

2023

**SEMCO ENERGY
GAS COMPANY**

ANNUAL REPORT

MPSC FORM P-522

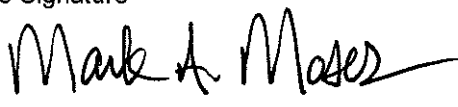
ANNUAL REPORT OF NATURAL GAS COMPANIES (MAJOR AND NONMAJOR)

IDENTIFICATION

01 Exact Legal Name of Respondent SEMCO ENERGY GAS CO		02 Year of Report December 31, 2023
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) 1411 THIRD STREET, SUITE A, PORT HURON, MI 48060		
05 Name of Contact Person MARK A MOSES	06 Title of Contact Person VP, CHIEF FINANCIAL OFFICER & TREASURER	
07 Address of Contact Person (Street, City, State, Zip) 1411 THIRD STREET, SUITE A, PORT HURON, MI 48060		
08 Telephone of Contact Person, Including Area Code: (810) 887-4728	09 This Report is: (1) [X] An Original (2) [] A Resubmission	10 Date of Report 4/30/2024

ATTESTATION

The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 and including December 31 of the year of the report.

01 Name MARK A MOSES	03 Signature 	04 Date Signed 4/25/2024
02 Title VICE PRESIDENT, CHIEF FINANCIAL OFFICER & TREASURER		

PRODUCER, PURCHASER AND/OR TRANSMITTER
OF NATURAL GAS (ACT 9 COMPANY)

ANNUAL REPORT OF

SEMCO ENERGY INC

(Name of Company)

TO THE

MICHIGAN PUBLIC SERVICE COMMISSION

FOR THE CALENDAR YEAR 2023

(Read Instructions on Last Page Carefully Before Filling Out Report)

1. Name of Company SEMCO ENERGY GAS COMPANY
2. Post Office Address 1411 Third St., Suite A, Port Huron, MI 48060
3. Organization (corporation, partnership, or individual) Corporation
4. Date of Organization June 2, 1950 Under the laws of what State? Michigan
5. Who prepared this report? (Person of firm other than regular company employee)

Signature N/A

6. If incorporated, give the titles, names, and addresses of all company officials at close of year:

	<u>Name</u>	<u>Address</u>
President	<u>M. Colleen Starring</u>	<u>1411 Third St., Suite A, Port Huron, MI 48060</u>
Secretary	<u>Brad Grant</u>	<u>1411 Third St., Suite A, Port Huron, MI 48060</u>
Treasurer	<u>Mark A Moses</u>	<u>1411 Third St., Suite A, Port Huron, MI 48060</u>
Vice Pres	<u>Mark A Moses, Marc Simone, Ann Forster, Dan Forsyth</u>	

7. If not incorporated, state name and address of owner or owners and extent of their respective interests:

8. Name and address of person to whom correspondence regarding this report should be addressed:

<u>Mark A Moses</u>	<u>Vice President, Chief Financial Officer & Treasurer</u>
(Name)	(Title)

<u>1411 Third St., Suite A, Port Huron, MI 48060</u>	<u>(810) 887-4728</u>
(Address)	(Telephone)

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
BALANCE SHEET - TOTAL COMPANY (ASSETS)			
SEE FORM P-522		Current Year	Previous Year
CURRENT ASSETS			
Cash			
Short-term investments			
Accounts and notes receivable			
Inventories			
Other			
TOTAL CURRENT ASSETS			
INVESTMENTS AND OTHER ASSETS			
Investments in affiliated companies			
Other			
TOTAL INVESTMENTS AND OTHER ASSETS			
PROPERTY, PLANT, AND EQUIPMENT			
Property, plant, and equipment			
Less accumulated depreciation, depletion and amortization			
NET PROPERTY, PLANT AND EQUIPMENT			
PREPAID AND DEFERRED CHARGES			
TOTAL ASSETS			

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023
BALANCE SHEET TOTAL COMPANY - LIABILITIES AND SHAREHOLDERS' EQUITY			
SEE FORM P-522		Current Year	Previous Year
CURRENT LIABILITIES			
Notes Payable			
Accounts Payable			
Accrued Taxes			
Long-term Debt Maturing Within One Year			
Other Current Liabilities			
TOTAL CURRENT LIABILITIES			
LONG - TERM DEBT			
OTHER LIABILITIES AND DEFERRED CREDIT			
Advances Against Future Production			
Deferred Income taxes			
Other			
SHAREHOLDERS' EQUITY			
Preferred Stock; Authorized, issued and outstanding			
Preference Stock; Authorized, issued and outstanding			
Common Stock; par value pre share \$			
Authorized, issued and outstanding			
Other Equity Capital			
Paid in Capital in Excess of Par			
Retained Earnings			
TOTAL SHAREHOLDERS' EQUITY			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
STATEMENT OF INCOME - TOTAL COMPANY			
SEE FORM P-522		Current Year	Previous Year
REVENUES - SALES AND SERVICES			
Refined Petroleum			
Crude Oil			
Natural Gas			
Chemicals			
Other Products			
Services			
Other			
TOTAL SALES AND SERVICES			
EXPENSES			
Operating Expenses			
Exploration Expenses			
Selling and General Expenses			
Depreciation, Depletion, and Amortization			
Taxes Other than Income Taxes			
Income Taxes			
TOTAL EXPENSES			
NET OPERATING INCOME			
OTHER INCOME AND EXPENSES			
Interest and Debt Expense			
Other			
NET INCOME			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
STATEMENT OF INCOME - MICHIGAN OPERATIONS			
SEE FORM P-522	Current Year	Previous Year	
REVENUES - SALES AND SERVICES			
Refined Petroleum			
Crude Oil			
Natural Gas			
Chemicals			
Other Products			
Services			
Other			
TOTAL SALES AND SERVICES			
EXPENSES			
Operating Expenses			
Exploration Expenses			
Selling and General Expenses			
Depreciation, Depletion, and Amortization			
Taxes Other than Income Taxes			
Income Taxes			
TOTAL EXPENSES			
NET OPERATING INCOME			
OTHER INCOME AND EXPENSES			
Interest and Debt Expense			
Other			
NET INCOME			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
LONG - TERM DEBT			
CLASS AND SERIES OF OBLIGATION (a)	INTEREST RATE (b)	AMOUNT OUTSTANDING (c)	AMOUNT OUTSTANDING (d)
SEE FORM P-522			
TOTALS			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
STATEMENT OF SHAREHOLDERS' EQUITY					
SEE FORM P-522	Common Stock	Paid-in Capital	Retained Earnings	Preferred and Preference Stock	Total
	(a)	(b)	(c)	(d)	(e)
Balance January 1, 2023					
Net Income					
Cash dividends declared					
Stock cancellation, net					
Other (specify):					
Balance December 31, 2023					
Notes to Financial Statements					

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
GAS STATISTICAL DATA			
A. GAS PRODUCERS - MICHIGAN GAS PRODUCTION			
Lease, field or pool (a)		Direct Use or Resale (if known) (b)	Gross Production Volume (MMCF) (c)
NONE			
(Attach additional 8-1/2 x 11 sheets if necessary)			
B. GAS PURCHASERS - MICHIGAN PURCHASES			
Producers (a)	Amount Purchased (b)	Purchase Price (c)	Amount Resold (d)
Pilat	0	0	ALL
Rapley	24,542	58,917	ALL
NOTE: All gas volumes stated in dekatherms.			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
GAS STATISTICAL DATA (CONTINUED)			
Revenues from resales		323,796,577	
Number of Customers (resale or direct use)		300,811	
C. GAS TRANSMITTERS - MICHIGAN OPERATIONS - TRANSMISSION LINES			
Size of Line	Miles	Original Cost	
2" thru 6"	6.8	2,832,942	
8"	41.5	2,848,676	
10"	6.5	19,196,338	
12"	46.9	5,174,357	
16"	9.0	8,261,137	
20"	36.2	126,511,025	
Volumes of Gas Transmitted		59,579,733	
Number of Customers Served			
Resale			
Direct Use (Industrial or Commercial or Residential)		300,811	
NOTE: All gas volumes to be at 14.73 PSIA dry pressure base.			

GENERAL INSTRUCTIONS

1. This form for Annual Report should be filled out and typed in duplicate and one copy returned to the office of the Michigan Public Service Commission by April 30, following the year for which made. The remaining copy should be retained by the Common Purchaser and/or Common Carrier in its permanent files in case correspondence with regard to this report becomes necessary.
2. Attention is called to Section 12 P.A. 1929, No. 9 which directs Common Purchasers and/or Common Carriers to make reports to the Michigan Public Service Commission, and provides penalties for those who fail, neglect or refuse to comply with the provisions of the Act.
3. If you file an annual report with this Commission on MPSC Form P-522, pages 2 through 7 can be omitted on this form because that information is on file with the Commission.
4. Additional statements inserted for the purpose of further explanation of accounts or schedules should be made on durable paper the same size as this report and securely attached.
5. There should always appear some notation to indicate that the questions asked have not been overlooked. The word "None" may be used against any particular item or items where that word expresses the fact.
6. The Oath on this page must be administered by a Notary Public or other authorized to administer oaths.

OATH

State of Michigan
County of St. Clair) ss.

I, the undersigned, on oath do say that I am

Vice President, Chief Financial Officer & Treasurer
(State official position as owner or officer)

of the Natural Gas Purchaser and Carrier for whom the forgoing annual report was prepared; that the same was prepared by myself or under my direction; that I have full and complete knowledge of the affairs of the said Natural Gas Purchaser and/or Carrier that I have examined the foregoing annual report and declare the same to be a correct and complete statement of the business and affairs of said Natural Gas Purchaser and/or Carrier in respect to each and every matter and thing therein set forth, to the best of my knowledge, information and belief.

Mark A. Moses

(Signature of person executing this report)

1411 Third St., Suite A, Port Huron, MI 48060
(Address)

SUBSCRIBED AND SWORN TO BEFORE ME

at 1411 Third St., Suite A, Port Huron, MI 48060

this 25th day of April 2024

Terri Jo Amey
(Signature of person executing this report)

Risk Management
(Official Title)

My Commission expires July 23, 2026

TERRI JO AMEY
NOTARY PUBLIC - STATE OF MICHIGAN
SANILAC COUNTY
My Commission Expires July 23, 2026
Acting in St. Clair County



Ernst & Young LLP
900 United Center
500 Virginia Street East
Charleston, WV 25301

Tel: +1 304 343 8971
Fax: +1 304 357 5994
ey.com

Report of Independent Auditors

To the Board of Directors and Shareholders of SEMCO Energy Inc.

Opinion

We have audited the consolidated financial statements of SEMCO Energy, Inc. (the “Company”), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of operations and comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidated statements of financial position segregated between mortgaged and non-mortgaged assets and consolidated statements of operations segregated between mortgaged and non-mortgaged assets are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Ernst & Young LLP

March 18, 2024



State of Michigan

RICK SNYDER
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

MIKE ZIMMER
DIRECTOR

GREG R. WHITE JOHN D. QUACKENBUSH SALLY A. TALBERG
COMMISSIONER CHAIRMAN COMMISSIONER

Michigan Public Service Commission

Public Utility Assessment (PUA) Report for the Year-Ended 2023

Company Name: SEMCO ENERGY GAS CO

Address: 1411 Third Street, Suite A

City: Port Huron State: MI Zip: 48060

Contact Person: Angela Robson

Direct Phone: 810-887-4721

Direct E-mail: angela.robson@semcoenergy.com Fax Number: 810-887-4750

**GROSS UTILITY REGULATED AND
UNREGULATED OPERATING REVENUE FOR 2023:** \$362,088,888

**** As a regulated public utility in Michigan your firm is subject to an annual public utility assessment provided in Public Act 299 of 1972. Failure to provide this information puts your firm in violation of this act.
Please submit the above information by **April 30, 2024** to the address listed below.**

I certify that the foregoing statement is true and correct to the best of my knowledge, information and belief.

