	
143	395	Laboratory Equipment	384,010	68,588	

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Michigan Gas Utilities Corporation	(1) [X] An Original (2) [] A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013		
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements	Adjustments	Transfers	Balance at End of Year	Acct. No.	Line No.
(d)	(e)	(f)	(g)		
					105
-	-	-	31,394	365.1	106
-	-	-	927,544	365.2	107
-	-	-	-	365.3	108
-	-	(198,463)	1,694,113	366	109
(40,389)	-	-	38,357,855	367	110
-	-	-	-	368	111
(35,486)	-	198,463	7,472,917	369	112
-	-	-	-	370	113
-	-	-	-	371	114
(75,875)	-	-	48,483,823		115
					116
-	-	-	81,375	374.1	117
-	-	-	235,632	374.2	118
			332,146	375	119
(322,088)	-	-	118,098,841	376	120
-	-	-	-	377	121
(25,631)	-	-	4,595,224	378	122
-	-	-	(35,210)	379	123
(163,737)	-	-	71,257,333	380	124
(2,154,722)	-	-	33,894,023	381	125
-	-	-	-	382	126
(28,750)	-	-	14,220,267	383	127
-	-	-	-	384	128
(3,722)	-	-	601,062	385	129
-	-	-	-	386	130
-	-	-	-	387	131
-	-	-	1,277,488	388	132
(2,698,650)	-	-	244,558,181		133
					134
-	-	-	1,251,451	389.1	135
-	-	-	-	389.2	136
(305,170)	-	-	10,641,537	390	137
(148,084)	-	-	300,187	391	138
(22,904)	-	-	621,921	391.1	139
(486,977)	-	-	4,672,421	392	140
(2,923)	-	-	38,752	393	141
(100,462)	-	-	2,167,742	394	142
(35,826)	-	-	416,772	395	143

Name of Respondent		This Report Is:		Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2014	December 31, 2013
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)	
144	396	Power Operated Equipment	1,190,276	71,108	
145	397	Communication Equipment	2,816,447	176,229	
146	398	Miscellaneous Equipment	3,563	-	
147		SUBTOTAL (Lines 134 thru 146)	23,275,378	2,195,374	
148	399	Other Tangible Property	(23,910)	-	
149		TOTAL General Plant	23,251,468	2,195,374	
150		TOTAL (Accounts 101 and 106)	315,033,515	19,665,051	
151	101.1	Property Under Capital Leases	-		
152	102	Gas Plant Purchased (See Instruction 8)	-		
153	(Less)	Gas Plant Sold (See Instruction 8)	-		
154	102				
155	103	Experimental Gas Plant Unclassified	-		
156		TOTAL GAS PLANT IN SERVICE	315,033,515	19,665,051	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report		
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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
-	-	-	1,261,384	396	144
(34,638)	-	-	2,958,038	397	145
-	-	-	3,563	398	146
(1,136,984)	-	-	24,333,768		147
-	-	-	(23,910)	399	148
(1,136,984)	-	-	24,309,858		149
(4,508,293)	-	469,136	330,659,409		150
			-	101.1	151
			-	102	152
			-	(Less)	152
				102	153
			-	103	154
(4,508,293)	-	469,136	330,659,409		155

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107).		Development, and Demonstration (see Account 107 of the Uniform System of Accounts).		
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research,		3. Minor projects (less than \$500,000) may be grouped.		
Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)	
1	Projects with Balances Less Than \$500,000	5,144,448		
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43	TOTAL	5,144,448	0	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
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	Internal Design, Engineering and Supervision	591,209		
2	Allowance for Funds Used During Construction	0		
3	Administrative and General	204,706		
4			18,927,239	
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46	TOTAL	795,915	18,927,239	

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2014	December 31, 2013

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE	
<p>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.</p>	<p>2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the U.S. of A.</p> <p>3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.</p>

Internal Design, Engineering, and Supervision

The company capitalizes salaries and expenses of supervisory, engineering and clerical personnel involved with the construction and retirement of gas mains and services. Costs include design and engineering services as well as supervising, directing, and controlling activities of field employees engaged in the construction and retirement activities. Each month, the amounts are allocated to gas mains, gas services, and retirement projects based on direct labor charged to those projects.

Administrative and General

The company capitalizes a portion of administrative and general expenses, property taxes, and an applicable portion of the injuries and damages insurance which are incurred in connection with construction activity. Each month, an amount is allocated to individual construction projects based on direct labor charged to those projects.

Name of Respondent		This Report Is:		Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2014	December 31, 2013
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)					
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 204-211, column (d), excluding retirements of non-depreciable property. 3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service.		If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.			
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c + d + e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
1	Balance Beginning of Year	173,626,041	173,626,041		
2	Depreciation Prov. for Year, Charged to				
3	(403) Depreciation Expense	6,039,353	6,039,353		
4	(403.1) Deprec. and Deplet. Expense	0	0		
5	(413) Exp. of Gas Plt. Leas. to Others	0	0		
6	Transportation Expenses-Clearing	539,513	539,513		
7	Other Clearing Accounts	0	0		
8	Other Accounts (Specify):	0	0		
9	ARO Depreciation Expense 182375	57,992	57,992		
10	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 9)	6,636,858	6,636,858	0	0
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	4,508,293	4,508,293		
13	Cost of Removal	769,523	769,523		
14	Salvage	205,544	205,544		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	5,072,272	5,072,272	0	0
16	Other Debit or Credit Items (Describe):	0	0		
17					
18		0			
19	Balance End of Year (Enter Total of lines 1, 10, 15, & 17)	175,190,627	175,190,627	0	0
Section B. Balances at End of Year According to Functional Classifications					
20	Production - Manufactured Gas	0	0		
21	Production and Gathering - Natural Gas	252,709	252,709		
22	Products Extraction - Natural Gas	0	0		
23	Underground Gas Storage	5,742,058	5,742,058		
24	Other Storage Plant	0	0		
25	Base Load LNG Terminating & Proc. Plt.	0	0		
26	Transmission	28,082,150	28,082,150		
27	Distribution	132,548,072	132,548,072		
28	General	8,565,638	8,565,638		
29	TOTAL (Enter total of lines 20 thru 28)	175,190,627	175,190,627	0	0

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GAS STORED (ACCOUNT 117, 164.1, 164.2 AND 164.3)						
1. If during the year adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for the adjustment, the Mcf and dollar amount of adjustment, and account charged or credited. 2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir. 3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment				of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year. 4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year. 5. Report pressure base of gas volumes as 14.65 psia at 60°F.		
Line No.	Description	Noncurrent (Account 117)	Current (Account 164.1)	LNG (Account 164.2)	LNG (Account 164.3)	Total
	(a)	(b)	(c)	(d)	(e)	(f)
1	Balance at Beginning of Year	3,601,761	\$16,382,884			\$19,984,645
2	Gas Delivered to Storage (contra Account)		22,593,059			22,593,059
3	Gas Withdrawn from Storage (contra Account)		(23,122,608)			(23,122,608)
4	Other Debits or Credits (Net)	(469,136)	(\$895,252)			(1,364,388)
5	Balance at End of Year	3,132,625	\$14,958,083			\$18,090,708
6	Mcf	1,854,262	3,794,933			5,649,195
7	Amount Per Mcf	\$1.69	\$3.94			\$3.20
8						

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INVESTMENTS (Accounts 123, 124, 136)

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

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

(a) Investment in Securities - List and describe each security owned, giving name of user, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, *Other Investments*), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.

(b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or an open account.

Line No.	Description of Investment (a)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (b)		Purchases or Additions During Year (c)
		Original Cost	Book Value	
1	US Bank Euro Time Deposit 12/30/11	750,000	750,000	477,500,000
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19		750,000	750,000	477,500,000
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38		750,000	750,000	477,500,000
39				

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INVESTMENTS (Accounts 123, 124, 136) (Cont'd)						
<p>Each note should be listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees. Exclude amounts reported on page 229.</p> <p>3. For any securities, notes or accounts that were pledged designate with an asterisk such securities, notes, or accounts and in a footnote state the name of pledgee and purpose of the pledge.</p> <p>4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give</p>			<p>name of Commission, date of authorization, and case or docket number.</p> <p>5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.</p> <p>6. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (g).</p>			
Sales or Other Dispositions During Year	Principal Amount or No. of Shares at End of Year	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)		Revenues for Year	Gain of Loss from Improvement Disposed of	Line No.
		Original Cost	Book Value			
(d)	(e)			(g)*	(h)	
478,250,000	0	0	0	1,975		1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
478,250,000		0	0	1,975		19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
0		0	0	0		34
						35
						36
478,250,000	0	0	0	1,975	0	37
						38
						39

1 (g)* Interest received on 01/03/13 \$4.17 for entire 2012 trade.
Actual interest received for this transaction in 2012 \$0.00

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GAS PREPAYMENTS UNDER PURCHASE AGREEMENTS							
1. Report below the information called for concerning gas prepayments as defined in the text of Account 165, <i>Prepayments</i> . (Report advances on page 229.)				purpose, state in a footnote gas volume and dollar amount, period when such prepayment was incurred, and accounting disposition of prepayment amount. Give a concise explanation of circumstances causing forfeiture or other disposition of the prepayment.			
2. If any prepayment at beginning of year (or incurred during year) was cancelled, forfeited, or applied to another							
Line No.	Name of Vendor (Designate associated companies with an asterisk) (a)	Seller FERC Rate Schedule No. (b)	BALANCE BEGINNING OF YEAR				
			Mcf (14.73 psia at 60°F) (c)	Amount (d)			
1	ANR Pipeline			4,000			
2							
3							
4							
5							
6							
7							
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40							
41							
42	TOTAL		0	4,000			

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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)		
						1
						2
						3
						4
						5
						6
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						40
						41
0	-		0			42

Name of Respondent	This Report Is:	Date of Report	Year of Report
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NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET			
Show separately by footnote the total amount of notes and accounts receivable from directors, officers, and		employees included in Notes Receivable (Account 141) and Other Accounts Receivable (Account 143).	
Line No.	Accounts (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Notes Receivable (Account 141)	0	0
2	Customer Accounts Receivable (Account 142)	15,267,691	18,819,367
3	Other Accounts Receivable (Account 143) * (Disclose any capital stock subscriptions received)	600,558	476,464
4	TOTAL	15,868,249	19,295,831
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144) **	1,235,877	1,221,877
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	14,632,372	18,073,954
7			
8			
9	* Accounts Receivable From Employees		
10	** Michigan's Portion of Account 144		
11			
12			
13			
14			

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)						
1. Report below the information called for concerning this accumulated provision.						
2. Explain any important adjustments of subaccounts.						
3. Entries with respect to officers and employees shall not include items for utility services.						
Line No.	Item (a)	Utility Customers (b)	Merchandise Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	1,235,876				1,235,876
2	Prov. for uncollectibles for current	(14,000)				(14,000)
3	Account written off (less)	1,065,621				1,065,621
4	Coll. of accounts written off					0
5	Adjustments (explain): Due to the Direct Write-off Method	1,065,621				1,065,621
6	Balance end of year	1,221,876	0	0	0	1,221,876
7						
8						
9						
10						
11						

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Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)						
1. Report particulars of notes and accounts receivable from associated companies* at end of year. 2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts. 3. For notes receivable, list each note separately and state purpose for which received. Show also in column (a) date of note, date of maturity and interest rate.			4. If any note was received in satisfaction of an open account, state the period covered by such open account. 5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year. 6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.			
* NOTE: "Associated companies" means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the accounting company. This includes related parties. "Control" (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.						
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	Account 146:					
2	<u>Wisconsin Public Service Corporation</u>					
3	Accounts Receivable	712	972,140	970,326	2,526	
4	<u>Minnesota Energy Resources Corporation</u>					
5	Accounts Receivable	0	829	829	0	
6	<u>The Peoples Gas Light & Coke Company</u>					
7	Accounts Receivable	0	31,202	31,202	0	
8	<u>North Shore Gas Company</u>					
9	Accounts Receivable	0	3,123	3,123	0	
10	<u>Upper Peninsula Power Company</u>					
11	Accounts Receivable	0	350	350	0	
12	<u>Integrus Business Support, LLC</u>					
13	Accounts Receivable	32,871	123,002	77,704	78,169	
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	TOTAL	33,583	1,130,646	1,083,534	80,695	

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MATERIALS AND SUPPLIES				
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material. Nonmajor companies may report total on line 4.</p>		<p>2. Give an explanation of important inventory adjustments during the year (on a supplemental page) showing general classes of material and supplies and the various accounts (operating expense, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.</p>		
Line No.	Account (a)	Balance Beginning of Year Conv. Amts 4/1/06 (b)	Balance End of Year (c)	Department or Departments Which Use Material (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	426,161	506,834	Gas Operations
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)	49,476	37,096	Gas Operations
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	475,637	543,930	Gas Operations
12	Merchandise (Account 155)			
13	Other Materials and Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157)			
	(Not applicable to Gas Utilities)			
15	Stores Expense Undistributed (Account 163)	19,610	9,055	
16	Electric			
17	Gas			
18	Other			
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	495,247	552,985	