Signature: Mark A. Moses

Printed Name: Mark A Moses

Title: Vice President, Chief Financial Office, & Treasurer

Date: 4/25/2024

Mail or Deliver Hard Copy to:
Michigan Public Service Commission
Attn: Heather Cantin, Financial Analysis & Audit Division
7109 W. Saginaw Hwy
PO Box 30221
Lansing, MI 48909

Please direct any questions or email submissions regarding this report to:
Heather Cantin, Financial Analysis & Audit Division
E-mail: cantinh@michigan.gov Phone: (517) 284-8266

MICHIGAN PUBLIC SERVICE COMMISSION

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

This form is authorized by 1919 PA 419, as amended, being MCL 460.55 et seq.; and 1969 PA 306, as amended, being MCL 24.201 et seq. Filing of this form is mandatory. Failure to complete and submit this form will place you in violation of state law.

Report submitted for year ending: December 31, 2023																	
Present name of respondent: SEMCO ENERGY GAS CO																	
Address of principal place of business: 1411 Third Street, Suite A, Port Huron MI 48060																	
Utility representative to whom inquiries regarding this report may be directed: VP, Chief Financial Officer, & <table><tr><td>Name:</td><td>Mark A Moses</td><td>Title:</td><td>Treasurer</td></tr><tr><td colspan="4">Address: 1411 Third Street, Suite A</td></tr><tr><td>City:</td><td>Port Huron</td><td>State:</td><td>MI Zip: 48060</td></tr><tr><td colspan="2">Telephone, Including Area Code:</td><td colspan="2">(810) 887-4728</td></tr></table>		Name:	Mark A Moses	Title:	Treasurer	Address: 1411 Third Street, Suite A				City:	Port Huron	State:	MI Zip: 48060	Telephone, Including Area Code:		(810) 887-4728	
Name:	Mark A Moses	Title:	Treasurer														
Address: 1411 Third Street, Suite A																	
City:	Port Huron	State:	MI Zip: 48060														
Telephone, Including Area Code:		(810) 887-4728															
If the utility name has been changed during the past year: <table><tr><td>Prior Name:</td><td></td></tr><tr><td>Date of Change:</td><td></td></tr></table>		Prior Name:		Date of Change:													
Prior Name:																	
Date of Change:																	
Two copies of the published annual report to stockholders: <table><tr><td>[X]</td><td>were forwarded to the Commission</td></tr><tr><td>[]</td><td>will be forwarded to the Commission</td></tr><tr><td></td><td><u>on or about 04/30/24</u></td></tr></table>		[X]	were forwarded to the Commission	[]	will be forwarded to the Commission		<u>on or about 04/30/24</u>										
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[]	will be forwarded to the Commission																
	<u>on or about 04/30/24</u>																
Annual reports to stockholders: <table><tr><td>[]</td><td>are published</td></tr><tr><td>[X]</td><td>are not published</td></tr></table>		[]	are published	[X]	are not published												
[]	are published																
[X]	are not published																

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Heather Cantin) at
(517) 284-8266 or cantinh@michigan.gov OR forward correspondence to:

Michigan Public Service Commission
Financial Analysis & Audit Division (Heather Cantin)
7109 W Saginaw Hwy
PO Box 30221
Lansing, MI 48909

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

GENERAL INFORMATION

I. Purpose:

By authority conferred upon the Michigan Public Service Commission by 1919 PA 419, as amended, being MCL 460.55 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)
Revenue Requirements Section
7109 W Saginaw Hwy, PO Box 30221
Lansing, MI 48909

Retain one copy of this report for your files. Also submit the electronic version of this record to Jennifer Brooks at the address below or to brooks10@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)
Revenue Requirements
7109 W. Saginaw Hwy, PO Box 30221
Lansing, MI 48909

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

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

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

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

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

In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under 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)
Revenue Requirements Section
7109 W Saginaw Hwy, PO Box 30221
Lansing, MI 48909

IV. When to Submit

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

GENERAL INSTRUCTIONS

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

	at the end of the current reporting year, and use for statement of income accounts the current year's amounts.
III.	Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
IV.	For any page(s) that is not applicable to respondent, either (a) Enter the words "NOT APPLICABLE" on the particular page(s), OR (b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column (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) Revenue Requirements Section 7109 W Saginaw Hwy, PO Box 30221 Lansing, MI 48909
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.	<u>BTU per cubic foot</u> - 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.

PRODUCER, PURCHASER AND/OR TRANSMITTER
OF NATURAL GAS (ACT 9 COMPANY)

ANNUAL REPORT OF

SEMCO ENERGY INC

(Name of Company)

TO THE

MICHIGAN PUBLIC SERVICE COMMISSION

FOR THE CALENDAR YEAR 2023

(Read Instructions on Last Page Carefully Before Filling Out Report)

1. Name of Company SEMCO ENERGY GAS COMPANY
2. Post Office Address 1411 Third St., Suite A, Port Huron, MI 48060
3. Organization (corporation, partnership, or individual) Corporation
4. Date of Organization June 2, 1950 Under the laws of what State? Michigan
5. Who prepared this report? (Person of firm other than regular company employee)

Signature N/A

6. If incorporated, give the titles, names, and addresses of all company officials at close of year:

	<u>Name</u>	<u>Address</u>
President	<u>M. Colleen Starring</u>	<u>1411 Third St., Suite A, Port Huron, MI 48060</u>
Secretary	<u>Brad Grant</u>	<u>1411 Third St., Suite A, Port Huron, MI 48060</u>
Treasurer	<u>Mark A Moses</u>	<u>1411 Third St., Suite A, Port Huron, MI 48060</u>
Vice Pres	<u>Mark A Moses, Marc Simone, Ann Forster, Dan Forsyth</u>	

7. If not incorporated, state name and address of owner or owners and extent of their respective interests:

8. Name and address of person to whom correspondence regarding this report should be addressed:

Mark A Moses Vice President, Chief Financial Officer & Treasurer
(Name) (Title)

1411 Third St., Suite A, Port Huron, MI 48060 (810) 887-4728
(Address) (Telephone)

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) [X] An Original (2) [] A Resubmission	4/30/2024	12/31/2023
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 reports for		certain pages. Omit pages where the responses are "none," "not applicable," or "NA."	
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
<p style="text-align: center;">GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</p> <p>General Information 101</p> <p>Control Over Respondent & Other Associated Companies M 102</p> <p>Corporations Controlled by Respondent 103</p> <p>Officers and Employees M 104</p> <p>Directors 105</p> <p>Security Holders and Voting Powers M 106-107</p> <p>Important Changes During the Year 108-109</p> <p>Comparative Balance Sheet M 110-113</p> <p>Statement of Income for the Year M 114-117</p> <p>Statement of Retained Earnings for the Year M 118-119</p> <p>Statement of Cash Flows 120-121</p> <p>Notes to Financial Statements 122-123</p> <p style="text-align: center;">BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</p> <p>Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion 200-201</p> <p>Gas Plant in Service M 204-212B</p> <p>Gas Plant Leased to Others 213</p> <p>Gas Plant Held for Future Use 214</p> <p>Production Properties Held for Future Use 215</p> <p>Construction Work in Progress - Gas 216</p> <p>Construction Overheads - Gas 217</p> <p>General Description of Construction Overhead Procedure M 218</p> <p>Accumulated Provision for Depreciation of Gas Utility Plant M 219</p> <p>Gas Stored 220</p> <p>Nonutility Property 221</p> <p>Accumulated Provision for Depreciation and Amortization of Nonutility Property 221</p> <p>Investments 222-223</p> <p>Investment in Subsidiary Companies 224-225</p> <p>Gas Prepayments Under Purchase Agreements 226-227</p> <p>Advances for Gas Prior to Initial Deliveries or Commission Certification 229</p> <p>Prepayments 230</p> <p>Extraordinary Property Losses 230</p> <p>Unrecovered Plant and Regulatory Study Costs 230</p> <p>Preliminary Survey and Investigation Charges 231</p> <p>Other Regulatory Assets 232</p> <p>Miscellaneous Deferred Debits 233</p> <p>Accumulated Deferred Income Taxes (Account 190) 234-235</p>			

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023
LIST OF SCHEDULES (Natural Gas Utility)			
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(a)	(b)	(c)	
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Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023
LIST OF SCHEDULES (Natural Gas Utility)			
Title of Schedule	Reference Page No.	Remarks	
(a)	(b)	(c)	
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Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 style="text-align: center;">Mark A. Moses Vice President & Chief Financial Officer & Treasurer 1411 Third Street, Suite A Port Huron, MI 48060</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 date organized.</p> <p style="text-align: center;">Michigan - June 2, 1950</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p style="text-align: center;">Not Applicable</p>			
<p>4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.</p> <p style="text-align: center;">Michigan: Gas Utility Service</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) <input type="checkbox"/> Yes. . . . enter date when such independent accountant was initially engaged: _____</p> <p>(2) <input checked="" type="checkbox"/> No</p>			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES			
<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.</p> <p>2. List any entities which respondent did not control either directly or indirectly and which did not control respondent by which were associated companies at any time during the year.</p> <p>3. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.</p>	
<p>Effective January 1, 2000, SEMCO Energy Gas Company is a division of SEMCO Energy, Inc. SEMCO Energy, Inc. is a wholly-owned subsidiary of SEMCO Holding Corporation and an indirect wholly-owned subsidiary of AltaGas Utility Holdings (U.S) Inc.</p>			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
LIST OF SCHEDULES (Natural Gas Utility)			
<p>1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.</p> <p>2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.</p>		<p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p> <p>4. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K and this report are compatible.</p>	
<u>DEFINITIONS</u>			
<p>1. See the Uniform System of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition or an intermediary which exercises direct control.</p> <p>4. Joint control is that in which neither interest can effectively control or direct action without the consent</p>		<p>of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control in the Uniform System of Accounts, regardless of the relative voting rights of each party.</p>	
Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
NONE			

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

OFFICERS

- Report below the name, title and salary for the five executive officers.
- Report in column (b) salaries and wages accrued during the year including deferred compensation.
- In column (c) report any other compensation provided such as bonuses, car allowance, stock options and rights, savings contribution, etc., and explain in a footnote what the amounts represent.
- If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.
- Upon request, the Company will provide the Commission with supplemental information on officers and other employees salaries.

Line No.	Name and Title (a)	Base Wages (b)	Other Compensation (c)	Total Compensation (d)
1	M. Colleen Staring, President of SEMCO Energy Gas Company Division	\$412,000	\$1,274,361	\$1,686,361
2	Dan Forsyth, VP of Business Services	\$281,856	\$450,014	\$731,870
3	Mark Moses, VP, CFO, & Treasurer	\$300,000	\$519,964	\$819,964
4	Ann Forster, VP of Employee Services	\$272,000	\$574,047	\$846,047
5	Marc Simone, VP Michigan Operations	\$251,000	\$423,893	\$674,893
	(c) Other Compensation			
	Colleen Staring			
	Gross up pay taxes relating to life insurance premium		\$9,346	
	Company match contribution to 401(K) plan		\$13,200	
	Short/Long Term Incentive Plan Payment		\$1,241,616	
	Auto Allowance		\$10,200	
			\$1,274,361	
	Dan Forsyth			
	Gross up pay taxes relating to life insurance premium		\$8,927	
	Company match contribution to 401(K) plan		\$13,200	
	Short/Long Term Incentive Plan Payment		\$418,887	
	Auto Allowance		\$9,000	
			\$450,014	
	Mark Moses			
	Gross up pay taxes relating to life insurance premium		\$7,285	
	Company match contribution to 401(K) plan		\$13,200	
	Short/Long Term Incentive Plan Payment		\$490,479	
	Auto Allowance		\$9,000	
			\$519,964	
	Ann Forster			
	Gross up pay taxes relating to life insurance premium		\$3,798	
	Company match contribution to 401(K) plan		\$13,200	
	Short/Long Term Incentive Plan Payment		\$548,049	
	Auto Allowance		\$9,000	
			\$574,047	
	Marc Simone			
	Gross up pay taxes relating to life insurance premium		\$3,269	
	Company match contribution to 401(K) plan		\$13,200	
	Short/Long Term Incentive Plan Payment		\$397,644	
	Auto Allowance		\$9,000	
	Cell Phone Allowance		\$780	
			\$423,893	

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
DIRECTORS			
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.		2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.	
Name (and Title) of Director (a)	Principal Business Address (b)	No. of Directors Meetings During Yr. (c)	Fees During Year (d)
<p>Effective 01/01/00 the Company became a division of SEMCO Energy Inc., as such, there are no longer Corporate Directors required.</p>			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interest in the trust. If the stock book was not closed or a list of stockholders were not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.</p> <p>(B) Give also the name and indicate the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders.</p>		<p>2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.</p> <p>3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.</p> <p>4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by an officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.</p>	
<p>1. Give the date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:</p> <p style="text-align: center;">NOT APPLICABLE</p>			
<p>2. State the total number of votes cast at the latest general meeting prior to the end of the year for election of directors of the respondent and number of such votes cast by proxy:</p> <p>Total:</p> <p>By Proxy:</p>			
<p>3. Give the date and place of such meeting:</p>			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
SECURITY HOLDERS AND VOTING POWERS (Continued)					
Line No.	Name (and 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 of all voting securities	0			
5	TOTAL number of security holders	0			
6	TOTAL votes of security holders listed below	0			
7	Not Applicable				
8					
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Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

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 acceptable" or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <p>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefor 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</p>	<p>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 any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</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 of 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>

1. Franchises Extended or Acquired		
<u>Extended Franchise</u>	<u>County</u>	<u>Extension Duration</u>
Evergreen Township	Sanilac	30 years
Fremont Township	Sanilac	30 years
Watertown Township	Sanilac	30 years
Elkland Township	Tuscola	30 years
Fillmore Township	Allegan	30 years
Newton Township	Calhoun	30 years
Marenisco Township	Gogebic	30 years
City of Croswell	Sanilac	30 years
Maple Valley Township	Sanilac	30 years
Greenleaf Township	Sanilac	30 years
Convis Township	Calhoun	30 years
Leroy Township	Calhoun	30 years
Constantine Township	St. Joseph	30 years
Elmer Township	Sanilac	30 years
Watersmeet Township	Gogebic	30 years
Village of Cass City	Tuscola	30 years
North Branch Township	Lapeer	30 years
Village of North Branch	Lapeer	30 years
Laketown Township	Allegan	30 years
Lamotte Township	Sanilac	30 years
Pulaski Township	Jackson	30 years
2 Not applicable		
3 Not applicable		
4 Not applicable		

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

IMPORTANT CHANGES DURING THE YEAR (Continued)

5. Not applicable

6. Not applicable

7. Not applicable

8. Local Union #16201, United Steelworkers of America, received an increase of 3.00% as of 06/16/23
Local Union #3135, United Steelworkers of America, received an increase of 2.75% as of 04/14/23
Local Union #473, Utility Workers Union of America, received an increase of 2.75% as of 10/27/23
Local Union #445, Utility Workers Union of America, received an increase of 2.75% as of 08/04/23
Non-union employees received an average merit increase of 3.60% effective 01/01/23

9. Not applicable

10. Not applicable

11. In December 2019, the Company received an order in Case No. U-20479 to end the previous Main Replacement Program (MRP) surcharge effective January 2020 and begin a new, five-year, MRP surcharge effective January 2021. The new MRP surcharge rate changes on an annual basis and was expected to produce approximately \$3,701,816 in revenue in 2023. The same order approved a new Infrastructure Reliability Improvement Program (IRIP) surcharge effective January 2021 for a five-year term. The new IRIP surcharge also changes on an annual basis and was expected to produce approximately \$3,682,872 in revenue in 2023. The expected 2023 MRP and IRIP revenues are broken down as follows:

<u>Rate Class</u>	<u>Customers</u>	<u>Estimated MRP Revenue</u>	<u>Estimated IRIP Revenue</u>
Residential	282,593	1,729,480	1,720,630
GS-1	22,294	342,327	340,575
GS-2	3,324	266,350	264,987
GS-3	830	401,007	398,955
TR-1	117	164,986	164,141
TR-2	57	406,041	403,963
TR-3	11	391,625	389,621

12. Not applicable

Name of Respondent		This Report Is:		Date of Report	Year of Report
SEMCO ENERGY GAS CO		(1) [X] An Original (2) [] A Resubmission		4/30/2024	12/31/2023
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	1,224,241,752	1,293,301,503	
3	Construction Work in Progress (107)	200-201	16,117,992	13,515,673	
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		1,240,359,744	1,306,817,176	
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115, 119)		(408,117,636)	(431,369,812)	
6	Net Utility Plant (Enter Total of line 4 less 5)		832,242,108	875,447,364	
7	Nuclear Fuel (120.1-120.4, 120.6)		0	0	
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)				
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		0	0	
10	Net Utility Plant (Enter Total of lines 6 and 9)		832,242,108	875,447,364	
11	Utility Plant Adjustments (116)	122-123	0	0	
12	Gas Stored-Base Gas (117.1)	220	0	0	
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	109,959	109,959	
18	(Less) Accum. Prov. for Depr. and Amort. (122)	221	(45,346)	(47,200)	
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	---			
23	Other Investments (124)	222-223,229	5,850	5,850	
24	Sinking Funds (125)				
25	Depreciation Fund (126)				
26	Amortization Fund - Federal (127)				
27	Other Funds (128)				
28	LT Portion of Derivative Assets (175)				
29	LT Portion of Derivative Assets - Hedges (176)				
30	TOTAL Other Property and Investments (Total of lines 17 thru 29)		70,463	68,609	
31	CURRENT AND ACCRUED ASSETS				
32	Cash (131)	---			
33	Special Deposits (132-134)	---	0	0	
34	Working Fund (135)	---	500	500	
35	Temporary Cash Investments (136)	222-223	0	0	
36	Notes Receivable (141)	228A	0	0	
37	Customer Accounts Receivable (142)	228A	25,775,885	15,467,266	
38	Other Accounts Receivable (143)	228A	3,789,207	4,168,634	
39	(Less) Accum. Prov. for Uncoll. Acct.-Credit (144)	228A	(1,024,704)	(660,453)	
40	Notes Receivable from Associated Companies (145)	228B	0	0	
41	Accounts Receivable from Associated Companies (146)	228B	0	0	
42	Fuel Stock (151)	228C	0	0	
43	Fuel Stock Expenses Undistributed (152)	228C	0	0	
44	Residuals (Elec) and Extracted Products (Gas) (153)	228C	0	0	
45	Plant Materials and Operating Supplies (154)	228C	12,152,292	12,927,238	
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	
SEMCO ENERGY GAS CO		(1) [X] An Original (2) [] A Resubmission		4/30/2024		12/31/2023	
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)	---					
50	(Less) Noncurrent Portion of Allowances	---					
51	Stores Expense Undistributed (163)	228C	264,984	310,808			
52	Gas Stored Underground-Current (164.1)	220	107,144,632	71,224,490			
53	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	220	0	0			
54	Prepayments (165)	226,230	12,501,237	11,673,094			
55	Advances for Gas (166-167)	229	0	0			
56	Interest and Dividends Receivable (171)	---	0	0			
57	Rents receivable (172)	---	0	0			
58	Accrued Utility Revenues (173)	---	54,236,258	28,029,093			
59	Miscellaneous Current and Accrued Assets (174)	---	9,193,257	8,394,279			
60	Derivative Instrument Assets (175)		0	0			
61	(Less) LT Portion of Derivative Instrument Assets (175)		0	0			
62	Derivative Instrument Assets - Hedges (176)		0	0			
63	(Less) Derivative Instrument Assets - Hedges (176)		0	0			
64	TOTAL Current and Accrued Assets (Enter Total of lines 32 thru 63)		224,033,548	151,534,949			
65	DEFERRED DEBITS						
66	Unamortized Debt Expenses (181)	---	1,543,011	1,530,967			
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	0	0			
70	Prelim. Survey & Invest. Charges (Electric) (183)	---	0	0			
71	Prelim. Survey & Invest. Charges (Gas) (183.1, 183.2)	231	0	223,669			
72	Clearing Accounts (184)	---	0	0			
73	Temporary Facilities	---	0	0			
74	Miscellaneous Deferred Debits (186)	233	34,960,892	49,097,138			
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	16,027,240	14,014,291			
79	Unrecovered Purchased Gas Costs (191)	---	0	0			
80	TOTAL Deferred Debits (Enter Total of lines 66 thru 79)		52,531,143	64,866,065			
81	TOTAL Assets and Other Debits (Enter Total of lines 10 - 15, 30, 64 and 80)		1,108,877,262	1,091,916,987			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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	7,480,062	7,480,062
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	157,753,343	157,247,343
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	(268,951)	(268,951)
11	Retained Earnings (215, 215.1, 216)	118-119	238,043,100	222,131,542
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119		
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Accumulated Other Comprehensive Income (219)	117		
15	TOTAL Proprietary Capital (Enter Total of lines 2 thru 14)		403,007,554	386,589,996
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	0	0
20	Other Long-Term Debt (224)	256-257	296,494,000	297,000,000
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)		296,494,000	297,000,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases-Noncurrent (227)	---	2,907,567	2,412,201
27	Accumulated Prov. for Property Insurance (228.1)	---	0	0
28	Accumulated Prov. for Injuries and Damages (228.2)	---	50,000	50,000
29	Accumulated Prov. for Pensions and Benefits (228.3)	---	10,000	10,000
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)		0	0
35	TOTAL Other Noncurrent Liabilities (Enter Total of lines 26 thru 34)		2,967,567	2,472,201
36	CURRENT AND ACCRUED LIABILITIES			
37	Current Portion of Long-Term Debt		0	0
38	Notes Payable (231)	260A	0	0
39	Accounts Payable (232)	---	51,894,040	35,920,438
40	Notes Payable to Associated Companies (233)	260B	164,614,969	166,430,807
41	Accounts Payable to Associated Companies (234)	260A	0	0
42	Customer Deposits (235)	---	929,632	1,047,697
43	Taxes Accrued (236)	262-263	9,401,649	0
44	Interest Accrued (237)	---		
45	Dividends Declared (238)	---		
46	Matured Long-Term Debt (239)	---		

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023	
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 (240)		0	0
48	Tax Collections Payable (241)		0	0
49	Misc. Current and Accrued Liabilities (242)	268	9,976,939	12,221,205
50	Obligations Under Capital Leases-Current (243)		1,738,543	1,565,240
51	Derivative Instrument Liabilities (244)		0	0
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)		238,555,772	217,185,387
60	DEFERRED CREDITS			
61	Customer Advances for Construction (252)		43,561	736,596
62	Accumulated Deferred Investment Tax Credits (255)	266-267	0	0
63	Deferred Gains from Disposition of Utility Plt. (256)		0	0
64	Other Deferred Credits (253)	269	55,233,683	66,817,992
65	Other Regulatory Liabilities (254)	278	0	0
66	Unamortized Gain on Reacquired Debt (257)	260	0	0
67	Accumulated Deferred Income Taxes - Accelerated Amortization (281)		0	0
68	Accumulated Deferred Income Taxes - Other Property (282)		104,818,588	111,810,329
69	Accumulated Deferred Income Taxes - Other (283)		7,756,537	9,304,486
70	TOTAL Deferred Credits (Enter Total of lines 61 thru 63)		167,852,369	188,669,403
71	TOTAL Liabilities and Other Credits (Enter total of lines 15, 24, 35, 59 and 70)		1,108,877,262	1,091,916,987

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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STATEMENT OF INCOME FOR THE YEAR				
1. Report amounts for accounts 412 and 413, <i>Revenue and Expenses from Utility Plant Leased to Others</i> , 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.		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		
2. Report amounts in account 414, <i>Other Utility Operating Income</i> , in the same manner as accounts 412 and 413 above.		6. Give concise explanations concerning significant amounts of any refunds made or received during the year		
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.				