Name of Respondent Michigan Gas Utilities Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
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PREPAYMENTS (Account 165)

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

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

Line No.	Nature of Prepayment (a)	Balance at End of Year (In Dollars) (b)
1	Prepaid Insurance	287,445
2	Prepaid Rents	
3	Prepaid Taxes (pages 262-263)	3,810,533
4	Prepaid Interest on Commercial Paper	
5	Gas Prepayments (pages 226-227)	
6	Miscellaneous Prepayments: Licenses	
7	TOTAL	4,097,978

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

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

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

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

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Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2014		December 31, 2013	
OTHER REGULATORY ASSETS (Account 182.3)							
<p>1. Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts.)</p> <p>2. For regulatory assets being amortized, show period of amortization in column (a).</p> <p>3. Minor items (amounts less than \$50,000) may be grouped by classes.</p> <p>4. Give the number and name of the account(s) where each amount is recorded.</p>							
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)		
			Account Charged (c)	Amount (d)			
1	Reg Asset-Derivatives-Current	115,520	232	94,770	20,750		
2	Reg Asset-Curr-NonDeriv Adj	110,250	232	95,241	102,043		
3	Regulatory Asset - Retiree Health (FAS 106)		228.3		0		
4	Regulatory Asset - FAS 158	11,516,272	228.3	24,229,267	9,596,038		
5	Clean Up Gas Insurance Recovery	1,455,421	926	2,144,267	(688,846)		
6	Environmental Clean-Up Costs	831,789	926	823,601	8,188		
7	Regulatory Asset - Purch Acctg Eff Benefits	68,467	926	1,632,077	19,154,223		
8	ARO Depreciation/Accretion - Non-Rate Base	149,720	230		766,715		
9	Regulatory Asset - Deferred Taxes	13,384,836	254.4	13,329,909	3,352,899		
10	Regulatory Asset - Derivatives	7,740	244/175	202,470	0		
11	Regulatory Asset - Uncollectible Expense Tracker-MI	199,000	144	1,434,877	(0)		
12	Revenue Decoupling - Under Collection 2012		495	451,942	718,788		
13	Revenue Decoupling - Under Collection 2011	1,420	495	136,834	21,674		
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
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31							
32							
33							
34							
35	TOTAL	27,840,435		44,575,255	33,052,471		

Name of Respondent	This Report Is:	Date of Report	Year of Report
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a).
3. Minor items (less than \$50,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Tradename	5,218,000		186060		5,218,000
2	Deferred Debit-Area Expansion Program	1,155,444	286,050	107	160,092	1,281,402
3	Deferred Debit-Work Orders	10,625	62,564	107/234	71,747	1,442
4	Goodwill	34,517,361		425010		34,517,361
5	Regulatory Asset - Clean-Up Gas Expenditures	23,276,906	6,778,618	253/735	1,491,613	28,563,911
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38	Misc. Work in Progress					
39	DEFERRED REGULATORY COMM. EXPENSES (SEE PAGES 350-351)					
40	TOTAL	64,178,335	7,127,232		1,723,452	69,582,115

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

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

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2				
3				
4				
5				
6				
7	Other			
8	TOTAL Electric (Enter Total of lines 2 thru 7)			
9	Gas			
10	Accumulated Deferred Income Taxes	-		
11	Plant	1,369,419	119,030	294,161
12	Other Than Plant	8,828,879	12,077,313	6,067,921
13	Other Than Plant (FAS 109)	(1,594)		
14				
15	Other			
16	TOTAL Gas (Enter Total of lines 10 thru 15)	10,196,704	12,196,343	6,362,082
17	Other (Specify) Non-Utility	20,756,940		
18	TOTAL (Account 190 (Enter Total of lines 8, 16 & 17)	30,953,644	12,196,343	6,362,082
19	Classification of Total:			
20	Federal Income Tax	26,165,221	11,186,936	5,894,844
21	State Income Tax	4,788,423	1,009,407	467,237
22	Local Income Tax			

NOTES

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

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

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2014		December 31, 2013	
ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)							
3. If more space is needed, use separate pages as required.				and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.			
4. In the space provided below, identify by amount							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)	(k)	
							1
							2
							3
							4
							5
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							7
							8
							9
						-	10
			4,557			1,539,993	11
					4,004,470	6,823,957	12
					1,520	(74)	13
							14
							15
-	-	-	4,557	-	4,005,990	8,363,876	16
5,913,844	3,208,132				88,551	18,139,779	17
5,913,844	3,208,132	-	4,557	-	4,094,541	26,503,655	18
							19
5,488,741	3,218,774	-	-	-	3,801,692	22,404,854	20
425,103	(10,642)	-	4,557	-	292,849	4,098,800	21
							22
NOTES (Continued)							

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013	
CAPITAL STOCK (Accounts 201 and 204)				
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outline in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>				
Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Account 201 - Common Stock			
2				
3	Total Common Stock			
4				
5	Account 204 - Preferred Stock			
6				
7	Total Preferred Stock			
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Name of Respondent		This Report Is:		Date of Report	Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2014	December 31, 2013	
CAPITAL STOCK (Accounts 201 and 204) (Continued)						
3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued. 4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.				5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. 6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledge and purposes of pledge.		
OUTSTANDING PER BALANCE SHEET		HELD BY RESPONDENT				
(Total amount outstanding without reduction for amounts held by respondents.)		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	Line No.
	(100)					1
						2
	(100)					3
						4
						5
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2014	December 31, 2013
CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 & 205, 203 & 206, 207, 212)			
<p>1. Show for each of the above accounts the amounts applying to each class and series of capital stock.</p> <p>2. For Account 202, <i>Common Stock Subscribed</i>, and Account 205, <i>Preferred Stock Subscribed</i>, show the subscription price and the balance due on each class at the end of year.</p> <p>3. Describe in a footnote the agreement and transactions under which a conversion liability existed</p> <p>under Account 203, <i>Common Stock Liability for Conversion</i>, or Account 206, <i>Preferred Stock Liability for Conversion</i>, at the end of the year.</p> <p>4. For Premium on Account 207, <i>Capital Stock</i>, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p>			
Line No.	Name of Account & Description of Item (a)	Number of Shares (b)	Amount (c)
1	Account 207 - Premium on Capital Stock	79,494,854	164,346,084
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40	TOTAL	79,494,854	164,346,084

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)			
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) <i>Donations Received from Stockholders</i> (Account 208)--State amount and give brief explanation of the origin and purpose of each donation.</p> <p>(b) <i>Reduction in Par or Stated Value of Capital Stock</i> (Account 209)--State amount and give brief explanation of the</p>		<p>capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) <i>Gain on Resale or Cancellation of Reacquired Capital Stock</i> (Account 210)--Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) <i>Miscellaneous Paid-In Capital</i> (Account 211)--Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>	
Line No.	Item (a)	Amount (b)	
1	<u>Account 211 - Division Equity</u>		
2			
3	Balance Beginning of Year	\$	-
4			
5	Net Income		7,714,901
6			
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40	TOTAL	\$	7,714,901

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
LONG-TERM DEBT (Accounts 221, 222, 223 and 224)			
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, <i>Bonds</i>, 222, <i>Reacquired Bonds</i>, 223, <i>Advances from Associated Companies</i>, and 224, <i>Other Long-Term Debt</i>.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>			
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give Commission Authorization numbers and dates) (a)	Principal Amount of Debt Issued (b)	Total Expense, Premium or Discount (c)
1	Account 223 - Advances from Affiliates		
2	Long-Term N/P Assoc Co-Integrays Energy Group, Inc.	28,000,000	
3	Long-Term N/P Assoc Co-Integrays Energy Group, Inc.	28,000,000	
4	Long-Term N/P Assoc Co-Integrays Energy Group, Inc.	28,000,000	
5	Long-Term N/P Assoc Co-Integrays Energy Group, Inc.	15,000,000	
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24			
25	TOTAL	99,000,000	0

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

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

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

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
4/1/2006	4/1/2013			0		1
4/1/2006	4/1/2016			28,000,000		2
4/1/2006	4/1/2021			28,000,000		3
4/1/2013	4/1/2023			15,000,000		4
						5
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71,000,000				0		25

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			

PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)

1. Report particulars of notes and accounts payable to associated companies at end of year.
2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to a total for the combined accounts.
3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate.
4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year.
5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.

**See definition on page 226B*

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	Account 233:					
2	<u>Integrus Energy Group, Inc.</u>					
3	Short term loan to MGUC					
4	Loan 1/1-1/31/2013 Rate 0.37%	0		2,400,000	2,400,000	
5	Repay 1/31/2013	0	2,400,000		(2,400,000)	90
6	Loan 2/1-2/28/2013 Rate 0.37%	0			0	
7	Repay 2/28/2013	0			0	
8	Loan 3/1-3/31/2013 Rate 0.36%	0			0	
9	Repay 3/31/2013	0			0	
10	Loan 4/1-4/30/2013 Rate 0.36%	0		10,350,000	10,350,000	
11	Repay 4/30/2013	0	1,850,000		(1,850,000)	105
12	Loan 5/1-5/31/2013 Rate 0.35%	0		8,375,000	8,375,000	
13	Repay 5/31/2013	0	11,325,000		(11,325,000)	1,101
14	Loan 6/1-6/30/2013 Rate 0.331%	0		9,675,000	9,675,000	
15	Repay 6/30/2013	0	5,725,000		(5,725,000)	1,138
16	Loan 7/1-7/31/2013 Rate 0.321%	0		7,700,000	7,700,000	
17	Repay 7/31/2013	0	5,525,000		(5,525,000)	2,273
18	Loan 8/1-8/31/2013 Rate 0.270%	0		6,825,000	6,825,000	
19	Repay 8/31/2013	0	8,375,000		(8,375,000)	2,555
20	Loan 9/1-9/30/2013 Rate 0.219%	0		6,450,000	6,450,000	
21	Repay 9/30/2013	0	2,475,000		(2,475,000)	1,933
22	Loan 10/1-10/31/2013 Rate 0.274%	0		12,450,000	12,450,000	
23	Repay 10/31/2013	0	6,450,000		(6,450,000)	4,039
24	Loan 11/1-11/30/2013 Rate 0.227%	0		8,275,000	8,275,000	
25	Repay 11/30/2013	0	3,650,000		(3,650,000)	3,860
26	Loan 12/1-12/31/2013 Rate 0.224%	0		6,725,000	6,725,000	
27	Repay 12/31/2013	0	9,650,000		(9,650,000)	4,115
28	Total of Account 233	0	57,425,000	79,225,000	21,800,000	21,209
29						
30						

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013			
Michigan Gas Utilities Corporation						
PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)						
1. Report particulars of notes and accounts payable to associated companies at end of year. 2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to a total for the combined accounts. 3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate. 4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year. 5. If collateral has been pledged as security to the payment of any note or account, describe such collateral. <i>*See definition on page 226B</i>						
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year Debits (c) Credits (d)		Balance End of Year (e)	Interest for Year (f)
1	Account 234:					
2	<u>Peoples Energy Corporation</u>					
3	Accounts Payable	0			0	
4	Total	0	0	0	0	
5	<u>The Peoples Gas Light & Coke Company</u>					
6	Accounts Payable	42	88,260	94,741	6,523	
7	Total	42	88,260	94,741	6,523	
8	<u>Integrays Business Support, LLC</u>					
9	Accounts Payable	1,219,098	35,732,858	35,895,741	1,381,981	
10	Total	1,219,098	35,732,858	35,895,741	1,381,981	
11	<u>Wisconsin Public Service Corporation</u>					
12	Accounts Payable	92,052	2,790,781	2,803,806	105,077	
13	Total	92,052	2,790,781	2,803,806	105,077	
14	<u>Upper Peninsula Power Company</u>					
15	Accounts Payable	263	4,626	4,618	255	
16	Total	263	4,626	4,618	255	
17	<u>Minnesota Energy Resources Corporation</u>					
18	Accounts Payable	21,535	373,705	382,334	30,164	
19	Total	21,535	373,705	382,334	30,164	
20	<u>Integrays Energy Services, Inc.</u>					
21	Accounts Payable	29	66	37	0	
22	Total	29	66	37	0	
23	<u>Integrays Energy Group, Inc.</u>					
24	Accounts Payable	1,297,569	9,129,488	8,818,568	986,649	
25	Total	1,297,569	9,129,488	8,818,568	986,649	
26	<u>North Shore Gas Company</u>					
27	Accounts Payable	6	748	742	0	
28	Total	6	748	742	0	
29	Total of Account 234	2,630,594	48,120,532	48,000,587	2,510,649	
30	Total of Accounts 233 and 234	2,630,594	105,545,532	127,225,587	24,310,649	21,209