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	362,088,888	443,839,977
3	Operating Expenses			
4	Operation Expenses (401)	320-325	256,082,205	321,960,321
5	Maintenance Expenses (402)	320-325	5,005,269	5,759,622
6	Depreciation Expenses (403)	336-338	32,878,165	31,267,241
7	Depreciation Expense for Asset Retirement Costs (403.1)		0	0
8	Amort. & Depl. Of Utility Plant (404-405)	336-338	1,075,911	924,455
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)		897,149	1,129,392
12	Regulatory Debits (407.3)		0	1,627,039
13	(Less) Regulatory Credits (407.4)		0	0
14	Taxes Other Than Income Taxes (408.1)	262-263	17,680,892	17,088,123
15	Income Taxes - Federal (409.1)	262-263	(1,307,107)	(11,458,995)
16	Income Taxes - Other (409.1)	262-263	(727,530)	(3,505,633)
17	Provision for Deferred Income Taxes (410.1)	234,272-277	14,916,908	37,256,219
18	(Less) Provision for Deferred Income Taxes Cr. (411.1)	234,272-277	(6,622,946)	(10,624,539)
19	Investment Tax Credit Adj. - Net (411.4)	266	0	0
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	0
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		319,878,916	391,423,245
26	Net Utility Operating Income (Enter Total of line 2 less 25) (Carry forward to page 117, line 27)		42,209,972	52,416,732

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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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 used in the preceding year. Also give the approximate dollar effect of such changes.

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

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 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 (e)	Previous Year (f)	Current Year (e)	Previous Year (f)	Current Year (e)	Previous Year (f)	
						1
		362,088,888	443,839,977			2
						3
		256,082,205	321,960,321			4
		5,005,269	5,759,622			5
		32,878,165	31,267,241			6
		0	0			7
		1,075,911	924,455			8
		0	0			9
		0	0			10
		897,149	1,129,392			11
		0	1,627,039			12
		0	0			13
		17,680,892	17,088,123			14
		(1,307,107)	(11,458,995)			15
		(727,530)	(3,505,633)			16
		14,916,908	37,256,219			17
		(6,622,946)	(10,624,539)			18
		0	0			19
		0	0			20
		0	0			21
		0	0			22
		0	0			23
		0	0			24
		319,878,916	391,423,245			25
		42,209,972	52,416,732			26

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024		Year of Report 12/31/2023	
STATEMENT OF INCOME FOR THE YEAR (Continued)							
Line No.	OTHER UTILITY		OTHER UTILITY		OTHER UTILITY		
	Current Year (k)	Previous Year (l)	Current Year (m)	Previous Year (n)	Current Year (o)	Previous Year (p)	
1							
2							
3							
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
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)	-	42,209,972	52,416,732	
28	Other Income and Deductions				
29	Other Income				
30	Nonutility Operating Income				
31	Revenue From Merchandising, Jobbing and Contract Work (415)		2,375	12,594	
32	(Less Costs and Exp. Of Merchandising, Job & Contract Work (416)		0	0	
33	Revenue From Non Utility Operations (417)		6,300	6,300	
34	(Less) Expenses of Nonutility Operations (417.1)		0	0	
35	Nonoperating Rental Income (418)		0	0	
36	Equity in Earnings of Subsidiary Companies (418.1)	119	0	0	
37	Interest and Dividend Income (419)		479,374	441,369	
38	Allowance for Other Funds Used During Construction (419.1)		668,615	510,842	
39	Miscellaneous Nonoperating Income (421)		537	0	
40	Gain on Disposition of Property (421.1)		23,303	0	
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		1,180,504	971,105	
42	Other Income Deductions				
43	Loss on Disposition of Property (421.2)			0	
44	Miscellaneous Amortization (425)	340	0	0	
45	Donations (426.1)	340	(252,230)	(242,010)	
46	Life Insurance (426.2)		0	0	
47	Penalties (426.3)		(1,040)	0	
48	Expenditures for Certain Civic, Political, and Related Activities (426.4)		(89,586)	(88,794)	
49	Other Deductions (426.5)		0	0	
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		(342,856)	(330,804)	
51	Taxes Applic. To Other Income and Deductions				
52	Taxes Other Than Income Taxes (408.2)	262-263	0	0	
53	Income Taxes -- Federal (409.2)	262-263	(165,352)	(126,395)	
54	Income Taxes -- Other (409.2)	262-263	(50,259)	(38,418)	
55	Provision for Deferred Inc. Taxes (410.2)	234,272-277	0	0	
56	(Less) Provision for Deferred Income Taxes --Cr. (411.2)	234,272-277	0	0	
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 52 thru 58)		(215,611)	(164,813)	
60	Net Other Income and Deductions (Enter Total of lines 41, 50, 59)		622,037	475,488	
61	Interest Charges				
62	Interest on Long-Term Debt (427)		0	0	
63	Amort. Of Debt Disc. And Expenses (428)	258-259	106,106	125,124	
64	Amortization of Loss on Reacquired Debt (428.1)		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	17,133,840	11,903,496	
68	Other Interest Expenses (431)	340	643,454	364,686	
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr.(432)		(139,833)	(120,910)	
70	Net Interest Charges (Enter Total of lines 62 thru 69)		17,743,567	12,272,396	
71	Income Before Extraordinary items (Enter Total of lines 27, 60 and 70)		25,088,442	40,619,824	
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)		25,088,442	40,619,824	

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
RECONCILIATION OF DEFERRED INCOME TAX EXPENSE			
1. Report on this page the charges to accounts 410, 411 and 420 reported in the contra accounts 190, 281, 282 283 and 284. 2. The charges to the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on 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, <u>then</u> 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 190/191		1,015,546	
3 Account 281			
4 Account 282		8,392,819	
5 Account 283		5,241,528	
6 Account 284			
7 Reconciling Adjustments (Account 411)		267,015	
8 TOTAL Account 410.1 (on pages 114-115 line 17)		14,916,908	
9 TOTAL Account 410.2 (on page 117 line 55)			
10 Credits to Account 411 from:			
11 Account 190/191		(755,366)	
12 Account 281			
13 Account 282		(1,670,331)	
14 Account 283		(1,549,392)	
15 Account 284			
16 Reconciling Adjustments (Account 253, 409.1, 410)		(2,647,857)	
17 TOTAL Account 411.1 (on pages 114-115 line 18)		(6,622,946)	
18 TOTAL Account 411.2 (on page 117 line 56)			
19 Net ITC Adjustment:			
20 ITC Utilized for the Year DR			
21 ITC Utilized for the Year CR			
22 ITC Adjustments:			
23 Adjust last year's estimate to actual per filed return			
24 Other (specify)			
25 Net Reconciling Adjustments Account 411.4*		0	
26 Net Reconciling Adjustments Account 411.5**			
27 Net Reconciling Adjustments Account 420***			

* on pages 114-15 line 19

** on page 117 line 57

*** on page 117 line 58

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

RECONCILIATION OF DEFERRED INCOME TAX EXPENSE (Continued)				
3. (a) Provide a detailed reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on these pages.		(c) Identify the company's regulatory authority to utilize contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).		
(b) Identify all contra accounts (other than accounts 190 and 281-284).				
Other Utility	Total Utility	Other Income	Total Company	Line No.
	1,015,546		1,015,546	1
				2
				3
	8,392,819		8,392,819	4
	5,241,528		5,241,528	5
				6
	267,015		267,015	7
	14,916,908			8
		0		9
	(755,366)		(755,366)	10
				11
				12
	(1,670,331)		(1,670,331)	13
	(1,549,392)		(1,549,392)	14
				15
	(2,647,857)		(2,647,857)	16
	(6,622,946)			17
		0		18
				19
				20
				21
				22
				23
				24
	0			25
		0		26
		0		27

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

OPERATING LOSS CARRYFORWARD

Fill in below when the company sustains an operating loss, loss carryback or carryforward whenever or wherever applicable.

Line No.	Year (a)	Operating Loss (b)	Loss Utilized		Year (e)	Balance Remaining (f)
			Loss Carryforward (F) or Carryback (B) (c)	Amount (d)		
1		Not Applicable				
2						
3						
4						
5						
6						
7						
8						
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Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
STATEMENT OF RETAINED EARNINGS FOR THE YEAR			
1. Report all changes in appropriate retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year. 2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b). 3. State the purpose and amount for each reservation or appropriation of retained earnings. 4. List first account 439, <i>Adjustments to Retained Earnings</i> , reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit, items in that order.		5. Show dividends for each class and series of capital stock. 6. Show separately the state and federal income tax effect of items shown in account 439, <i>Adjustments to Retained Earnings</i> . 7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated. 8. If any notes appearing in the report to stockholders are applicable to this statement, attach them at page 122.	
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		238,043,100
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 (Acct. 439)		
9	Debit: Adoption of ASC 326	144	-
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (Acct. 439)		-
14	Balance Transferred from Income (Account 433 Less Account 418.1		25,088,442
15	Appropriations of Retained Earnings (Account 436)		
16			
17			
18			
19			
20			
21	TOTAL Appropriation 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 SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
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)		(41,000,000)		
30					
31					
32					
33					
34					
35	TOTAL Dividends Declared - Common Stock (Account 438)		(41,000,000)		
36	Transfers from Account 216.1, Unappropriated Subsidiary Earnings				
37	Balance - End of Year (Enter Total of lines 1 thru 36)		222,131,542		
38					
39					
40					
41					
42					
43	TOTAL Appropriated Retained Earnings (Account 215)				
44	TOTAL Appropriated Retained Earnings-Amortizaiton Reserve, Federal (Acct. 215.1)				
45	TOTAL Appropriated Retained Earnings (Accounts 215 & 215.1)				
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)				
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 SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
STATEMENT OF CASH FLOWS			
1 If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be attached to page 122. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at the End of Year" with related amounts on the balance sheet.		2. Under "Other" specify significant amounts and group others. 3. Operating Activities--Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and Income taxes paid.	
Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Amounts (b)	
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 72(c) on page 117)	25,088,442	
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	32,878,165	
5	Amortization of Conversion Expenses	897,149	
6	Amortization of Utility Plant	1,075,911	
7	Amortization of Deferred Debt Expense	106,106	
8	Regulatory Debits	0	
9	Deferred Income Taxes (Net)	8,293,962	
10	Investment Tax Credit Adjustments (Net)	0	
11	Net (Increase) Decrease in Receivables	9,564,942	
12	Net (Increase) Decrease in Inventory	35,099,372	
13	Net (Increase) Decrease in Allowances Inventory		
14	Net Increase (Decrease) in Payables and Accrued Expenses	(22,475,205)	
15	Net (Increase) Decrease in Other Regulatory Assets		
16	Net Increase (Decrease) in Other Regulatory Liabilities		
17	(Less) Allowance for Other Funds Used During Construction		
18	(Less) Undistributed Earnings from Subsidiary Companies		
19	Other: Net (Increase) Decrease in Other Working Capital	26,991,441	
20	Net (Increase) Decrease in Other Deferred Debits	(15,673,645)	
21	Net (Increase) Decrease in Other Deferred Credits	12,905,550	
22	Net Cash Provided by (Used in) Operating Activities		
23	(Total of Lines 2 thru 20)	114,752,190	
24			
25	Cash Flows from Investment Activities:		
26	Construction and Acquisition of Plant (including land):		
27	Gross Additions to Utility Plants (less nuclear fuel)	(69,879,286)	
28	Gross Additions to Nuclear Fuel		
29	Gross Additions to Common Utility Plant		
30	Gross Additions to Nonutility Plant		
31	(Less) Allowance for Other Funds Used During Construction		
32	Other:		
33	Removal costs, Net of Proceeds	(5,181,412)	
34			
35	Cash Outflows for Plant (Total of lines 26 thru 33)	(75,060,698)	
36			
37	Acquisition of Other Noncurrent Assets (d)		
38	Proceeds from Disposal of Noncurrent Assets (d)		
39			
40	Investments in and Advances to Assoc. and Subsidiary Companies		
41	Contributions and Advances from Assoc. and Subsidiary Companies		
42	Disposition of Investments in (and Advances to)		
43	Associated and Subsidiary Companies		
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities
Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122.
Do not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 122.