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES				
1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.		2. If the utility is a member of a group which files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.		
Line No.	Particulars (Details) (a)	Amount (b)		
1	Net Income for the Year (Page 117)	\$7,714,901		
2	Reconciling items for the Year:			
3				
4	Federal and State Taxes	4,873,513		
5	Investment Tax Credit			
6				
7	Deductions Recorded on Books Not Deducted for Return:			
8	Schedule M-1 Adjustments			
9	Benefits Accrued	(3,667,728)		
10	Deferred Compensation	23,033		
11	Incentives Accrued	0		
12	Bad Debts	1,221,877		
13	Meals & Entertainment	24,214		
14	Depreciation	(25,815,246)		
15	State Tax	249,076		
16	Environment Cleanup	1,516,648		
17	Regulatory Assets (NC)	2,513,626		
18	Vacation Payable	32,139		
19	Regulatory Liabilities (NC)	800,506		
20	Deferred Income & Deductions	85,141		
21	Lobbying	14,902		
22	Regulatory Liabilities (CUR)	1,220,139		
23	Interest	47,952		
24	Regulatory Assets (CUR)	597,800		
25	Net Operating Loss-Federal	0		
26	Price Risk Hedging (Current Asset)	(10,982)		
27	ESOP Dividends	(57,318)		
28		26,563		
29		(13,712)		
30				
31				
32				
33				
34				
35				
36				
38				
39				
40	Federal Tax Net Income	(\$8,602,956)		
41	Show Computation of Tax:			
42	Federal Tax @ 35 %	(3,011,035)		
43				
44	Prior Year Adjustments	1,726,581		
45				
46		(1,284,454)		
48	Federal Tax Provision:			
49	Page 114, Line 15, Account 409.1	637,267		
50	Page 117, Line 53, Account 409.2	(1,921,721)		
51		(1,284,454)		

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Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR				
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or</p>		<p>accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner</p>		
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. in Account 165) (c)	
1	INCOME TAXES:			
2	Federal Income	-	-	
3	2013 and Prior Years	192,381	-	
4		-	-	
5		-	-	
6	State Income	-	-	
7	2013 and Prior Years	-	175,034	
8		-	-	
9	OTHER TAXES:	-	-	
10	Employer's Portion of FICA & HTAX	47,647	-	
11	Unemployment Compensation	37	-	
12	Unauthorized Insurance Tax	-	11,449	
13	Property Taxes	4,815,873	-	
14	MI Severance Tax	1,584	-	
15	Franchise Taxes	-	-	
16	Billed Payroll Tax	-	-	
17	Federal Excise Tax	-	1,902	
18	Other Miscellaneous Taxes	-	-	
19	TOTAL	\$5,057,522	188,385	
DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)				
Line No.	Electric Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Departments (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1				
2				
3		637,267		(1,921,721)
4				
5				
6				
7		408,664		(665,407)
8				
9				
10		654,912		
11		57,033		
12		17,309		
13		3,242,504		
14				
15				125
16		333,532		
17		2,547		
18		870		
19	TOTAL	\$5,354,638	\$0	(\$2,587,003)

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

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

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

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

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

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

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

Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	
			-	-	1
			-	-	2
(1,284,454)	2,763,859	56,304	-	3,799,628	3
			-	-	4
			-	-	5
			-	-	6
(256,743)	(641,707)	(16,581)	193,349	-	7
			-	-	8
			-	-	9
654,912	662,965		39,594	-	10
57,033	57,020		50	-	11
17,309	16,765		-	10,905	12
3,316,904	4,500,692		3,632,085	-	13
7,915	8,552		947	-	14
125	125		-	-	15
333,532	333,532		-	-	16
2,547	645		-	-	17
870	870		-	-	18
2,849,950	7,703,318	\$39,723	\$3,866,025	\$3,810,533	19

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

Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	Line No.
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
			74,400	13
			7,915	14
				15
				16
				17
				18
\$0	\$0	\$0	82,315	19

Total Expense \$2,849,950

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2014		December 31, 2013	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)							
Report below information applicable to Acct 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustment to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions	Balance at Beginning of Year	Deferred for Year		Allocation to Current Year's Income		Adjustments
	(a)		(b)	Account No. (c)	Amount (d)	Account No. (e)	
1	Gas Utility						
2		603,881			411.4	23,482	
3							
4							
5							
6							
7							
8	TOTAL	603,881		0		23,482	0
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
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48							

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)			
Balance at End of Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation	Line No.
			1
580,399	40.3 years		2
			3
			4
			5
			6
			7
580,399			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
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			47
			48

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

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

Line No.	Item (a)	Balance End of Year (b)
1	Current & Accrued Liability - 401K Serv Acc	295,673
2	ESOP-Company Contribution	11,379
3	Incur But Not Reported - Workers Comp	232
4	Current Pension Obligation	64,234
5	Current Pension Restoration	0
6	Current Post Retirement Obligation	589
7	Current & Accrued Liability-Vacation Pay Accrued	987,492
8	Accrued Wages Payable	294,745
9	Accrued I&D	4,725
10	Accrued Wkrs Comp Claim Liab	2,973
11	Accrued Pay At Risk	244,011
12	MGUC Accrued Other	58,923
13	Accrued Energy Aid Assistance	1,554
14	Accrued Energy Aid Assistance-Company Match	777
15	Profit Sharing Accrual	0
16	Gas Imbalance Liability	8,930
17		
18		
19		
20		
21		
22	TOTAL	1,976,237

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)

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

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2014	December 31, 2013	
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (less than \$10,000) may be grouped by classes.						
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year of Report (f)
			Contra Account (c)	Amount (d)		
1	Deferred Credit-Outst Checks Cancelled	18,062	131/253	23,555	17,906	12,413
2	Deferred Income Plan	169,570	253	17,641	7,335	159,264
3	Deferred Cr-Def Comp Res Loan Program	32,663	926/253	124	2,439	34,978
4	Deferred Cr-Def Comp Variable Stock Acct	109,852	234/926	150,634	41,406	624
5	Deferred Cr-Def Comp Mut Fund Option	17,716	926	753	126,656	143,619
6	Deferred Credit-Gas Site Cleanup	20,313,000	182	536,849	6,241,849	26,018,000
7						
8						
9						
10						
11						
12						
13						
14						
15						
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43						
44						
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46						
47	TOTAL	20,660,863		729,556	6,437,591	26,368,898

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
ACCUMULATED DEFERRED INCOME TAXES--OTHER PROPERTY (Account 282)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization. 2. For Other (Specify), include deferrals relating to other				
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas	23,454,044	6,965,912	2,270,613
4	Other (Define)			
5	TOTAL (Enter Total of lines 2 thru 4)	23,454,044	6,965,912	2,270,613
6	Other (Specify)			
7	Plant (FAS 109)	3,095,818		
8	Non-Utility	(1,299,526)		
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	25,250,336	6,965,912	2,270,613
10	Classification of TOTAL			
11	Federal Income Tax	21,449,095	6,561,960	2,077,612
12	State Income Tax	3,801,241	403,952	193,001
13	Local Income Tax			
NOTES				

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2014		December 31, 2013	
ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (Account 282)(Continued)							
income and deductions. 3. Use separate pages as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
		190/282	-	190/282		28,149,343	3
							4
			-		-	28,149,343	5
							6
		254/190	99,735	254/190		3,195,553	7
1,299,569	1,383,855	190/283		190/283	-	(1,383,812)	8
1,299,569	1,383,855		99,735		-	29,961,084	9
							10
1,291,850	1,372,000		62,052			25,915,345	11
7,719	11,855		37,682			4,045,738	12
							13
NOTES (Continued)							

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

ACCUMULATED DEFERRED INCOME TAXES--OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.

2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2	Plant			
3	Other Than Plant			
4	Other Than Plant (FAS 109)			
5				
6	Other			
7	TOTAL Electric (Total of lines 2 thru 6)	-	-	-
8	Gas			
9	Plant	-		
10	Other Than Plant	20,925,948	3,368,456	10,081,252
11	Other Than Plant (FAS 109)			
12				
13	Other			
14	TOTAL Gas (Total of lines 9 thru 13)	20,925,948		
15	Other (Specify)	-		
16	TOTAL (Account 283) (Enter total of lines 7, 14 and 15)	20,925,948	0	0
17	Classification of TOTAL			
18	Federal Income Tax	18,848,759	3,033,010	9,219,916
19	State Income Tax	2,077,189	335,447	861,336
20	Local Income Tax			

NOTES

Name of Respondent	This Report is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

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

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

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

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
						-	2
						-	3
						-	4
							5
						-	6
-	-		-		-	-	7
							8
						0	9
		190	4,084,165	190		18,297,317	10
		254/190		254/190		0	11
							12
							13
		-	4,084,165	-	-	18,297,317	14
						0	15
-	-	-	4,084,165	-	-	18,297,317	16
							17
			3,797,299			16,459,152	18
			286,865			1,838,165	19
							23

NOTES (Continued)

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

OTHER REGULATORY LIABILITIES					
1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts). 2. For regulatory liabilities being amortized, show period of amortization in column (a). 3. Minor items (amounts less than \$50,000) may be grouped by classes. 4. Give the number and name of the account(s) where each amount is recorded.					
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1	Derivatives-Current	244/254	301,400	575,260	273,860
2	Revenue Decoupling Overcollection 2013	25435M	337,344	810,302	472,958
3	Deferred Taxes - 2010 Health Care Leg	254	53,391	10,103	157,272
4	Deferred Taxes	254400	26,734,471	26,734,471	0
5	Derivatives	254450	301,400	297,960	0
6	FASB 158	254490	74,499	142,570	105,321
7	Uncollectible Expense Tracker	25467M	527,284	860,435	1,168,063
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	TOTAL		28,329,789	29,431,101	2,177,474

NOTE: All amounts are recorded in Account 254.

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Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
GAS OPERATING REVENUES (Account 400)			Geographic Basis	
<p>1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted</p> <p>for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.</p> <p>4. Report quantities of natural gas sold in Mcf (14.73 psia at 60°F). If billings are on a therm basis, give the Btu contents of the gas sold and the sales converted to Mcf.</p> <p>5. If increases or decreases from previous year (columns (c), (e) and (g)), are not derived from previously</p>				
Line No.	Title of Account (a)	OPERATING REVENUES		
		Amount for Year (b)	Amount for Previous Year (c)	
1	GAS SERVICE REVENUES			
2	480 Residential Sales	88,175,991	74,894,885	
3	481 Commercial & Industrial Sales			
4	Small (or Comm.) (See Instr. 6)	21,573,013	16,250,580	
5	Large (or Ind.) (See Instr. 6)	1,614,271	1,977,769	
6	482 Other Sales to Public Authorities		0	
7	484 Interdepartmental Sales		0	
8	TOTAL Sales to Ultimate Consumers	111,363,275	93,123,234	
9	483 Sales for Resale		0	
10	TOTAL Nat. Gas Service Revenues	111,363,275	93,123,234	
11	Revenues from Manufactured Gas			
12	TOTAL Gas Service Revenues	111,363,275	93,123,234	
13	OTHER OPERATING REVENUES			
14	485 Intracompany Transfers	0	0	
15	487 Forfeited Discounts	565,358	476,004	
16	488 Misc. Service Revenues	165,930	263,640	
17	489 Rev. from Trans. of Gas of Others	25,656,515	22,530,763	
18	490 Sales of Prod. Ext. from Nat. Gas	0	0	
19	491 Rev. from Nat. Gas Proc. by Others	0	0	
20	492 Incidental Gasoline and Oil Sales	0	0	
21	493 Rent from Gas Property	7,200	5,556	
22	494 Interdepartmental Rents	0	0	
23	495 Other Gas Revenues	(3,369,891)	9,882,058	
24	TOTAL Other Operating Revenues	23,025,112	33,158,021	
25	TOTAL Gas Operating Revenues	134,388,387	126,281,255	
26	(Less) 496 Provision for Rate Refunds			
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	134,388,387		
28	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)	109,749,004		
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	1,614,271		
30	Sales for Resale			
31	Other Sales to Pub. Auth. (Local Dist. Only)			
32	Interdepartmental Sales			
33	TOTAL (Same as Line 10, Columns (b) and (d))	111,363,275		

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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			

RATE AND SALES SECTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Michigan Only

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2014		December 31, 2013	
6285-A. SALES DATA FOR THE YEAR							
Line No.	Class of Service (a)	Average Number of Customers per month (b)	Gas Sold Mcf (c)	Revenue (Show to nearest dollar) (d)	AVERAGES		
					Mcf * Per Customer (e)	Revenue per Customer (f)	Revenue per Mcf (f)
1	AB. Residential service	125,613	11,597,200	88,173,878	92.32	701.95	\$ 7.60
2	A. Residential service	3,042	226,556	1,746,024	74.48	573.97	\$ 7.71
3	B. Residential space heating service	122,571	11,370,644	86,427,854	92.77	705.12	\$ 7.60
4	CD. Commercial service	8,272	3,074,022	21,573,013	371.62	2,607.96	\$ 7.02
5	C. Commercial service, except space heating	0	0	0			
6	D. Commercial space heating	8,272	3,074,022	21,573,013	371.62	2,607.96	\$ 7.02
7	E. Industrial service	21	218,723	1,570,891	10,415.38	74,804.33	\$ 7.18
8	F. Public street & highway lighting	0	1,449	45,493	-	-	\$ -
9	G. Other sales to public authorities						
10	H. Interdepartmental sales						
11	I. Other sales						
12	A-I Total sales to ultimate customers	133,906	14,891,394	111,363,275	111.21	831.65	\$ 7.48
13	J. Sales to other gas utilities for resale						
14	A-J. TOTAL SALES OF GAS	133,906	14,891,394	111,363,275	111.21	831.65	\$ 7.48
15	K. Other gas revenues						
16	A-K TOTAL GAS OPERATING REVENUE	133,906	14,891,394	\$111,363,275	111.21	831.65	N/A **
<p>* Report Mcf on a pressure base of 14.65 psia dry and a temperature base of 60 degrees Fahrenheit. Give two decimals.</p> <p>** Not calculated because Transportation Revenue included in other gas revenues will distort the results.</p>							

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013			
Michigan Gas Utilities Corporation						
SALES DATA BY RATE SCHEDULES FOR THE YEAR						
<p>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.)</p> <p>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.</p> <p>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.</p> <p>4. Column (c) - Using the classifications shown in Schedule 625-A, column (a), indicate the class or classes of customers served under each rate schedule, e.g., (A) for Residential Service, (B) Heating Service, etc.</p> <p>5. Column (d) - Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 624-A.</p> <p>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.</p> <p>7. When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it is effective.</p>						
Line No.	Rate Schedule Designation (a)	Type of Service to which Schedule is applicable (b)	Class of Service (c)	Avg. No. of Customers per month (d)	Mcf Sold (e)	Revenue (Show to nearest dollar) (f)
1	Residential	General & Heating	A & B	125,613	11,597,200	88,173,878
2	General	Heating & Cooling	C & D	8,272	3,074,022	21,573,013
3	Optional	Industrial	E	21	218,723	1,570,891
4	Other	Street Lighting	F	0	1,449	45,493
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	Total Company			133,906	14,891,394	111,363,275

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			

625-B. CUSTOMER CHOICE SALES DATA BY RATE SCHEDULES

1. Report below the distribution of customers, sales and revenues for the year by individual rate schedules. (See definition on first page of this section).

2. Column (a) - List all rate schedules by identification number or symbol. Where the same rate schedule designation applies to different rates in different zones, cities or districts, list separately data for each such area in which the schedule is available.

3. Column (b).- Give the type of service to which the rate schedule is applicable, i.e. cooking, space heating, commercial heating, commercial cooking, etc.

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

5. Column (d) - Give the average number of customers billed under each rate schedule during the year. The total of this column will approximate the total number of ultimate customers, line 12, Schedule 625-A.

6. Columns (e) and (f) - For each rate schedule listed, enter the total number of Mcf sold to, and revenues received from customers billed under that rate schedule. The totals of these columns should equal the totals shown on line 12, Schedule 625-A. If the utility sells gas to ultimate customers under special contracts, the totals for such sales should be entered on a line on this page in order to make the totals of columns (e) and (f) check with those entered on line 12, Schedule 625-A.

7. When a rate schedule was not in effect during the entire year, indicate in a footnote the period in which it was effective.

Line No.	Rate Schedule Designation (a)	Type of Service to which Schedule is applicable (b)	Class of Service (c)	Average Number of Customers per Month (d)	Mcf sold (e)	Revenue (Show to nearest dollar) (f)
1	Residential	General & Heating	A & B	27,791	2,783,441	9,839,342
2	General	Heating & Cooling	C & D	4,657	2,764,670	7,257,856
3	Optional	Industrial	E	0		
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTALS			32,448	5,548,111	17,097,198

Name of Respondent		This Report Is:		Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2014	December 31, 2013
OFF-SYSTEM SALES - NATURAL GAS					
Report particulars (details) concerning off-system sales. Off-system sales include all sales other than MPSC approved rate schedule sales.					
Line No.	Name (a)	Point of Delivery (City or town and State) (b)	Account (c)	Dekatherms of Gas Sold (d)	
1	No Off-System Sales in 2013				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013		
Michigan Gas Utilities Corporation					
OFF-SYSTEM SALES - NATURAL GAS (Continued)					
Revenue for Year (See Instr. 5) (e)	Average Revenue per Dekatherms (f)	Peak Day Delivery to Customers			Line No.
		Date (g)	Mcf		
			Noncoin- cidental (h)	Coin- cidental (i)	
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
					17
					18
					19
\$0					21

Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
REVENUES FROM TRANSPORTATION OF GAS OF OTHERS THROUGH GATHERING FACILITIES -- NATURAL GAS (Account 489.1)				
<p>1. Report below particulars (details) concerning revenue from transportation or compression (by respondent) of natural gas for others. Subdivide revenue between transportation or compression for interstate pipeline companies and others.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas. Designate with an asterisk, however, if gas is transported or compressed is other than natural gas.</p> <p>3. Enter the average number of customers per company and/or by rate schedule.</p> <p>4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Specify the Commission order or regulation authorizing such transaction. Separate out the various customers, volumes and revenues by individual rate schedule.</p>				
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Number of Transportation Customers (b)	Average Number of Customers per Month (c)	Distance Transported (in miles) (d)*
1				
2	Mac Steel Monroe, Inc. - Transportation of Gas			Various
3	Point of Receipt - Monroe			
4	Point of Delivery - Monroe			
5	Gas Received from ANR & PEPL, Delivered to Mac Steel			
6	Otsego Paper - Transportation of Gas			Various
7	Point of Receipt - Otsego			
8	Point of Delivery - Otsego			
9	Gas Received from ANR, Delivered to Otsego Paper			
10	Aleris Specification Alloy Inc. - Transportation of Gas			Various
11	Point of Receipt - Coldwater			
12	Point of Delivery - Coldwater			
13	Gas Received from ANR, Delivered to Aleris Specification Alloy Inc.			
14	Other - Transportation of Gas, Individually Less Than 500,000 Mcf			Various
15	Various Points of Receipt and Delivery			
16	Various Companies from which Gas was Received and to which Delivered			
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
TOTAL				-

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

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013		
Michigan Gas Utilities Corporation					
REVENUES FROM TRANSPORTATION OF GAS OF OTHERS THROUGH GATHERING FACILITIES -- NATURAL GAS (Account 489.1) (Continued)					
<p>5. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system.</p> <p>6. Enter Mcf at 14.65 psia dry at 60°F.</p> <p>7. Minor items (less than 1,000,000 Mcf) may be grouped.</p> <p>"Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a): 284.102, 284.122, 284.222, 284.223(a), 284.233(b), and 284.224. Details for each transportation are reported in separate annual reports required under Part 284 of the Commission's regulations."</p>					
Mcf of Gas Received (e)*	Mcf of Gas Delivered (f)*	Revenue (g)	Average Revenue per Mcf of Gas Delivered (in cents) (h)	FERC Tariff Rate Schedule Designation (i)	Line No.
1,083,520	1,083,520	446,499	0.41		1
					2
					3
					4
1,189,912	1,189,912	512,869	0.43		5
					6
					7
					8
731,893	731,893	380,661	0.52		9
					10
					11
					12
8,151,182	8,151,182	7,219,287	0.89		13
					14
					15
					16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
11,156,507	11,156,507	\$ 8,559,316	\$0.77		

*(E&F) Reported in Sales Base Pressure

MPSC FORM P-522 (Rev. 02-14)

Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
REVENUES FROM TRANSPORTATION OF GAS OF OTHERS THROUGH TRANSMISSION OR DISTRIBUTION FACILITIES -- NATURAL GAS (Accounts 489.2, 489.3)					
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 is transported or compressed is other than natural gas. 3. Enter the average number of customers per company and/or by rate schedule.			4. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Specify the Commission order or regulation authorizing such transaction. Separate out the various customers, volumes and revenues by individual rate schedule.		
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Number of Transportation Customers (b)	Average Number of Customers per Month (c)	Distance Transported (in miles) (d)*	
1					
2	Customer Choice - Residential		27,791	--	
3					
4	Customer Choice - Small C&I		4,657	--	
5					
6	Customer Choice - Large C&I		0	--	
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
TOTAL				-	

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

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013		
REVENUES FROM TRANSPORTATION OF GAS OF OTHERS THROUGH TRANSMISSION OR DISTRIBUTION FACILITIES -- NATURAL GAS (Accounts 489.2, 489.3) (Continued)					
5. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system. 6. Enter Mcf at 14.65 psia dry at 60°F. 7. Minor items (less than 1,000,000 mcf) may be grouped.		"Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a): 284.102, 284.122, 284.222, 284.223(a), 284.233(b), and 284.224. Details for each transportation are reported in separate annual reports required under Part 284 of the Commission's regulations."			
Mcf of Gas Received (e)*	Mcf of Gas Delivered (f)*	Revenue (g)	Average Revenue per Mcf of Gas Delivered (in cents) (h)	FERC Tariff Rate Schedule Designation (i)	Line No.
2,783,441	2,783,441	9,839,342	3.53		1
					2
					3
2,764,670	2,764,670	7,257,856	2.63		4
					5
0	0	0	0.00		6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
5,548,111	5,548,111	\$ 17,097,198	\$3.08		

*(D&E) Reported in Sales Base Pressure

MPSC FORM P-522 (Rev. 02-14)

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
GAS OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production	417,994	376,862	
3	Manufactured Gas Production (<i>Submit Supplemental Statement</i>)			
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation	0	0	
7	750 Operation Supervision and Engineering	0	0	
8	751 Production Maps and Records	0	0	
9	752 Gas Wells Expenses	0	0	
10	753 Field Lines Expenses	0	0	
11	754 Field Compressor Station Expenses	0	0	
12	755 Field Compressor Station Fuel and Power	0	0	
13	756 Field Measuring and Regulating Station Expenses	0	0	
14	757 Purification Expenses	0	0	
15	758 Gas Well Royalties	0	0	
16	759 Other Expenses	0	0	
17	760 Rents	0	0	
18	TOTAL Operation (<i>Enter Total of lines 7 thru 17</i>)	0	0	
19	Maintenance			
20	761 Maintenance Supervision and Engineering	0	0	
21	762 Maintenance of Structures and Improvements	0	0	
22	763 Maintenance of Producing Gas Wells	0	0	
23	764 Maintenance of Field Lines	0	0	
24	765 Maintenance of Field Compressor Station Equipment	0	0	
25	766 Maintenance of Field Meas. and Reg. Sta. Equipment	0	0	
26	767 Maintenance of Purification Equipment	0	0	
27	768 Maintenance of Drilling and Cleaning Equipment	0	0	
28	769 Maintenance of Other Equipment	0	0	
29	TOTAL Maintenance (<i>Enter Total of lines 20 thru 28</i>)	0	0	
30	TOTAL Natural Gas Production and Gathering (<i>Total of lines 18 and 29</i>)	0	0	
31	B2. Products Extraction			
32	Operation			
33	770 Operation Supervision and Engineering	0	0	
34	771 Operation Labor	0	0	
35	772 Gas Shrinkage	0	0	
36	773 Fuel	0	0	
37	774 Power	0	0	
38	775 Materials	0	0	
39	776 Operation Supplies and Expenses	0	0	
40	777 Gas Processed by Others	0	0	
41	778 Royalties on Products Extracted	0	0	
42	779 Marketing Expenses	0	0	
43	780 Products Purchased for Resale	0	0	
44	781 Variation in Products Inventory	0	0	
45	(Less) 782 Extracted Products Used by the Utility-Credit	0	0	
46	783 Rents	0	0	
47	TOTAL Operation (<i>Enter Total of lines 33 thru 46</i>)	0	0	