5. Codes used:
(a) Net proceeds or payments.
(b) Bonds, debentures and other long-term debt.
(c) Include commercial paper.
(d) Identify separately such items as investments, fixed assets, intangibles, etc.

6. Enter on page 122 clarifications and explanations.

Line No.	DESCRIPTION (See Instructions No. 5 for Explanation of Codes) (a)	Amounts (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:	
54		
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 34 thru 55)	(75,060,698)
58		
59	Cash Flows from Financing Activities	
60	Proceeds from Issuance of:	
61	Long-Term Debt (b)	506,000
62	Preferred Stock	
63	Common Stock	
64	Other: Capital Surplus Contribution	0
65		
66	Net Increase in Short-Term Debt (c)	
67		
69		
70	Cash Provided by Outside Sources (Total of lines 61 thru 69)	506,000
71		
72	Payments for Retirement of:	
73	Long-Term Debt (b)	0
74	Preferred Stock	
75	Common Stock	(506,000)
76	Other:	
77		
78	Net Decrease in Short-Term Debt (c)	
	Other: Net Change in Notes Receivable from Associated Companies	1,308,509
79		
80	Dividends on Preferred Stock	
81	Dividends on Common Stock	(41,000,000)
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 thru 81)	(40,197,491)
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 22, 57 and 83)	(0)
87		
88	Cash and Cash Equivalents at Beginning of Year	500
89		
90	Cash and Cash Equivalents at End of Year	500

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
NOTES TO FINANCIAL STATEMENTS			
<p>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.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, <i>Utility Plant Adjustments</i>, explain the origin of such amount, debits and credits during the year,</p>		<p>and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, <i>Unamortized Loss on Reacquired Debt</i>, and 257, <i>Unamortized Gain on Reacquired Debt</i>, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>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.</p>	
See Page 123 for Footnote data.			

SEMCO ENERGY GAS COMPANY NOTES TO THE FINANCIAL STATEMENTS

Note 1. Company Description and Significant Accounting Policies

Company Description. The accompanying financial statements represent the operations of SEMCO Energy, Inc. which are located in various areas throughout Michigan, regulated by the Michigan Public Service Commission ("MPSC"). References to the "Company" or "SEMCO Gas" in this document mean these operations. The Company is a division of SEMCO Energy, Inc. and references in this document to the "Parent" mean SEMCO Energy, Inc. The Parent is a direct, wholly-owned subsidiary of Semco Holding Corporation ("Semco Holding"). Semco Holding is a direct, wholly-owned subsidiary of AltaGas Utility Holdings (U.S.) Inc. ("AltaGas U.S."). The Company is a regulated public utility headquartered in Port Huron, Michigan, and distributes and transports natural gas to approximately 320,000 customers throughout Michigan. The Company does business under the name SEMCO Energy Gas Company. The MPSC has jurisdiction over, among other things, rates, accounting procedures, and standards of service.

Basis of Presentation. The accompanying financial statements of the Company were prepared in accordance with the accounting requirements of the MPSC as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States, or "GAAP." Differences between MPSC accounting requirements and GAAP are discussed in Note 1 (under the captions "Accounts Receivable", "Property, Plant, Equipment and Depreciation", "Goodwill", and "Revenue Recognition"), Note 3 and Note 9. The accompanying financial statements do not include all of the financial statement disclosures that would be required in accordance with GAAP.

In connection with the preparation of the financial statements, management was required to make estimates and assumptions that affect the reported amounts of assets and 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 could differ materially from those estimates.

Cash and Cash Equivalents. Cash and cash equivalents include cash on hand, money market funds and commercial paper. The Company considers all unrestricted highly liquid investments purchased with original maturities of three months or less to be cash equivalents. The carrying amount of cash equivalents approximates market value due to the short-term maturity of these investments.

Accounts Receivable. Trade accounts receivable are recorded at the billed amount and do not bear interest. In accordance with MPSC accounting requirements, customer accounts with credit balances are netted against accounts receivable in the accompanying financial statements. These credit balance accounts are a result of advance payments from customers who enroll in the Company's budget payment program. This program is intended to allow customers to pay their estimated annual gas bills in equal monthly payments. As a result, customers make advance payments during the non-heating season when consumption and bills for service are generally low, and then utilize these advance payments to pay for a portion of their gas bills during the heating season, when consumption and bills for service are generally high. For GAAP purposes, these advance payments would be reflected as a liability rather than netted against accounts receivable.

The allowance for doubtful accounts is the Company's estimate of the amount of probable credit losses in existing accounts receivable. The allowance for doubtful accounts is based upon the expected credit loss model and takes into consideration historical write-off experience and regional economic data. The Company reviews the allowance for doubtful accounts quarterly. Account balances are charged off against the allowance when the Company determines it is probable that certain individual receivables will not be recovered. Bad debt expense was \$0.9 million and \$1.4 million for 2023 and 2022, respectively.

Accrued Revenue. Accrued revenue represents revenue earned in the current period, but not billed to customers until a future date, usually within one month.

Gas in Underground Storage. The Company's natural gas inventory is reported at average cost. In general, commodity costs and variable transportation costs are capitalized as gas in underground storage. Fixed costs, primarily pipeline demand and storage demand charges, are expensed as incurred through the cost of gas.

Property, Plant, Equipment and Depreciation. The Company's property, plant and equipment are recorded at cost. The Company records depreciation on a straight-line basis over the estimated useful lives of the related property. The lives over which the Company's significant classes of regulated and non-regulated depreciable property are depreciated are as follows (in years):

Land	-
Underground gas storage property	49
Gas transmission property	44
Gas distribution property	34
General property	31
Amortizable intangibles	14

The Company's ratio of depreciation to the average gross balance of property was approximately 2.9% in 2023 and 2.8% in 2022.

Depreciation rates on the Company's property are set, on an asset group basis, by the MPSC. The depreciation rates are intended to expense, over the expected life of the property, both the original cost of the property and the expected costs to remove or retire the property at the end of its useful life. The portion of depreciation expense related to expensing the original cost of the property is charged to accumulated depreciation. The portion related to expensing the expected costs to remove or retire property is known in the utility industry as negative salvage value. In accordance with MPSC accounting requirements, the accompanying financial statements reflect both of these components of depreciation expense as a charge to accumulated depreciation. Under the MPSC accounting requirements, when the regulated property is ultimately retired, or otherwise disposed of in the ordinary course of business, the original cost of the property and the actual removal costs, less salvage proceeds, are charged to accumulated depreciation. By contrast, GAAP requires the portion of depreciation expense related to expensing the original cost of the property to be charged to accumulated depreciation, while the portion related to expensing the expected costs to remove or retire the regulated property, less expected salvage proceeds, to be charged to a regulatory liability. With respect to the retirement or disposal of non-regulated property, the resulting gains or losses are recognized in income.

Allowance for Funds Used During Construction ("AFUDC"). AFUDC, which represents the estimated debt and equity costs of capital necessary to finance the construction of various Company projects, consists of an equity component and an interest expense component. AFUDC is a non-cash item. AFUDC is capitalized as a component of the cost of property, plant and equipment, with offsetting credits to the Statement of Income. The Company capitalized \$0.8 million in 2023 and \$0.6 million in 2022.

Asset Retirement Obligations. The Company accounts for asset retirement obligations under applicable accounting guidance, which requires entities to record the fair value of the cost to remove assets at the end of their useful lives, if there is a legal obligation to remove them. The term "conditional asset retirement obligation" used in applicable guidance refers to a legal obligation to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event that may or may not be within the control of the entity. The obligation to perform the asset retirement activity is considered unconditional even though uncertainty exists about the timing and/or method of settlement. Accordingly, an entity is required to recognize a liability for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated. The fair value of a liability for the conditional asset retirement obligation is required to be recognized when incurred. Applicable guidance also clarifies when an entity would have sufficient information to develop a reasonable estimate of the fair value of an asset retirement obligation.

The Company has identified certain assets for which asset retirement obligations must be recognized. At December 31, 2023 and 2022, the Company estimated that the cost of retiring these assets at the date of removal would be \$33.6 million and \$37.4 million, respectively. The present value of these obligations at December 31, 2023 and 2022, was \$10.4 million and \$5.2 million, respectively. These amounts are recognized as a liability in the Other Deferred Credits line item under the Deferred Credits section in the Company's Balance Sheet.

Goodwill. Goodwill represents the excess of a purchase price over the value assigned to the net identifiable assets of businesses acquired. Under the Uniform System of Accounts, the Company reports goodwill as a component of Utility Plant, termed as "Acquisition Adjustments". Under GAAP, the Company assesses the goodwill balance of the reporting unit for impairment annually in the fourth quarter and when events or changes in circumstances indicate the carrying amount might not be recoverable.

An annual qualitative impairment test was performed for the Company in 2023 and 2022. The tests indicated that there was no impairment of goodwill.

Customer Advance Payments. Customer advance payments are deposits the Company receives from customers to cover account credit risk.

Revenue Recognition. Revenue is measured based upon the consideration specified in a contract with a customer at the time when performance obligations are satisfied. A performance obligation is a promise in a contract to transfer a distinct good or service or a series of distinct goods or services to the customer. The Company recognizes revenue when performance obligations are satisfied by transferring control over a product or service to a customer. The Company has determined control to be transferred when the product is delivered or the service is provided to the customer. The MPSC requires revenue to be disaggregated based upon prescribed revenue accounts rather than major sources as required by GAAP. As such, disaggregated revenue for the purpose of this MPSC Form P-522 can be found beginning on page 300.

Gas revenues are primarily comprised of the supply and delivery of natural gas to residential, commercial and industrial customers. Revenues typically include three components: (i) monthly customer service fees; (ii) volumetric distribution charges; and (iii) volumetric gas commodity charges (gas sales customers only). Gas commodity charges represent the cost of gas consumed by customers and are also based on the volume of gas customers consume. As discussed in more detail in the Cost of Gas section below, the Company does not earn any income on the gas commodity charge portion of rates charged to customers. The rates charged to customers are determined through the rate-making process by the MPSC. Revenues are primarily generated through arrangements that generally do not have fixed terms and remain in effect as long as the customer consumes the gas utility service. Certain commercial and industrial customers have long-term transportation contracts, which can be cancelable. The amount of gas to be delivered under these contracts and the associated future revenue to be received are variable and generally dependent on the customers' needs. Revenues are typically billed and received monthly. Revenues, including estimated unbilled amounts, are recognized monthly based upon volumes delivered or through the passage of time ratably based upon providing a stand-ready service. The Company has determined that the above methods represent a faithful depiction of the transfer of control to the customer. Unbilled revenues are typically determined using both estimated meter volumes and estimated usage based upon the number of unbilled days and historical temperatures. Estimated unbilled amounts recognized in revenue are subject to adjustment in the following month as actual volumes by customer class and service type are known.