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
	B2. Products Extraction (Continued)			
48	Maintenance			
49	784 Maintenance Supervision and Engineering	0	0	
50	785 Maintenance of Structures and Improvements	0	0	
51	786 Maintenance of Extraction and Refining Equipment	0	0	
52	787 Maintenance of Pipe Lines	0	0	
53	788 Maintenance of Extracted Products Storage Equipment	0	0	
54	789 Maintenance of Compressor Equipment	0	0	
55	790 Maintenance of Gas Measuring and Reg. Equipment	0	0	
56	791 Maintenance of Other Equipment	0	0	
57	TOTAL Maintenance (Enter Total of lines 49 thru 56)	0	0	
58	TOTAL Products Extraction (Enter Total of lines 47 and 57)	0	0	
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals	0	0	
62	796 Nonproductive Well Drilling	0	0	
63	797 Abandoned Leases	0	0	
64	798 Other Exploration	0	0	
65	TOTAL Exploration and Development (Enter Total of lines 61 thru 64)	0	0	
	D. Other Gas Supply Expenses			
66	Operation			
67	800 Natural Gas Well Head Purchases	656,602	1,214,808	
68	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	0	0	
69	801 Natural Gas Field Line Purchases	0	0	
70	802 Natural Gas Gasoline Plant Outlet Purchases	0	0	
71	803 Natural Gas Transmission Line Purchases	0	0	
72	804 Natural Gas City Gate Purchases	67,571,412	56,419,239	
73	804.1 Liquefied Natural Gas Purchases	0	0	
74	805 Other Gas Purchases	0	0	
75	(Less) 805.1 Purchased Gas Cost Adjustments	0	0	
76				
77	TOTAL Purchased Gas (Enter Total of lines 67 to 75)	68,228,014	57,634,047	
78	806 Exchange Gas	0	0	
79	Purchased Gas Expenses			
80	807.1 Well Expenses-Purchased Gas	0	0	
81	807.2 Operation of Purchased Gas Measuring Stations	0	0	
82	807.3 Maintenance of Purchased Gas Measuring Stations	0	0	
83	807.4 Purchased Gas Calculations Expenses	0	0	
84	807.5 Other Purchased Gas Expenses	0	0	
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 thru 84)	0	0	
86	808.1 Gas Withdrawn from Storage-Debit	23,193,227	21,753,370	
87	(Less) 808.2 Gas Delivered to Storage-Credit	(22,493,019)	(15,124,409)	
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	0	0	
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	0	0	
90	Gas Used in Utility Operations-Credit			
91	810 Gas Used for Compressor Station Fuel-Credit	0	0	
92	811 Gas Used for Products Extraction-Credit	0	0	
93	812 Gas Used for Other Utility Operations-Credit	(207,490)	(186,511)	
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	(207,490)	(186,511)	
95	813 Other Gas Supply Expenses	187,684	179,523	
96	TOTAL Other Gas Supply Exp (Total of lines 77, 78, 85, 86 thru 89, 94, 95)	68,908,416	64,256,020	
97	TOTAL Production Expenses (Enter Total of lines 3, 30, 58, 65, and 96)	69,326,410	64,632,882	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
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	94,755	81,078	
102	815 Maps and Records	66	90	
103	816 Wells Expenses	23,885	28,161	
104	817 Line Expense	25,302	21,124	
105	818 Compressor Station Expenses	20,031	15,909	
106	819 Compressor Station Fuel and Power	103,893	83,457	
107	820 Measuring and Regulating Station Expenses	8,553	7,133	
108	821 Purification Expenses	11,899	9,495	
109	822 Exploration and Development	0	0	
110	823 Gas Losses	0	0	
111	824 Other Expenses	71,686	94,048	
112	825 Storage Well Royalties	0	0	
113	826 Rents	0	0	
114	TOTAL Operation (Enter Total of lines 101 thru 113)	360,070	340,495	
115	Maintenance			
116	830 Maintenance Supervision and Engineering	17,602	6,909	
117	831 Maintenance of Structures and Improvements	226	0	
118	832 Maintenance of Reservoirs and Wells	68,606	54,804	
119	833 Maintenance of Lines	3,876	19,513	
120	834 Maintenance of Compressor Station Equipment	44,650	44,118	
121	835 Maintenance of Measuring and Regulating Station Equipment	8,251	5,119	
122	836 Maintenance of Purification Equipment	3,741	3,534	
123	837 Maintenance of Other Equipment	7,352	16,708	
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)	154,304	150,705	
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	514,374	491,200	
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation Supervision and Engineering	0	0	
129	841 Operation Labor and Expenses	0	0	
130	842 Rents	0	0	
131	842.1 Fuel	3,042	9,401	
132	842.2 Power	0	0	
133	842.3 Gas Losses	0	0	
134	TOTAL Operation (Enter Total of lines 128 thru 133)	3,042	9,401	
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering	0	0	
137	843.2 Maintenance of Structures and Improvements	0	0	
138	843.3 Maintenance of Gas Holders	0	0	
139	843.4 Maintenance of Purification Equipment	0	0	
140	843.5 Maintenance of Liquefaction Equipment	0	0	
141	843.6 Maintenance of Vaporizing Equipment	0	0	
142	843.7 Maintenance of Compressor Equipment	0	0	
143	843.8 Maintenance of Measuring and Regulating Equipment	0	0	
144	843.9 Maintenance of Other Equipment	0	0	
145	TOTAL Maintenance (Enter Total of lines 136 thru 144)	0	0	
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)	3,042	9,401	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
147	C. Liquefied Natural Gas Terminating and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering	0	0	
150	844.2 LNG Processing Terminal Labor and Expenses	0	0	
151	844.3 Liquefaction Processing Labor and Expenses	0	0	
152	844.4 Liquefaction Transportation Labor and Expenses	0	0	
153	844.5 Measuring and Regulating Labor and Expenses	0	0	
154	844.6 Compressor Station Labor and Expenses	0	0	
155	844.7 Communication System Expenses	0	0	
156	844.8 System Control and Load Dispatching	0	0	
157	845.1 Fuel	0	0	
158	845.2 Power	0	0	
159	845.3 Rents	0	0	
160	845.4 Demurrage Charges	0	0	
161	(Less) 845.5 Wharfage Receipts-Credit	0	0	
162	845.6 Processing Liquefied or Vaporized Gas by Others	0	0	
163	846.1 Gas Losses	0	0	
164	846.2 Other Expenses	0	0	
165	TOTAL Operation (Enter Total of lines 149 thru 164)	0	0	
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering	0	0	
168	847.2 Maintenance of Structures and Improvements	0	0	
169	847.3 Maintenance of LNG Processing Terminal Equipment	0	0	
170	847.4 Maintenance of LNG Transportation Equipment	0	0	
171	847.5 Maintenance of Measuring and Regulating Equipment	0	0	
172	847.6 Maintenance of Compressor Station Equipment	0	0	
173	847.7 Maintenance of Communication Equipment	0	0	
174	847.8 Maintenance of Other Equipment	0	0	
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)	0	0	
176	TOTAL Liquefied Nat Gas Terminating and Processing Exp (Lines 165 & 175)	0	0	
177	TOTAL Natural Gas Storage (Enter Total of lines 125, 146, and 176)	517,416	500,601	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering	8,911	9,769	
181	851 System Control and Load Dispatching	0	0	
182	852 Communication System Expenses	0	0	
183	853 Compressor Station Labor and Expenses	0	0	
184	854 Gas for Compressor Station Fuel	0	0	
185	855 Other Fuel and Power for Compressor Stations	0	0	
186	856 Mains Expenses	34,690	41,602	
187	857 Measuring and Regulating Station Expenses	124,764	118,840	
188	858 Transmission and Compression of Gas by Others	0	0	
189	859 Other Expenses	4,513	4,854	
190	860 Rents	0	0	
191	TOTAL Operation (Enter Total of lines 180 thru 190)	172,878	175,065	

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
	(a)	(b)	(c)	
3. TRANSMISSION EXPENSES (Continued)				
192	Maintenance			
193	861 Maintenance Supervision and Engineering	0	0	
194	862 Maintenance of Structures and Improvements	0	0	
195	863 Maintenance of Mains	41,562	14,255	
196	864 Maintenance of Compressor Station Equipment	0	0	
197	865 Maintenance of Measuring and Reg. Station Equipment	109,603	139,167	
198	866 Maintenance of Communication Equipment	0	0	
199	867 Maintenance of Other Equipment	(155)	5,382	
200	TOTAL Maintenance (Enter Total of lines 193 thru 199)	151,010	158,804	
201	TOTAL Transmission Expenses (Enter Total of lines 191 and 200)	323,888	333,869	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering	1,106,413	1,070,518	
205	871 Distribution Load Dispatching	195,085	373,630	
206	872 Compressor Station Labor and Expenses	0	0	
207	873 Compressor Station Fuel and Power	0	0	
208	874 Mains and Services Expenses	1,017,294	1,206,821	
209	875 Measuring and Regulating Station Expenses-General	19,773	19,177	
210	876 Measuring and Regulating Station Expenses-Industrial	0	0	
211	877 Measuring and Regulating Station Expenses-City Gate Check Station	61,730	67,932	
212	878 Meter and House Regulator Expenses	867,426	1,103,777	
213	879 Customer Installations Expenses	884,570	580,962	
214	880 Other Expenses	2,870,937	2,480,376	
215	881 Rents	29,008	15,891	
216	TOTAL Operation (Enter Total of lines 204 thru 215)	7,052,236	6,919,084	
217	Maintenance			
218	885 Maintenance Supervision and Engineering	59,941	41,664	
219	886 Maintenance of Structures and Improvements	0	0	
220	887 Maintenance of Mains	613,623	652,822	
221	888 Maintenance of Compressor Station Equipment	0	0	
222	889 Maintenance of Meas. and Reg. Sta. Equip.-General	69,641	52,541	
223	890 Maintenance of Meas. and Reg. Sta. Equip.-Industrial	0	0	
224	891 Maintenance of Meas. and Reg. Sta. Equip.-City Gate Check Station	56,442	61,594	
225	892 Maintenance of Services	392,052	331,323	
226	893 Maintenance of Meters and House Regulators	317,564	286,425	
227	894 Maintenance of Other Equipment	163,124	180,081	
228	TOTAL Maintenance (Enter Total of lines 218 thru 227)	1,672,387	1,606,450	
229	TOTAL Distribution Expenses (Enter Total of lines 216 and 228)	8,724,623	8,525,534	
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision	340,252	395,834	
233	902 Meter Reading Expenses	2,021,446	1,837,447	
234	903 Customer Records and Collection Expenses	5,764,080	5,717,980	
235	904 Uncollectible Accounts	2,294,768	1,440,571	
236	905 Miscellaneous Customer Accounts Expenses	93,456	50,011	
237	TOTAL Customer Accounts Expenses (Enter Total of lines 232 thru 236)	10,514,002	9,441,843	

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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	277	593	
241	908 Customer Assistance Expenses	3,982,116	4,162,131	
242	909 Informational and Instructional Expenses	194,494	184,592	
243	910 Miscellaneous Customer Service and Informational Expenses	7,573	3,514	
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)	4,184,460	4,350,830	
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision	0	0	
248	912 Demonstrating and Selling Expenses	0	0	
249	913 Advertising Expenses	0	0	
250	916 Miscellaneous Sales Expenses	0	0	
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)	0	0	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920 Administrative and General Salaries	4,232,178	4,082,801	
255	921 Office Supplies and Expenses	1,051,025	957,283	
256	(Less) (922) Administrative Expenses Transferred-Cr.	0	0	
257	923 Outside Services Employed	789,595	705,718	
258	924 Property Insurance	69,884	36,242	
259	925 Injuries and Damages	543,421	451,976	
260	926 Employee Pensions and Benefits	4,828,261	4,778,671	
261	927 Franchise Requirements	0	0	
262	928 Regulatory Commission Expenses	267,360	335,955	
263	(Less) (929) Duplicate Charges-Cr.	0	0	
264	930.1 General Advertising Expenses	58	1,521	
265	930.2 Miscellaneous General Expenses	1,329,524	1,232,427	
266	931 Rents	462,609	473,695	
267	TOTAL Operation (Enter Total of lines 254 thru 266)	13,573,915	13,056,289	
268	Maintenance			
269	935 Maintenance of General Plant	0		
270	TOTAL Administrative and General Exp (Total of lines 267 and 269)	13,573,915	13,056,289	
271	TOTAL Gas O. and M. Exp (Lines 97, 177, 201, 229, 237, 244, 251, and 270)	107,164,714	100,841,848	
NUMBER OF GAS DEPARTMENT EMPLOYEES				
<p>1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.</p> <p>3. The number of employees assignable to the gas department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.</p>				
1. Payroll Period Ended (Date)		10/26/2013		
2. Total Regular Full-Time Employees		157		
3. Total Part-Time and Temporary Employees		3		
4. Total Employees		160		
*Does not include: Barbara Nick and three IBS employee.				

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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
GAS PURCHASES (Accounts 800, 801, 802, 803, 803.1, 804, 804.1 and 805)			
<p>1. Report particulars of gas purchases during the year in the manner prescribed below.</p> <p>2. Provide subheadings and totals for prescribed accounts as follows:</p> <p>800 Natural Gas Well Head Purchases. 801 Natural Gas Field Line Purchases. 802 Natural Gas Gasoline Plant Outlet Purchases. 803 Natural Gas Transmission Line Purchases. 803.1 Off-System Gas Purchases. 804 Natural Gas City Gate Purchases. 804.1 Liquefied Natural Gas Purchases. 805 Other Gas Purchases.</p> <p>Purchases are to be reported in account number sequence, e.g. all purchases charged to Account 800, followed by charges to Account 801, etc. Under each account number, purchases should be reported by states in alphabetical order. Totals are to be shown for each account in Columns (h) and (i) and should agree with the books of account, or any differences reconciled.</p> <p>In some cases, two or more lines will be required to report a purchase, as when it is charged to more than one account.</p> <p>3. Purchases may be reported by gas purchase contract totals (at the option of the respondent) provided that the same price is being paid for all gas purchased under the contract. If two or more prices are in effect under the same contract, separate details for each price shall be reported. The name of each seller included in the contract total shall be listed on separate sheets, clearly cross-referenced. Where two or more prices are in effect the sellers at each price are to be listed separately.</p> <p>4. Purchases of less than 100,000 Mcf per year per contract from sellers not affiliated with the reporting company may (at the option of the respondent) be grouped by account number, except when the purchases were permanently discontinued during the reporting year. When grouped purchases are reported, the number of grouped purchases is to be reported in Column (b). Only Columns (a), (b), (h), (i), and (j) are to be completed for grouped purchases; however, the Commission may request additional details when necessary. Grouped non-jurisdictional purchases should be shown on a separate line.</p>		<p>5. Column instructions are as follows:</p> <p><u>Column (b)</u> - Report the names of all sellers. Abbreviations may be used where necessary.</p> <p><u>Column (c)</u> - Give the name of the producing field only for purchases at the wellhead or from field lines. The plant name should be given for purchase from gasoline outlets. If purchases under a contract are from more than one field or plant, use the name of the one contributing the largest volume. Use a footnote to list the other fields or plants involved.</p> <p><u>Columns (d) and (e)</u> - Designate the state and county where the gas is received. Where gas is received in more than one county, use the name of the county having the largest volume and by footnote list the other counties involved.</p> <p><u>Column (f)</u> - Show date of the gas purchase contract. If gas is purchased under a renegotiated contract, show the date of the original contract and the date of the renegotiated contract on the following line in brackets. If new acreage is dedicated by ratification of an existing contract show the date of the ratification, rather than the date of the original contract. If gas is being sold from a different reservoir than the original dedicated acreage pursuant to Section 2.56(f)(2) of the Commission's Rules of Practice and Procedure, place the letter "A" after the contract</p> <p>If the purchase was permanently discontinued during the reporting year, so indicate by an asterisk (*) in Column (f).</p> <p><u>Column (g)</u> - Show for each purchase the approximate Btu per cubic foot.</p> <p><u>Column (h)</u> - State the volume of purchased gas as measured for purpose of determining the amount payable for the gas. Include current year receipts of make-up gas that was paid for in prior</p> <p><u>Column (i)</u> - State the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in Column (h).</p> <p><u>Column (j)</u> - State the average cost per Mcf to the nearest hundredth of a cent. [Column (i) divided by Column (h) multiplied by 100].</p>	

Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
GAS PURCHASES (Accounts 800, 801, 802, 803, 804, and 805) (Continued)				
Line No.	Account Number (a)	Name of Seller * (Designate Associated Companies) (b)	Name of Producing Field or Gasoline Plant (c)	State (d)
1	800	<u>* Natural Gas Local Production Suppliers to Michigan Gas Utilities Corporation</u>		
2		Apache		
3		Christian Oil Company		
4		West Bay Exploration		
5		West Hopkins Petroleum Company		
6				
7				
8				
9				
10	804	<u>* Natural Gas Suppliers to Michigan Gas Utilities Corporation</u>		
11		Anadarko Energy Services		
12		BP Canada Energy Marketing Co.		
13		Cargill Inc.		
14		CenterPoint Energy Services		
15		Chevron Natural Gas		
16		Cimarex Energy Co.		
17		Conoco Phillips Company		
18		EDF Trading North America, LLC		
19		Gavilon, LLC		
20		J.Aron & Company		
21		J.P. Morgan Ventures Energy Co.		
22		Sequent Energy Management, LLC		
23		Southwestern Energy Services Co.		
24		Targe Gas Marketing, LLC		
25		Tenaska Marketing Ventures		
26		Twin Eagle Resource Management		
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Name of Respondent		This Report Is:		Date of Report	Year of Report	
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GAS PURCHASES (Accounts 800, 801, 802, 803, 804, and 805) (Continued)						
County (e)	Date of Contract (f)		Gas ** Purchased-Mcf (14.73 psia 60 F) (h)	Cost of Gas (i)	Cost Per Mcf (cents) (j)	Line No.
			181,684	\$ 656,602	361.40	1
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			16,533,773	\$ 61,003,800	368.96	10
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Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2014		December 31, 2013	
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°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-Cr	819	22,359	103,893	464.66		
2	811 Gas used for Products Extraction-Cr						
3	Gas Shrinkage and Other Usage in Respdnt's Own Proc.						
4	Gas Shrinkage, Etc. for Respdnt's Gas Processed by Others						
5	812 Gas used for Other Util. Oprs-Cr (Rpt sep. for each prin. use. Group minor uses)						
6	812.1 Gas used in Util. Oprs-Cr (Nonmajor only)						
7							
8	Operation of Buildings/Reg Station	Various	78,050	103,597	132.73		
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25	TOTAL		100,409	207,490	206.64		

Name of Respondent Michigan Gas Utilities Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
OTHER GAS SUPPLY EXPENSES (Account 813)				
Report other gas supply expenses by descriptive titles which clearly indicate the nature of such expenses. Show maintenance expenses separately. Indicate the functional classification and purpose of property to which any				
Line No.	Description (a)	Amount (in dollars) (b)		
1	IBS-Allocated Labor	123,633		
2	IBS-Allocated NonLabor	33,621		
3	IBS Allocated Non-Productive Time	23,166		
4	IBS Allocated Incentive	7,264		
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50	TOTAL	187,684		

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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)				
1	Industry association dues			110,114
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	Intercompany Cost Allocation			1,219,410
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49	TOTAL			1,329,524

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DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accounts 403, 404.1, 404.2 404.3, 405) (Except Amortization of Acquisition Adjustments)				
1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown. 2. Report all available information called for in Section B for the report year 1971, 1974 and every fifth year thereafter. Report only annual 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 (404xxx)			
2	Production plant, manufactured gas			
3	Production and gathering plant, natural gas	21		
4	Products extraction plant			
5	Underground gas storage plant	368,581		25,838
6	Other storage plant			
7	Base load LNG terminating and processing plant			
8	Transmission plant	511,121		
9	Distribution plant	6,969,687		
10	General plant	(1,810,057)		
11	Common plant-gas			
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25	TOTAL	6,039,353	-	25,838

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Michigan Gas Utilities Corporation				
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accounts 403, 404.1, 404.2 404.3, 405) (Except Amortization of Acquisition Adjustments) (Continued)				
manner in which column (b) balance are obtained. If average balances, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine		depreciation charges, show at the bottom of Section B any revisions made to estimated gas reserves. 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),(404200) (f)	Total (b to f) (g)	Functional Classification (a)	Line No.
	906	906	Intangible plant	1
		0	Production plant, manufactured gas	2
		21	Production and gathering plant, natural gas	3
		0	Products extraction plant	4
		394,419	Underground gas storage plant	5
		0	Other storage plant	6
		0	Base load LNG terminating and processing plant	7
		511,121	Transmission plant	8
		6,969,687	Distribution plant	9
		(1,810,057)	General plant	10
		0	Common plant-gas	11
				12
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-	906	6,066,097	TOTAL	25

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DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)				
Section B. Factors Used in Estimated Depreciation Charges				
Line No.	Functional Classification (a)	Depreciation Plant Base (Thousands) (b)	Applied Depr. Rate(s) (Percent) (c)	
1	Intangible Plant	23	4.000%	
2	Production Plant	324	0.007%	
3	Storage Plant	12,920	3.053%	
4	Transmission Plant	44,691	1.144%	
5	Distribution Plant	239,037	2.916%	
6	General Plant	18,571	-9.747%	
7				
8				
9				
10				
<p align="center">Notes to Depreciation, Depletion and Amortization of Gas Plant</p> <p>Column (b) balances were obtained using a twelve month average.</p> <p>Line 6, Column (c), includes a \$2.5 million depreciation expense reduction for the Michigan Court of Appeal's decision to reverse the MPSC's ruling that required MGUC to expense \$2.5 million in 2010 for a reserve amortization identified in MGUC's depreciation study, U-15963.</p>				

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS
AND INTEREST CHARGES ACCOUNTS**

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) *Miscellaneous Amortization* (Account 425) -- Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) *Miscellaneous Income Deductions* -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related

Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) *Interest on Debt to Associated Companies* (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) *Other Interest Expense* (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Miscellaneous Amortization (425)	0
2	Total - 425	0
3		
4	Donations (426.1)	
5	Co. Match of Energy Aid Assistance	(11,622)
6	Total - 426.1	(11,622)
7		
8	Life Insurance (426.2)	0
9	Total - 426.2	0
10		
11	Penalties (426.3)	13,712
12	Total - 426.3	13,712
13		
14	Expenditures for Certain Civic, Political and Related Activities (426.4)	(16,506)
15	Total - 426.4	(16,506)
16		
17	Other Deductions (426.5)	
18	Unrealized Loss - Fuel Options	8,663
19	Total - 426.5	8,663
20		
21	Interest on Debt to Assoc Companies (430)	
22	Int Debt - Integrys Energy Group Short Term	(116,255)
23	Int Debt - Integrys Energy Group Long Term	(4,075,204)
24	Total - 430	(4,191,459)
25		
26	Other Interest Expense (431)	
27	Interest on Customer Deposits	(12,790)
28	GCR Interest Adjustment	(95,346)
	Prior Year Tax Adjustment	(420,427)
29	Misc	(3,232)
30	Total - 431	(531,795)
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		(4,729,007)

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Michigan Gas Utilities Corporation			
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS			
<p>1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.</p> <p>2. Merchandising, Jobbing, and Contract Work (Accounts 415 and 416) - Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.</p> <p>3. Nonutility Operations (Accounts 417 and 417.1) - Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.</p> <p>4. Nonoperating Rental Income (Account 418) - For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leases on a basis other than that of a fixed annual rental, state the method of determining rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.</p> <p>5. Equity in earnings of subsidiary companies (Account 418.1) - Report the utility's equity in the earnings or losses of each subsidiary company for the year.</p> <p>6. Interest and Dividend Income (Account 419) - Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses included in Account 419 as required by the Uniform System of Accounts.</p> <p>7. Miscellaneous Nonoperating Income (Account 421) - Give the nature and source of each miscellaneous nonoperating income, and expense and the amount for the year. Minor items may be grouped by classes.</p>			
Line No.	Item (a)	Amount (b)	
1	Account 415 - Revenue from Contract Work	33,956	
2			
3	Account 417 - Revenues from Non-Utility Operations		
4	Revenue	1,022	
5	Operating Expenses	(21,016)	
6			
7	Account 418 - Nonoperating Rental Income	1,285	
8			
9	Account 419 - Interest & Dividend Income	9,251	
10			
11	Account 421 - Misc Non-Operating Income	71,703	
12			
13			
14	Total Other Income	96,201	
15			
16			
17			
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013

EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES (Account 426.4)		
<p>1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities, Account 426.4.</p> <p>2. Advertising expenditures in this Account shall be classified according to subheadings, as follows: (a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customer's bills; (d) inserts in reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.</p> <p>3. Expenditures within the definition of paragraph (1), other than advertising shall be reported according to captions or descriptions clearly indicating the nature and purpose of the activity.</p> <p>4. If respondent has not incurred any expenditures contemplated by the instruction of Account 426.4, so state.</p> <p>5. Minor amount may be grouped by classes if the number of items so grouped is shown.</p> <p>NOTE: The classification of expenses as nonoperating and their inclusion in this amount is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.</p>		

Line No.	Item (a)	Amount (b)
1		
2	Labor	\$ 3,013
3	Consulting Expenses	8,185
4	Memberships	5,296
5	Miscellaneous Expense	12
6		
7		
8		
9		
10		
11		
12		
13		
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31		
32	TOTAL	16,506

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REGULATORY COMMISSION EXPENSES					
<p>1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.</p> <p>2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.</p>					
Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for current year (b) + (c) (d)	Deferred at Beginning of Year (e)
1	Dept. of Licensing & Regulatory Affairs				
2	2012/2013 Public Utility Assessment,				
3	Third Quarter	79,602		79,602	
4					
5					
6	Dept. of Licensing & Regulatory Affairs				
7	2012/2013 Public Utility Assessment,				
8	Fourth Quarter	79,602		79,602	
9					
10					
11	Dept. of Licensing & Regulatory Affairs				
12	2013/2014 Public Utility Assessment,				
13	First Quarter	63,487		63,487	
14					
15					
16	Dept. of Licensing & Regulatory Affairs				
17	2013/2014 Public Utility Assessment,				
18	Second Quarter	18,700		18,700	
19					
20					
21	Dept. of Labor & Economic Growth				
22	2012 Public Utility Assessment	25,969		25,969	
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37	TOTAL	267,360	0	267,360	0