Transaction Price Allocated to the Remaining Obligations - The following table includes estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied at the end of December 31, 2023:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029 and beyond</u>	<u>Total</u>
	(in thousands)						
Other	\$ 915	\$ 915	\$ 915	\$ 915	\$ 328	\$ 2,962	\$ 6,950

Cost of Gas, Gas Charges Recoverable from Customers, and Amounts Payable to Customers. The Company operates under an MPSC-approved gas cost recovery ("GCR") pricing mechanism. The GCR pricing mechanism is designed so that, in the absence of any cost disallowances, the Company's cost of gas purchased is passed-through to the Company's customers on a dollar-for-dollar basis and, therefore, the Company does not realize or recognize any income or loss on the gas cost charge portion of rates charged to customers.

The GCR mechanism allows for the adjustment of rates charged to customers for increases and decreases in the cost of gas purchased by the Company for sale to customers. The recovery of the cost of gas is subject to an MPSC review of the Company's GCR gas purchase plans and actual gas purchases. A five-year GCR gas purchase plan covering projected gas costs is filed annually with the MPSC by December 31 of each year for the upcoming April 1 to March 31 GCR period. A reconciliation case is filed by June 30 of each year to reconcile actual gas purchases during the previous April 1 to March 31 GCR period to the GCR gas purchase plan for the same period.

The Company's gas procurement practices and related decisions for gas sold to its customers are subject to an annual retrospective MPSC review in GCR reconciliation cases. These MPSC reviews create the potential for the disallowance of the Company's recovery, through its GCR rate, of some of its costs of purchased gas.

From time to time, parties in GCR cases propose cost disallowances and other adjustments, and those matters are litigated in the proceedings or resolved by settlement. The Company does not recognize potential cost disallowances or other adjustments until the Company determines that the disallowances or adjustments are probable. Disallowed costs and related adjustments are expensed in the cost of gas but are not recovered from customers in rates.

Under the GCR pricing mechanism, the gas charge portion of rates charged to customers (which is also referred to as the "GCR rate"), may not exceed the maximum allowable GCR rate established in the applicable MPSC-approved GCR plan for the 12-month

GCR period in question without MPSC approval. On a monthly basis, the GCR rate charged to customers may be adjusted upward or downward but may not exceed the maximum allowable GCR rate without MPSC approval.

Any difference between actual cost of gas purchased and actual amount billed for gas costs for a particular GCR period is deferred as either an over- or under-recovery, and typically included in customer GCR rates during the next GCR period. An over-recovery (Amounts Payable to Customers) occurs when the actual amount billed for gas costs through the GCR rate exceeds the actual cost of gas purchased and is reflected in Miscellaneous Current and Accrued Liabilities in the current liabilities section of the Company's Balance Sheet. An under-recovery ("Gas Charges Recoverable from Customers") occurs when the actual cost of gas purchased exceeds the actual amount billed for gas costs through the GCR rate and is reflected in Miscellaneous Current and Accrued Assets in the current assets section of the Company's Balance Sheet. At December 31, 2023, the Company had \$3.1 million in Amounts Payable to Customers under its GCR mechanism.

Income Taxes. The Company is included in the consolidated federal income tax return of AltaGas Services (U.S.) Inc. ("AltaGas Services"), the parent company of AltaGas U.S. The Company's income tax expense, income taxes payable and deferred income taxes in the accompanying financial statements are computed on a stand-alone basis. For additional information, refer to Note 3.

Affiliate Cost Allocations. As discussed above, the Company is a division of the Parent. The Parent and its other divisions and subsidiaries are referred to collectively as the Company's "Affiliates." The Parent provides various services to the Company and its Affiliates, such as executive management, incentive compensation, legal, accounting, finance, treasury, tax and human resources. The Parent's costs incurred to provide these services are allocated among the Company and its Affiliates using an allocation formula that is accepted by the MPSC. These expenses are recorded on the Company's and its Affiliate's books by an adjustment to an account payable to the Parent. For additional information, refer to Note 7.

Recently Adopted Accounting Pronouncements. Effective January 1, 2023, the Company adopted the following Financial Accounting Standards Board ("FASB") issued *Accounting Standards Update* ("ASUs"):

- In October 2021, FASB issued ASU 2021-08 "Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers". The amendments in this ASU require an entity to recognize and measure contract assets and liabilities acquired in a business combination in accordance with Topic 606. The adoption of this ASU did not have a material impact on the Company's financial statements.

New Accounting Pronouncements. From time to time, new accounting pronouncements are issued by the FASB and are adopted by the Company as of the specified effective date. Except as discussed below, the Company believes that recently-issued accounting pronouncements do not apply to the Company.

In March 2023, FASB issued ASU No. 2023-01 "Leases (Topic 842): Common Control Arrangements". The relevant amendments in this ASU allow entities to amortize leasehold improvements under common control over the economic life of the leasehold improvements as long as the lessee controlled the use of the leased asset. The amendments in this ASU are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years and can be applied using one of the following three methods: 1) prospectively to all new leasehold improvements recognized on or after the date the entity applies the amendments, 2) prospectively to all new leasehold improvements recognized on or after the date the entity applies the amendments, with any remaining unamortized balance of existing leasehold improvements amortized over their remaining useful life to the common-control group determined at that date, or 3) retrospectively to the beginning of the period in which the entity first applied Topic 842, with any leasehold improvements that otherwise would not have been amortized or impaired recognized through a cumulative-effect adjustment to opening retained earnings at the beginning of the earliest period presented. Early adoption is permitted. The adoption of this ASU is not expected to have a material impact on the Company's financial statements.

In October 2023, FASB issued ASU No. 2023-06 "Disclosure Improvements". The amendments in this ASU modify the disclosure or presentation requirements of a variety of topics in the codification as a result of FASB's decision to incorporate disclosures referred to in SEC Release No. 33-10532, which sought to simplify SEC disclosure requirements. The amendments in this ASU allow users to compare entities subject more easily to the SEC's existing disclosures with those entities that were not previously subject to the SEC's requirements. This Update is only effective upon the removal of the related disclosure from SEC regulations with an expiration of June 30, 2027. The adoption of this ASU is not expected to have a material impact on the Company's financial statements at this time but may have an impact in future periods as the Company is subject to the scope of this ASU.

In December 2023, FASB issued ASU No. 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures". The amendments in this ASU require that public business entities on an annual basis: (1) disclose additional categories about federal, state,

and foreign income taxes in the rate reconciliation table and (2) provide additional information for reconciling items that meet a quantitative threshold. Additionally, entities are required to annually disclose disaggregated income from continuing operations, income tax expense, and income taxes paid (net of refunds received) by certain tax authorities and jurisdictions. This update is effective for annual periods beginning after December 15, 2024. The adoption of this ASU will have an impact on the Company's income tax disclosures.

Statements of Cash Flows. During the year ended December 31, 2023, cash paid for interest was \$17.8 million and cash paid for income taxes was \$9.1 million. During the year ended December 31, 2022, cash paid for interest was \$12.3 million and cash refunds received for income taxes was \$16.2 million.

Note 2. Regulatory Matters

The Company is involved in various GCR proceedings before the MPSC, which are described in Note 1 under the caption, "Cost of Gas, Gas Charges Recoverable from Customers, and Amounts Payable to Customers." The Company seeks to end its GCR period ending on March 31 of each year with no significant under-recovery or over-recovery of costs incurred to purchase gas for resale to customers. However, if actual gas prices near the end of the GCR period change significantly from prices in the GCR plan, a significant under-recovery or over-recovery could occur.

In December 2019, the MPSC approved a settlement increasing the base rates of SEMCO Gas an estimated \$19.9 million on a normalized annual basis with an authorized return on equity of 9.87% and an overall rate of return of 6.44%, effective January 1, 2020 (the "Settlement"). As part of the Settlement, SEMCO Gas was able to extend its Main Replacement Program ("MRP") an additional five years to recover a stated amount of accelerated main replacement capital expenditures in excess of what is authorized in its current base rates through a surcharge. The MRP began in 2011, was expanded in 2013, renewed in 2015, and renewed again beginning 2021. The surcharges are based on annual spend projections and a carrying cost rate of 9.43%. Any revenue associated with unspent capital will be placed into a regulatory liability account to be addressed in the next general rate case. The anticipated annual average capital spending over the Settlement's five-year period is approximately \$11.9 million.

Furthermore, the Settlement authorized SEMCO Gas to initiate an Infrastructure Reliability Improvement Program ("IRIP") through which five projects targeting potential distribution system vulnerabilities and aimed at improving overall system resiliency will be completed over a six-year term beginning in 2020. IRIP surcharges are calculated based on annual capital spend projections and a carrying cost rate of 9.43% and began billing in January 2021. The average annual capital spend projection for the five IRIP projects is approximately \$10.9 million.

SEMCO Gas is required by Michigan law to establish an Energy Waste Reduction Program ("EWRP") for their customers and to implement and fund various energy efficiency and conservation matters. The costs of the EWRP are recovered through surcharges imposed on all customers of SEMCO Gas. EWRP plans and reconciliations are subject to review and approval by the MPSC. SEMCO Gas also can earn a performance incentive if certain EWRP goals and objectives are met annually. During 2023, the MPSC issued an order for SEMCO Gas to collect \$3.0 million for the 2022 EWRP plan year performance incentive. During 2022, the MPSC issued an order for SEMCO Gas to collect \$3.0 million for the 2021 EWRP plan year performance incentive.

In December 2017, the MPSC issued an order to all utilities in Michigan, including the Company, which directed the utilities to implement regulatory accounting for any impact of the Tax Cuts and Jobs Act of 2017 (the "TCJA"), including both current and deferred tax impacts beginning January 1, 2018. The TCJA, most significantly, lowered the federal statutory income tax rate to 21% from 35%, requiring a remeasurement of deferred taxes. The impact of this remeasurement was recorded as a regulatory liability at December 31, 2017, and is referred to as the excess deferred taxes refundable to customers. The amortization period for the protected excess deferred taxes of \$47.4 million is 32.57 years while the amortization period for the unprotected excess deferred taxes of \$4.5 million is ten years. The amortization began when the new rates were implemented in January 2020 from the Settlement.

As required by the MPSC during SEMCO Gas' last depreciation study in 2018, SEMCO Gas filed a depreciation study with the MPSC in September 2022, using 2021 data. The new rates requested reflect a \$0.3 million upward adjustment to depreciation expense when compared to the previous rates that went into effective on January 1, 2019. A settlement agreement was signed on February 6, 2023, and the parties agreed to an approximately \$0.2 million increase to depreciation expense when compared to previous rates. These new rates will become effective at the time new general service rates are approved and made effective through the Company's next general rate case. Furthermore, it was agreed that the Company will file an updated depreciation study using year-end data as of December 31, 2027, no later than September 30, 2028.

Regulatory Assets and Liabilities. The Company is a regulated utility and, therefore, must follow accounting guidance that pertains specifically to entities subject to certain types of regulation. The Company refers to this accounting guidance for regulated entities as “regulatory accounting.” Under regulatory accounting, the Company is permitted to defer expenses and income as regulatory assets and liabilities, respectively, in the Balance Sheet when it is probable that those expenses and income will be allowed in the rate-setting process in a period different from the period in which they would have been reflected in the Statement of Income by an unregulated entity. These deferred regulatory assets and liabilities are then included in the Statement of Income in the periods in which the same amounts are reflected in rates. Management’s assessment of the probability of recovery or pass-through of regulatory assets and liabilities requires judgment and interpretation of laws and regulatory agency orders, rules, and rate-making conventions. If, for any reason, the Company ceases to meet the criteria for application of regulatory accounting for all or part of its operations, the regulatory assets and liabilities related to those portions ceasing to meet such criteria would be eliminated from the Balance Sheet and included in the Statement of Income for the period in which the discontinuance of regulatory accounting occurs. Criteria that give rise to the discontinuance of regulatory accounting include: (i) increasing competition that restricts the ability of the Company to charge prices sufficient to recover specific costs, and (ii) a significant change in the way rates are set by regulatory agencies from cost-based regulation to another form of regulation. The Company’s review of these criteria currently supports the continued application of regulatory accounting to the Company.