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Michigan Gas Utilities Corporation			(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2014		December 31, 2013	
REGULATORY COMMISSION EXPENSES (Continued)								
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a), the period of amortization.				4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.				
				5. Minor items (less than \$25,000) may be grouped.				
EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			Line No.	
CHARGED CURRENTLY TO			Deferred	Contra Account	Amount	Deferred at End of Year		
Department	Account No.	Amount						
(f)	(g)	(h)	(i)	(j)	(k)	(l)		
							1	
							2	
							3	
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		267,360	0		0	0	37	

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Michigan Gas Utilities Corporation			
DISTRIBUTION OF SALARIES AND WAGES			
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.	
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)
			Total (d)
1	ELECTRIC		
2	Operation		
3	Production		
4	Transmission		
5	Distribution		
6	Customer Accounts		
7	Customer Service and Informational		
8	Sales		
9	Administrative and General		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	0	
11	Maintenance		
12	Production		
13	Transmission		
14	Distribution		
15	Administrative and General		
16	TOTAL Maint. (Total of lines 12 thru 15)	0	
17	Total Operation and Maintenance		
18	Production (Enter Total of lines 3 and 12)	0	
19	Transmission (Enter Total of lines 4 and 13)	0	
20	Distribution (Enter Total of lines 5 and 14)	0	
21	Customer Accounts (Transcribe from line 6)	0	
22	Customer Svc. And Informational (Transcribe from line 7)	0	
23	Sales (Transcribe from line 8)	0	
24	Administrative and General (Enter Total of lines 9 & 15)	0	
25	TOTAL Oper. And Maint. (Total of lines 18 thru 24)	0	
26	GAS		
27	Operation		
28	Production-Manufactured Gas	0	
29	Production-Nat. Gas (Including Expl. And Dev.)	0	
30	Other Gas Supply	3,907	
31	Storage, LNG Terminating and Processing	153,189	
32	Transmission	32,709	
33	Distribution	4,035,358	
34	Customer Accounts	1,904,341	
35	Customer Service and Informational	497,016	
36	Sales	0	
37	Administrative and General	807,739	
38	TOTAL Operation (Enter Total of lines 28 thru 37)	7,434,259	

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DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification	Direct Payroll Distribution	Allocation of Payroll Charged for Clearing Accounts	Total
	(a)	(b)	(c)	(d)
	GAS (Continued)			
39	Maintenance			
40	Production-Manufactured Gas	0		
41	Production-Natural Gas	0		
42	Other Gas Supply	0		
43	Storage, LNG Terminating and Processing	35,675		
44	Transmission	108,200		
45	Distribution	876,872		
46	Administrative and General	0		
47	TOTAL Maint. (Enter Total of lines 40 thru 46)	1,020,747		
48	Total Operation and Maintenance	8,455,006		
49	Production-Manufactured Gas (Total of lines 28 and 40)	0		
50	Production-Nat. Gas (Including Expl. & Dev.) (Total of lines 29 and 41)	0		
51	Other Gas Supply (Enter Total of lines 30 and 42)	3,907		
52	Storage, LNG Terminating and Processing (Total of lines 31 and 43)	188,864		
53	Transmission (Lines 32 and 44)	140,909		
54	Distribution (Lines 33 and 45)	4,912,230		
55	Customer Accounts (Line 34)	1,904,341		
56	Customer Service and Informational (Line 35)	497,016		
57	Sales (Line 36)	0		
58	Administrative and General (Lines 37 and 46)	807,739		
59	TOTAL Operation & Maint. (total of lines 49 thru 58)	8,455,006	228,502	8,683,508
60	OTHER UTILITY DEPARTMENTS			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59 & 61)	8,455,006	228,502	8,683,508
63	UTILITY PLANT			
64	Construction (By Utility Departments)			
65	Electric Plant			
66	Gas Plant	2,634,965	219,771	2,854,736
67	Other			0
68	TOTAL Construction (Total of lines 65 thru 67)	2,634,965	219,771	2,854,736
69	Plant Removal (By Utility Departments)			
70	Electric Plant			
71	Gas Plant			0
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	0	0	0
74	Other Accounts (Specify)			
	Misc.	18,038	0	18,038
75	Clearing Accounts	424,738	(458,343)	(33,605)
76	Co-Tenant	0	0	0
	Other Accounts	32,445	10,065	42,510
77	TOTAL Other Accounts	475,221	(448,278)	26,943
78	TOTAL SALARIES AND WAGES	11,565,192	(5)	11,565,187

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES					
<p>1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$50,000, including payments for legislative services, except those which should be reported in Account</p>			<p>426.4, Expenditures for Certain civic, Political and Related Activities.) (a) Name and address of person or organization rendering services, (b) description of services received during year and project or case to which services relate, (c) basis of charges, (d) total charges for the year, detailing utility department and account charged. 2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval. 3. Designate with an asterisk associated companies.</p>		
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
1	BGL Asset Services LLC	Professional Services	Billable Hours		\$ 72,136
2	1611 S. Isabella Road				
3	Mount Pleasant, MI 458858				
4					
5	Contracting & Material Co.	Contracting Services	Billable Hours		\$ 2,064,880
6	75 Remittance Dr., Ste. 1789				
7	Chicago, IL 60675-1789				
8					
9	Deloitte & Touche LLP	Accounting Services	Billable Hours		\$ 127,424
10	111 S. Wacker Dr., Ste. 1200				
11	Chicago, IL 60606-4301				
12					
13	Kent Power	Construction	By Project	107	\$ 4,601,216
14	90 Spring Street			154	196,452
15	P. O. Box 327			863	10,610
16	Kent City, MI			878	23
17				887	81,967
18				892	2,230
19				894	10,248
20					\$ 4,902,746
21					
22	Kuhn Darling Boyd & Quandt PLC	Legal Services	Billable Hours	182	\$ 114,606
23	412 S. Union Street, P.O. Box 987			923	7,679
24	Traverse City, MI 49684				\$ 122,285
25					
26	Land Service Co.	Env. Consulting	Billable Hours	107	\$ 121,220
27	222 N. Midvale Blvd., Ste. 10			923	14,235
28	Madison, WI 53705-5004				\$ 135,455
29					
30	Mannik & Smith Group, Inc.	Professional Services	Billable Hours	107	\$ 137,081
31	1800 Indian Wood Circle, Ste. 1				
32	Maumee, OH 43537-4037				
33					
34	Miller, Canfield, Paddock & Stone PLC	Legal Services	Billable Hours	923	\$ 319,798
35	P. O. Drawer 640348				
36	Detroit, MI 48264-0348				
37					
38					

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

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

426.4, Expenditures for Certain civic, Political and Related Activities.)
 (a) Name and address of person or organization rendering services,
 (b) description of services received during year and project or case to which services relate,
 (c) basis of charges,
 (d) total charges for the year, detailing utility department and account charged.

2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.

3. Designate with an asterisk associated companies.

Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
1	Natural Resource Technology, Inc	Env. Consulting	Billable Hours	182	\$ 64,521
2	8150 S. Lakeview Road				
3	Traverse City, MI 49684-7509				
4					
5	Pescador LLC	Env. Consulting	Billable Hours	107	\$ 1,440
6	8150 S. Lakeview Road			182	185,318
7	Travers City, MI 49684-7509				\$ 186,758
8					
9	Vertex US Holdings II, Inc.	Contracted Services	Billable Hours	107	93,746
10	17657 Waterview Parkway			903	4,178,347
11	Dallas, TX 75252			905	538,418
12				923	1,125
13					\$ 4,811,636
14					
15					
16					
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37					
38	TOTAL				\$ 12,944,720

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Wisconsin Public Service Corporation	In Common Control With	Labor & Labor Loadings		
2			Invoices & Expenses Accounts		
3			Materials & Supplies	Various	25
4			Other	Various	1,033
5			Other Stock Based Comp	920	(712)
6					
7					
8	Integrus Business Support, LLC	In Common Control With	Labor & Labor Loadings	Various	(2,611)
9			Invoices & Expenses Accounts	Various	528
10			Materials & Supplies		
11			Other	Various	621
12					
13					
14					
15	The Peoples Gas Light & Coke Company	In Common Control With	Labor & Labor Loadings	Various	155
16			Invoices & Expenses Accounts	Various	212
17			Other	Various	2,179
18					
19					
20					
21					
22					
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32					

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				7. In column (j) report the total.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
		107	417	417	(1)	1
		154/163	15,082	15,082	(4)	2
		154120	0	25		3
			0	1,033	(1)	4
			0	(712)	(2)	5
			Total	15,845		6
						7
			0	(2,611)	(1)	8
		Various	5,975	6,503	(4)	9
		146/232	0	0		10
		143/232	91,267	91,888		11
				0		12
			Total	95,780		13
						14
		107	1,685	1,840	(1)	15
		107	22,488	22,700	(4)	16
				2,179		17
			Total	26,719		18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
			Total	138,344		30
						31
						32

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

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SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company.			services provided (administrative and general expenses, dividends declared, etc.).		
2. In column (b) describe the affiliation (percentage ownership, etc.).			4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.		
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Integrus Energy Group, Inc.	Parent Company owns	Labor and Labor Loading	Various	0
2		100% of Michigan Gas	Invoices and Expenses	Various	181,223
3		Utilities Corporation	Other	Various	108,367
4					
5					
6	Wisconsin Public Service Corporation	In Common Control With	Labor and Labor Loading	Various	64,887
7			Employees Benefits & Other	Various	533
8			Materials & Supplies	Various	887,484
9			Invoices and Expenses	Various	130,974
10			Other Direct Costs	Various	385,991
11			Annual Incentive Plan	Various	345,601
12					
13					
14	Upper Peninsula Power Company	In Common Control With	Invoices and Expenses	Various	4,523
15			Other		
16					
17					
18	Minnesota Energy Resources Corporation	In Common Control With	Labor and Labor Loading	Various	293,400
19			Invoices and Expenses	Various	24,677
20			Other	Various	0
21					
22					
23	The Peoples Gas Light & Coke Co.	In Common Control With	Labor and Labor Loading	Various	1,470
24			Invoices and Expenses		73,406
25			Other	Various	12,409
26					
27					
28	Integrus Business Support, LLC	In Common Control With	Labor and Labor Loading	Various	2,197,684
29			Invoices and Expenses	Various	3,128,146
30			Other	Various	7,077,863
31					
32					
33	Integrus Energy Services, Inc.	In Common Control With	Labor and Labor Loading	Various	(37)
34			Other		
35					
36					
37					
38					

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			

SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)

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

Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
		253		0	(1)	1
		Various		181,223	(4)	2
		Various		108,367	(2)	3
			Total	289,590		4
						5
		Various		64,887	(1)	6
		Various		533	(1), (4)	7
		Various		887,484	(1)	8
		Various		130,974	(4)	9
		Various		385,991	(2)	10
		Various		345,601	(4)	11
			Total	1,815,470		12
						13
				4,523	(4)	14
			0	0		15
			Total	4,523		16
						17
		Various		293,400	(1)	18
				24,677	(4)	19
			(179)	(179)	(2)	20
			Total	317,898		21
						22
		232099	6,733	8,203	(1)	23
			5	73,411	(4)	24
			186	12,595	(2)	25
			Total	94,209		26
						27
		Various	187,681	2,385,365	(1)	28
		Various	4,535,421	7,863,567	(4)	29
		Various	(3,251,267)	3,826,596	(2)	30
			Total	13,875,528		31
		163000				32
		163000		(37)	(1)	33
			0	0		34
			Total	(37)		35
						36
						37
			Total	16,397,181		38

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

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
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	Number of Employees	Plant Cost	
	(a)	(b)	(c)	
1	Underground Storage Compressor Stations 3 Total	3	2,930,873	
2				
3	Gathering System Compressor Stations 1 Total		115,824	
4				
5				
6				
7				
8				
9				
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Name of Respondent		This Report Is:		Date of Report		Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2014		December 31, 2013	
COMPRESSOR STATIONS (Continued)							
<p>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</p>				<p>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.</p>			
Expenses (Except depreciation and taxes)		Gas for Compressor Fuel Mcf (14.73 psia at 60°F)	Operation Data			Line No.	
Fuel or Power	Other		Total Compressor Hours of Operation During Year	No of Compr. Operated at Time of Station Peak	Date of Station Peak		
(d)	(e)	(f)	(g)	(h)	(i)		
103,893	63,175	22,359	4,016			1	
-	-	-	-			2	
						3	
						4	
						5	
						6	
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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
GAS STORAGE PROJECTS			
1. Report particulars (details) for total gas storage projects. 2. Total storage plant (column b) should agree with amounts reported by the respondent in Acct's 350.1 to 364.8 inclusive (pages 206-207).		3. Give particulars (details) of any gas stored for the benefit of another company under a gas exchange arrangement or on basis of purchase and resale to other company. Designate with an asterisk if other company is an associated company.	
Line No.	Item (a)	Total Amount (b)	
1	Natural Gas Storage Plant		
2	Land and Land Rights	15,767	
3	Structures and Improvements	297,165	
4	Storage Wells and Holders	7,000,086	
5	Storage Lines	895,892	
6	Other Storage Equipment	4,751,506	
7	TOTAL (Enter Total of Lines 2 Thru 6)	12,960,416	
8	Storage Expenses		
9	Operation	360,070	
10	Maintenance	154,304	
11	Rents	-	
12	TOTAL (Enter Total of Lines 9 Thru 11)	514,374	
13	Storage Operations (In Mcf @ 14.65 Psia)		
14	Gas Delivered to Storage		
15	January	113,695	
16	February	36,469	
17	March	(18,557)	
18	April	336,798	
19	May	1,098,087	
20	June	868,885	
21	July	735,008	
22	August	699,858	
23	September	939,144	
24	October	659,330	
25	November	53,106	
26	December	58,618	
27	TOTAL (Enter Total of Lines 15 Thru 26)	5,580,441	
28	Gas Withdrawn from Storage		
29	January	1,161,571	
30	February	1,139,722	
31	March	790,010	
32	April	326,862	
33	May	67,386	
34	June	11,509	
35	July	55,376	
36	August	27,179	
37	September	47,856	
38	October	178,319	
39	November	1,129,010	
40	December	1,186,257	
41	TOTAL (Enter Total of Lines 29 Thru 40)	6,121,057	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
GAS STORAGE PROJECTS (Continued)				
Line No.	Item (a)	Total Amount (b)		
	Storage Operations (In Mcf)			
42	Top or Working Gas End of Year (1)	3,800,085		
43	Cushion Gas (Including Native Gas) (2)	3,519,000		
44	Total Gas in Reservoir (Enter Total of Line 42 and Line 43) (1)	7,319,085		
45	Certificated Storage Capacity (2)	7,423,000		
46	Number of Injection - Withdrawal Wells (2)	14		
47	Number of Observation Wells (2)	6		
48	Maximum Day's Withdrawal from Storage (2)	22,310		
49	Date of Maximum Days' Withdrawal (2)	01/02/13		
50	LNG Terminal Companies (In Mcf)			
51	Number of Tanks			
52	Capacity of Tanks			
53	LNG Volumes			
54	a) Received at "Ship Rail"			
55	b) Transferred to Tanks			
56	c) Withdrawn from Tanks			
57	d) "Boil Off" Vaporization Loss			
58	e) Converted to Mcf at Tailgate of Terminal			

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

(2) Includes only MGUC owned storage fields.

Name of Respondent	This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
DISTRIBUTION AND TRANSMISSION LINES			
1. Report below by States the total miles of pipe lines operated by respondent at end of year. 2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.		3. Report separately any line that was not operated during the past year. Enter in a footnote the particulars (details) and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book cost are contemplated. 4. Report the number of miles of pipe to one decimal point.	
Line No.	Designation (Identification) of Line or Group of Lines (a)	Total Miles of Pipe (to 0.1) (b)	
1	DISTRIBUTION		
2	Benton Harbor <=1"	6.3	
3	2"	585.0	
4	3"	7.6	
5	4"	324.1	
6	6"	46.8	
7	8"	24.0	
8	10"	0.0	
9	12"	4.7	
10			
11	Grand Haven <=1"	3.3	
12	2"	297.2	
13	3"	2.0	
14	4"	153.1	
15	6"	16.1	
16	8"	8.9	
17	12"	11.0	
18			
19	Otsego <=1"	1.5	
20	2"	237.8	
21	3"	0.9	
22	4"	219.9	
23	6"	24.9	
24	8"	7.1	
25	12"	0.0	
26			
27	Coldwater & Partello <=1"	1.7	
28	2"	391.2	
29	3"	4.7	
30	4"	265.5	
31	6"	41.9	
32	8"	64.5	
33	10"	2.8	
34			
35	Monroe <=1"	1.3	
36	2"	475.9	
37	3"	9.4	
38	4"	377.3	
39	6"	94.8	
40	8"	23.7	
41	10"	29.8	
42	12"	15.8	
43			
44	All lines are located in the State of Michigan.		
45	TOTAL	3,782.5	

Name of Respondent Michigan Gas Utilities Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
DISTRIBUTION AND TRANSMISSION LINES (Continued)			
1. Report below by States the total miles of pipe lines operated by respondent at end of year. 2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.		3. Report separately any line that was not operated during the past year. Enter in a footnote the particulars (details) and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book cost are contemplated. 4. Report the number of miles of pipe to one decimal point.	
Line No.	Designation (Identification) of Line or Group of Lines (a)	Total Miles of Pipe (to 0.1) (b)	
1	TRANSMISSION		
2	Grand Haven 8"	0.5	
3			
4	Otsego 4"	0.0	
5	6"	7.7	
6	8"	12.4	
7			
8	Coldwater 4"	0.0	
9	6"	5.7	
10	8"	0.0	
11	10"	24.3	
12			
13	Monroe 10"	0.0	
14	12"	20.0	
15			
16	Partello <=1"	0.2	
17	2"	0.2	
18	3"	0.5	
19	4"	8.6	
20	6"	8.3	
21	8"	15.6	
22			
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42			
43	All lines are located in the State of Michigan.		
44	TOTAL	104.0	

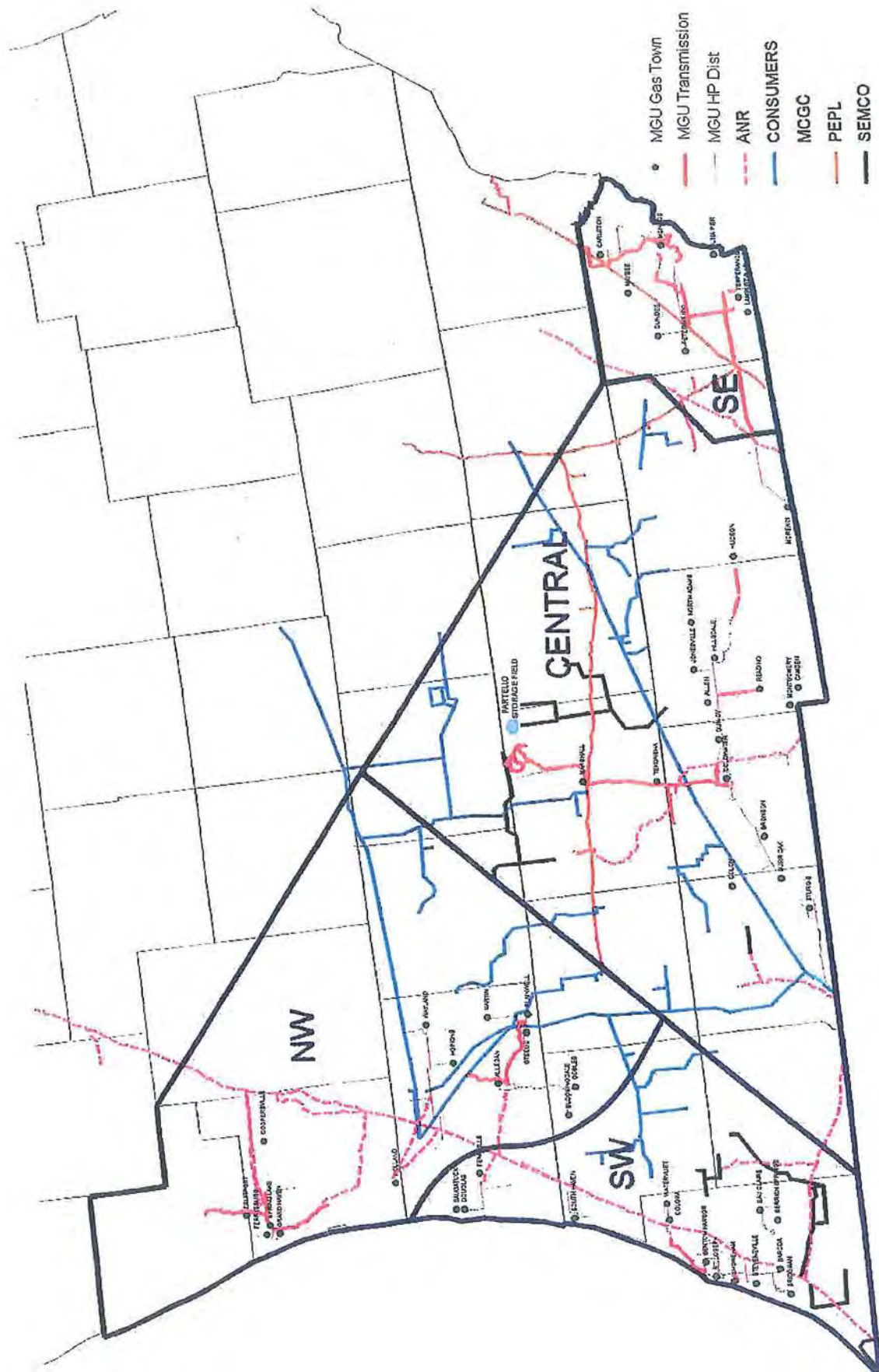
Name of Respondent		This Report Is:	Date of Report	Year of Report
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013
DISTRIBUTION SYSTEM PEAK DELIVERIES				
1. Report below the total distribution system deliveries of gas, excluding deliveries to storage, for the periods of system peak deliveries indicated below during the calendar year. 2. Report Mcf on a pressure base of 14.73 psia at 60°F.				
Line No.	Item (a)	Day/Month (b)	Amount of Mcf (c)	Curtailments on Day/Month Indicated (d)
Section A. Three Highest Days of System Peak Deliveries				
1	Date of Highest Day's Deliveries	01/21/13		No
2	Deliveries to Customers Subject to MPSC Rate Schedules		216,508	
3	Deliveries to Others		0	
4	TOTAL		216,508	
5	Date of Second Highest Day's Deliveries	01/22/13		No
6	Deliveries to Customers Subject to MPSC Rate Schedules		211,395	
7	Deliveries to Others		0	
8	TOTAL		211,395	
9	Date of Third Highest Day's Deliveries	01/31/13		No
10	Deliveries to Customers Subject to MPSC Rate Schedules		199,805	
11	Deliveries to Others		0	
12	TOTAL		199,805	
Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)				
13	Dates of Three Consecutive Days Highest System Peak Deliveries	01/21/13		No
		01/22/13		No
		01/23/13		No
14	Deliveries to Customers Subject to MPSC Rate Schedules		625,541	
15	Deliveries to Others		0	
16	TOTAL		625,541	
17	Supplies from Line Pack		0	
18	Supplies from Underground Storage (Note 1)		211,517	
19	Supplies from Other Peaking Facilities		0	
Section C. Highest Month's System Deliveries				
20	Month of Highest Month's System Deliveries	December		No
21	Deliveries to Customers Subject to MPSC Rate Schedules		4,773,847	
22	Deliveries to Others		0	
23	TOTAL		4,773,847	

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

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Michigan Gas Utilities Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2014	December 31, 2013	
AUXILIARY PEAKING FACILITIES					
1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc. 2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted.			For other facilities, report the rated maximum daily delivery capacities. 3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.		
	Location of Facility	Type of Facility	Maximum Daily Delivery Capacity of Facility, Mcf at 14.73 psia at 60°F	Cost of Facility (In dollars)	Was Facility Operated on Day of Highest Transmission Peak Delivery?
	(a)	(b)	(c)	(d)	Yes (e) No (f)
1	Partello/Anderson/Mymachod-				
2	Calhoun County, MI	Underground Storage	15,000 - 28,000	6,593,188	
3	Cortright/Cambell -				
4	Calhoun County, MI	Underground Storage	12,000 - 20,000	1,067,085	
5	Lee 3/3A -				
6	Calhoun & Eaton Counties, MI	Underground Storage	17,500 - 30,000	3,004,685	
7					
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NOTE: The daily deliverability of MGUC owned storage is less than the combined total of the three reservoirs due to pipeline constraints.

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2014	Year of Report December 31, 2013
Michigan Gas Utilities Corporation			
SYSTEM MAPS			
<p>1. Furnish 5 copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.</p> <p>2. Indicate the following information on the maps:</p> <p>(a) Transmission lines - colored in red, if they are not otherwise clearly indicated.</p> <p>(b) Principal pipeline arteries of gathering systems.</p> <p>(c) Sizes of pipe in principal pipelines shown on map.</p> <p>(d) Normal directions of gas flow - indicated by arrows.</p> <p>(e) Location of natural gas fields or pools in which the respondent produces or purchases natural gas.</p> <p>(f) Locations of compressor stations, products extraction plants, stabilization plants, important purification plants, underground storage areas, recycling areas, etc.</p> <p>(g) Important main line interconnections with other natural gas companies, indicating in each case whether gas is received or delivered and name of connecting company.</p> <p>(h) Principal communities in which respondent renders local distribution service.</p> <p>3. In addition, show on each map: graphic scale to which map is drawn; date as of which the map represents the facts it purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.</p> <p>4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger than this report. Bind the maps to the report.</p>			
See Page 522A			



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