The following table summarizes the regulatory assets and liabilities recorded in the Balance Sheets as of December 31, 2023, and 2022:

	December 31,	
	2023	2022
	(in thousands)	
Regulatory assets		
Current		
Energy waste reduction costs recoverable from customers	\$ 2,816	\$ 3,033
Balance and demand charges recoverable from GCC customers	57	304
	<u>\$ 2,873</u>	<u>\$ 3,337</u>
Noncurrent		
Deferred environmental costs	\$ 903	\$ 1,801
Deferred Michigan business taxes	4,704	5,097
Asset removal costs	7,080	3,886
Other	4,172	1,127
	<u>\$ 16,859</u>	<u>\$ 11,911</u>
Regulatory liabilities		
Current		
Amounts payable to customers	\$ 3,076	\$ 6,468
Other	5,676	-
	<u>\$ 8,752</u>	<u>\$ 6,468</u>
Noncurrent		
Excess deferred taxes refundable to customers	\$ 41,262	\$ 43,934
Unamortized gain related to postretirement benefit plans	10,563	2,012
Other	194	94
	<u>\$ 52,019</u>	<u>\$ 46,040</u>

Note 3. Income Taxes

The Company is included in the consolidated federal income tax return of AltaGas Services and in various consolidated state income tax returns of AltaGas Services. The Company is also included in AltaGas Services' filings in various local jurisdictions. The Company's income tax expense, income taxes payable and deferred income taxes reflected here and in the accompanying financial statements are computed on a stand-alone basis. The Company made two elections on the 2021 consolidated U.S. federal income tax return for automatic changes in accounting methods related to the revenue recognition of gas charges over/under recovered and the immediate expense of routine repairs and maintenance for income tax purposes rather than capitalizing as was past practice, resulting in the increased deferral of income tax expense to future periods in 2022 shown below. Refer to the *Deferred Income Taxes* section, below, for further information on these changes in accounting methods.

The following table presents the significant components of income tax expense:

	Years Ended December 31,	
	2023	2022
	(in thousands)	
Federal income tax expense (benefit):		
Current	\$ (1,142)	\$ (11,333)
Deferred to future periods	5,261	19,560
State income tax expense (benefit):		
Current	(677)	(3,467)
Deferred to future periods	3,033	7,072
Total income tax expense	<u>\$ 6,475</u>	<u>\$ 11,832</u>

Reconciliation of Statutory Rate to Effective Rate. The table below provides a reconciliation of the difference between the Company's provision for income taxes and income taxes computed at the statutory rate.

	Years Ended December 31,	
	2023	2022
	(in thousands)	
Net Income	\$ 25,088	\$ 40,620
Add back income tax expense	6,475	11,832
Pre-tax income	<u>\$ 31,563</u>	<u>\$ 52,452</u>
Computed federal income tax expense at 21%	\$ 6,628	\$ 11,015
State income tax expense	1,861	2,848
Amortization of excess deferred taxes	(2,672)	(2,672)
Other	658	641
Total income tax expense	<u>\$ 6,475</u>	<u>\$ 11,832</u>

Deferred Income Taxes. Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the Company's financial statements. In accordance with MPSC accounting requirements, deferred tax assets and liabilities are reflected in the Company's accompanying Balance Sheet in deferred debits and deferred credits. Under GAAP, the deferred taxes would be netted and shown as either a net deferred asset or net deferred liability.

At December 31, 2017, as a result of the TCJA, the Company remeasured its deferred tax assets and liabilities based upon the new statutory federal rate of 21%. This remeasurement resulted in a net reduction to deferred tax assets and liabilities in the amount of \$45.3 million. As the Company's business is subject to rate regulation, \$45.3 million of the deferred tax remeasurement was recorded as a deferred regulatory liability on the Company's Balance Sheet in accordance with regulatory accounting pronouncements as discussed in Note 2.

The table below shows the principal components of the Company's deferred tax assets (liabilities).

	December 31,	
	2023	2022
	(in thousands)	
Property, plant and equipment	\$ (111,575)	\$ (104,819)
Retiree medical benefit regulatory assets	-	70
Deferred state income tax expense	2,835	2,133
Reserve for uncollectible accounts	178	277
Accrued vacation and payroll related accruals	515	558
Property taxes	(1,341)	(2,623)
Pensions and other postretirement plans	(3,789)	(3,758)
Gas in underground storage	(2,532)	1,782
Gas charge over/(under)-recovery	(266)	(532)
Energy waste reduction	(1,589)	(819)
Regulatory gross-up on excess deferred tax liabilities	10,486	11,207
Other	(23)	(24)
Total deferred taxes	<u>\$ (107,101)</u>	<u>\$ (96,548)</u>
Gross deferred tax liabilities	\$ (121,115)	\$ (112,575)
Gross deferred tax assets	14,014	16,027
Total deferred taxes	<u>\$ (107,101)</u>	<u>\$ (96,548)</u>

On the 2021 consolidated U.S. federal income tax return, the Company made two elections for an automatic change in accounting methods. The first change in accounting method related to the timing associated with revenue recognition of gas charges over/under-collected. This change resulted in an increase to taxable income of \$3.9 million and will be recognized ratably over four taxable years, beginning in the year of change on the 2021 consolidated U.S. federal income tax return. The second election for an automatic change in accounting method arose from discontinuing the practice of capitalizing routine repair and maintenance expenditures, to deducting those expenditures that do not materially add to the value of the property, appreciably prolong the useful life of the property, or adapt the property to a new or different use. This change in accounting method resulted in a decrease to taxable income of \$105.9 million, which was deducted on the 2021 consolidated U.S. federal income tax return. For 2023 and 2022, the amount included in the provision for this change in accounting method reduced taxable income by approximately \$25.8 million and \$22.3 million, respectively.

The Company accounts for uncertainty in income taxes recognized in an entity's financial statements in accordance with guidance governing accounting for income taxes. The effects of the tax positions taken by AltaGas Services that represent positions applicable to the Company on a standalone basis are reflected in the Company's financial statements. The Company has no uncertain tax positions at December 31, 2023 and 2022.

AltaGas Services generally remains subject to examination for the federal consolidated returns for 2019 and subsequent years. Additionally, AltaGas Services generally remains subject to examination of the various state and local returns for a period of three to four years dependent on each jurisdictions' statute of limitations. The Company is currently under a Michigan Corporate Income Tax audit covering the tax years 2018 through 2021. The Company is currently not under any other tax examinations.

Note 4. Long-Term Debt

The Company's long-term debt relates specifically to the Parent's long-term debt, of which is partially assigned to the Company. This assigned long-term debt bears the same maturity and interest rates as the Parent's underlying long-term debt. The Parent's long-term debt is guaranteed by certain assets of the Company. The indenture governing the Parent's long-term debt contains covenants that, among other things, limit the Parent's, as well as the Company's ability, to create liens, transfer or sell assets, and consolidate, merge, or sell the guaranteed assets of the Company. The following table shows the Company's long-term debt, including current maturities, if any, at December 31, 2023, and 2022:

	December 31,	
	2023	2022
	(in thousands)	
First Mortgage Bonds - 2.45% Due 2030	\$ 72,000	\$ 148,247
First Mortgage Bonds - 3.15% Due 2050	225,000	148,247
Total long-term debt	<u>\$ 297,000</u>	<u>\$ 296,494</u>

Note 5. Short-Term Borrowings

The Company meets all its short-term cash needs through borrowings from the Parent. In addition, as discussed in Note 7, the Company utilizes its short-term debt arrangement with the Parent to record transactions with its Affiliates. Interest paid to the Parent is at variable rates that coincide with the weighted average variable rates that the Parent pays for its short-term bank borrowings. At December 31, 2023, and 2022, there were \$166.4 million and \$164.6 million, respectively, of outstanding short-term borrowings from the Parent.

Note 6. Financial Instruments

The following methods and assumptions were used to estimate the fair value of each significant class of financial instruments:

Cash, Cash Equivalents, Accounts Receivables and Accounts Payables. The carrying amount approximates fair value because of the short maturity of those instruments.

Accounts Receivable. Trade account receivable are recorded at the billed amount. The allowance for doubtful accounts is the Company's estimate of the amount of probable credit losses in existing accounts receivable. The Company assesses the allowance quarterly based upon an expected loss model which takes into consideration historical write-off experience as well as regional economic data. The following table provides a summary of changes to the allowance for doubtful accounts:

	December 31,	
	2023	2022
	(in thousands)	
Balance, beginning of period	\$ (1,025)	\$ (728)
New allowance	(876)	(1,356)
Write offs	1,750	1,574
Recoveries collected	(509)	(515)
Balance, end of period	<u>\$ (660)</u>	<u>\$ (1,025)</u>

Long-Term Debt. The fair values of the Company's long-term debt are estimated based on quoted market prices for the same or similar issues. The table below shows the estimated fair values of the Company's long-term debt, excluding current interest payable, as of December 31, 2023, and 2022.

	December 31,	
	2023	2022
	(in thousands)	
Long-term debt, including current maturities		
Carrying amount	\$ 297,000	\$ 296,494
Fair value	213,863	219,084

Note 7. Transactions with Affiliates

As discussed in Notes 4 and 5, the Company borrows funds from the Parent to finance its short-term and long-term cash requirements. The Company's interest expense on advances from the Parent was \$17.1 million and \$11.9 million in 2023 and 2022, respectively. The Parent also allocates costs to the Company and its Affiliates as discussed in Note 1 under the caption "Affiliate Cost Allocations." Parent cost allocations to the Company for 2023 and 2022 were \$14.9 million and \$10.7 million, respectively. The majority of these cost allocations are reflected in operations and maintenance expense while smaller portions are reflected in property and other tax expense and depreciation expense. The Company provides certain operations and maintenance services to an Affiliate and revenues received by the Company for those services in 2023 and 2022 were \$0.3 million and \$0.8 million, respectively. These amounts are included in gas operating revenues. The Company records all of the above described Affiliate transactions through its short-term debt arrangement with the Parent rather than through a trade account payable or receivable.

Note 8. Pension Plans and Other Postretirement Benefits

The Company participates in the Parent's defined benefit pension plans and other postretirement benefit plans. The periodic benefit cost associated with each of the Parent's plans is pro-rated between the Company and its Affiliates based on each Affiliate's respective number of participants in a particular plan as a percent of the total participants in the plan. Plan contributions are also pro-rated between the Company and its Affiliates in the same manner. The Company's pro-rated, or direct, net periodic benefit costs and plan contributions are recorded directly on the Company's books as an adjustment to the Company's accrued pension and other postretirement benefit costs. These pro-rated items are not part of the cost allocations from the Parent, which are discussed in Note 1 under the caption "Affiliate Cost Allocations." However, the Parent's pro-rata share of these items is allocated to the Company and its Affiliates in the manner discussed in Note 1.

Pensions. The Parent has defined benefit pension plans for eligible employees ("Pension Plans"). Benefits under the Pension Plans are generally based upon years of service or a combination of years of service and compensation during the final years of employment. The Parent's and its Affiliate's funding policy is to contribute amounts annually to fund the Pension Plans based upon actuarial and economic assumptions intended to achieve adequate funding of projected benefit obligations. The Pension Plans for all employees were closed to new hires effective January 1, 2012. Although the Pension Plans are closed to new employees, benefits continue to accrue for eligible employees. The Parent also has a Supplemental Executive Retirement Plan, or SERP, which is an unfunded defined benefit pension plan. Effective in March 2008, the SERP was closed to additional participants and SERP benefit accruals for participants ceased.

In 2023, the Parent and its Affiliates expensed pension costs of \$0.8 million. In 2022, the Parent and its Affiliates recognized income of \$1.9 million. The Company's direct share of pension expense for 2023 was \$0.7 million while its share of income for 2022 was \$1.2 million. The Parent and its Affiliates contributed \$1.0 million to fund the Pension Plans during 2023, of which \$0.7 million of these contributions were directly attributed to the Company. The Parent and its Affiliates estimate they will contribute \$0.7 million to fund the Pension Plans in 2024.

Other Postretirement Benefits. The Parent has postretirement benefit plans ("Postretirement Plans") that provide certain medical and prescription drug benefits to eligible retired employees, their spouses and covered dependents. Benefits are based on a combination of the retiree's age and years of service at retirement. The Company and its Affiliates account for retiree medical benefits in accordance with current accounting guidance. This guidance requires the full accrual of such costs during the years that the employee renders service to the Company until the date of full eligibility.

In 2023 and 2022, the Parent and its Affiliates recognized income in relation to its retiree medical and prescription drug plans of \$1.1 million and \$1.9 million, respectively. The Company's direct share of retiree medical and prescription drug income for 2023 and 2022 was \$1.2 million and \$2.8 million, respectively. The Parent and its Affiliates made no contribution to fund its Postretirement Plans or to cover retiree medical and prescription drug costs during 2023 and 2022. The Company and Affiliates estimate it will not need to contribute to its Postretirement Plans or to cover retiree medical and prescription drug costs in 2024.

The Parent uses a measurement date of December 31 for all of its plans. The following tables provide various information regarding the Company and its Affiliates Pension Plans and Postretirement Plans:

	Pension Benefits		Other Postretirement Benefits	
	Years Ended		Years Ended	
	2023	2022	2023	2022
	(in thousands)			
Components of net periodic benefit cost (income)				
Service cost (including administrative expenses)	\$ 2,466	\$ 6,057	\$ 837	\$ 1,729
Interest cost	8,254	8,763	2,106	1,761
Expected return on plan assets	(9,896)	(17,638)	(3,511)	(4,509)
Amortization of net (gain) loss	6	901	(105)	(302)
Amortization of prior service costs (credits)	-	36	(427)	(538)
Settlement cost	-	-	-	-
Net periodic benefit cost (income)	\$ 830	\$ (1,881)	\$ (1,100)	\$ (1,859)
	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
	2023	2022	2023	2022
	(in thousands)			
Accumulated postretirement benefit obligation, end of year	\$ 151,908	\$ 202,498	N/A	N/A
Change in projected benefit obligation (a)				
Projected benefit obligation at beginning of year	\$ 150,263	\$ 296,302	\$ 38,488	\$ 58,261
Service cost (excluding administrative expenses)	2,210	5,602	764	1,662
Interest cost	8,254	8,763	2,106	1,761
Actuarial (gain) loss	10,118	(87,656)	(1,726)	(14,182)
Benefits paid	(7,625)	(9,949)	(1,697)	(2,176)
	\$ 163,220	\$ 213,062	\$ 37,935	\$ 45,326
Less: Affiliate's projected benefit obligation reclassified to liabilities held for sale on the Parent's financial statements	-	(62,799)	-	(6,838)
Projected benefit obligation at end of year	\$ 163,220	\$ 150,263	\$ 37,935	\$ 38,488
Change in plan assets				
Fair value of assets at beginning of year	\$ 154,167	\$ 276,368	\$ 55,639	\$ 71,740
Actual return on plan assets	21,950	(43,313)	7,847	(11,373)
Company contributions	1,012	287	-	-
Benefits paid	(7,625)	(9,949)	(2,157)	(2,478)
Divestiture	1,045	-	-	-
Administrative expenses paid	(257)	(455)	(73)	(67)
Fair value of assets at end of year	\$ 170,292	\$ 222,938	\$ 61,256	\$ 57,822
Less: Affiliate's plan assets reclassified as held for sale on the Parent's financials statements	-	(68,771)	-	(2,183)
Fair value of assets at end of year	\$ 170,292	\$ 154,167	\$ 61,256	\$ 55,639
Funded status (b)	\$ 7,072	\$ 9,876	\$ 23,321	\$ 12,496

(a) For other postretirement benefit plans, the projected benefit obligation represents the accumulated benefit obligation.

(b) 2022 calculation includes plan assets and liabilities classified as held for sale, which were sold in 2023.

For the year ended December 31, 2023, the benefit plans incurred actuarial losses primarily due to decreases in the discount rates, while the retiree medical plan incurred actuarial gains due to increases in per capita costs, which were offset also by the decrease in the discount rates. For the year ended December 31, 2022, the benefit plans incurred actuarial gains primarily due to an increase in the discount rates as a result of an increase in high-quality corporate bond yields.

The following amounts were included in the Parent's Consolidated Statements of Financial Position:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
	2023	2022	2023	2022
	(in thousands)			
Other noncurrent assets	\$ 8,862	\$ 11,813	\$ 23,321	\$ 17,152
Other current liabilities	(207)	(254)	-	(4,656)
Pension and other postretirement costs (noncurrent liabilities)	(1,583)	(1,663)	-	-
	<u>\$ 7,072</u>	<u>\$ 9,876</u>	<u>\$ 23,321</u>	<u>\$ 12,496</u>

For those plans where the projected benefit obligation exceeded the fair value of plan asset as of December 31, 2023, the cumulative obligation and asset balances were:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
	2023	2022	2023	2022
	(in thousands)			
Projected benefit obligation	\$ 1,790	\$ 1,938	\$ -	\$ 6,839
Plan assets	-	-	-	2,182

For those plans where the accumulated benefit obligation exceeded the fair value of plan asset as of December 31, 2023, the cumulative obligation and asset balances were:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
	2023	2022	2023	2022
	(in thousands)			
Projected benefit obligation	\$ 1,790	\$ 1,938	\$ -	\$ 6,839
Plan assets	-	-	-	2,182

The following Parent consolidated items have not yet been recognized as a component of net period benefit costs:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
	2023	2022	2023	2022
	(in thousands)			
Net prior service cost (credit)	\$ -	\$ 5	\$ (1,547)	\$ (2,291)
Net loss (gain)	3,836	8,998	(12,547)	(7,966)
	<u>\$ 3,836</u>	<u>\$ 9,003</u>	<u>\$ (14,094)</u>	<u>\$ (10,257)</u>

The following table shows the portion of the unrecognized prior service cost and unrecognized loss associated with the Parent's Pension Plans and Postretirement Plans that is reflected in the Company's accompanying Balance Sheets:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
	2023	2022	2023	2022
	(in thousands)			
Regulatory assets / (liabilities)	\$ 3,531	\$ 6,551	\$ (14,094)	\$ (8,564)

Assumptions. The following tables provide the assumptions used to determine the benefit obligations and the net periodic benefit costs for the Parent's Pension Plans and Postretirement Plans for 2023 and 2022:

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Assumptions and dates used at disclosure				
Discount rate	5.2% (1)	5.6% (5)	5.4%	5.7%
Compensation increase rate	3.0% - 4.0% (2)	2.5% - 4.0% (6)	N/A	N/A
Current year trend - medical	N/A	N/A	6.5%	6.5%
Ultimate year trend	N/A	N/A	5.0%	5.0%
Year of Ultimate trend rate	N/A	N/A	2030	2030
Measurement date	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Census date	01/01/2023	01/01/2022	01/01/2023	01/01/2022
Assumptions used to determine expense				
Discount rate	5.6% (3)	3.0% (7)	5.7%	3.1%
Long-term rate of return on assets	6.5%	6.5%	6.5%	6.5%
Compensation increase rate	2.5%-4.0% (4)	2.5% - 4.0% (8)	N/A	N/A
Current year trend - medical	N/A	N/A	6.5%	6.5%
Ultimate year trend	N/A	N/A	5.0%	5.0%
Year of Ultimate trend rate	N/A	N/A	2030	2030

(1) 2023 Discount rate for the SERP was 5.1%. All other plans assumed a 5.2% discount rate.

(2) 2023 Compensation increase rate used was 3.0% for non-union and 4.0% for union participants.

(3) 2023 Discount rate for the SERP was 5.4%. All other plans assumed a 5.6% discount rate.

(4) 2023 Compensation increase rate used was 2.5% - 4.0% for non-union and 4.0% for union participants.

(5) 2022 Discount rate for the SERP was 5.4%. All other plans assumed a 5.6% discount rate.

(6) 2022 Compensation increase rate used for non-union employees was 4.0% for 2023, 3.5% for 2024, and 2.5% for years beyond 2024 and 4.0% for union participants.

(7) 2022 Discount rate for the SERP was 2.5%. All other plans assumed a 3.0% discount rate.

(8) 2022 Compensation increase rate used was 2.5% for non-union and 4.0% for union participants.

The discount rate is determined by reference to the Towers Watson U.S. Rate: Link Yield Curve, other long-term corporate bond measures and the expected cash flows of the plans. The duration of the securities underlying those indexes reasonably matches the expected timing of anticipated future benefit payments.

The expected long-term rate of return on plan assets is established based on the Company and its Affiliates' expectations of asset returns for the investment mix in its plans (with some reliance on historical asset returns for the plans). The expected returns of various asset categories are blended to derive an appropriate long-term assumption.

The Company and its Affiliates' expected long-term rate of return on pension plan assets is 6.5 percent. For 2023, the actual rate of return was 12.3 percent, and for 2022, the actual return was (17.5) percent. The expected long-term rate of return is an assumption about long-term asset performance that the Company and its Affiliates reviews annually for reasonableness and appropriateness.

Plan Assets. The weighted-average asset allocations of the Company and its Affiliates' Pension Plans and its Postretirement Plans at December 31, 2023, and 2022 are presented in the following table:

Asset Category	Percentage Allocation			
	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Equity securities	62.0%	63.0%	62.3%	63.2%
Debt securities	37.5%	36.6%	37.6%	36.7%
Other	0.5%	0.4%	0.1%	0.1%
Total	100.0%	100.0%	100.0%	100.0%

The Company and its Affiliates have a target asset allocation of 67% equities and 33% debt instruments for funding the Pension and Postretirement Plans. Year-end pension contributions and cash held for retiree pension payments also impact the actual allocation compared to the target allocation.

The primary goal of the Company and its Affiliates' funding approach is to ensure that pension and other postretirement liabilities are met. Emphasis is placed on the long-term characteristics of individual asset classes and the benefits of diversification across multiple asset classes. The approach incorporates an assessment of the proper long-term level of risk for the plans, considering factors such as the long-term nature of the related liabilities, the current funded status of the plans, and the impact of asset allocation on the volatility and magnitude of contributions and expense.

The table below provides the fair values of the Company and its Affiliate's pension and postretirement benefits trust plan assets as of December 31, 2023, and 2022. Accounting guidance has established a three-tier fair value hierarchy, which prioritized the inputs used in measuring fair value. A Level 1 measurement includes using input that is observable, such as quoted prices in active markets. All the plan assets are identified as Level 1 inputs as the fair market values are based on the quoted market prices or are cash equivalents which are equal to fair market value.

Description	December 31,	
	2023	2022
	(in thousands)	
Domestic equities	\$ 120,711	\$ 147,828
International equities	23,120	29,120
Fixed income securities	86,918	102,834
Cash & cash equivalents (a)	799	978
Total	\$ 231,548	\$ 280,760

Estimated Future Benefit Payments. The following benefit payments of the Company and its Affiliate's, which reflect expected future service, as appropriate, are expected to be paid:

	<u>Pension Benefits</u>	<u>Other Postretirement Benefits</u>
	(in thousands)	
2024	\$ 7,949	\$ 1,825
2025	8,411	1,842
2026	8,825	1,913
2027	9,262	1,952
2028	9,632	1,981
2029 to 2033	54,199	10,963

401(k) Plan. The Company participates in the Parent's defined contribution plan, commonly referred to as a 401(k) plan, covering eligible employees. The 401(k) plan contains provisions for Company matching contributions. The amount expensed for the Company's share of the match provision was \$2.1 million in 2023 and \$1.9 million in 2022.

Note 9. Leases

Lessee. The Company has operating and finance leases for office space, office equipment, field equipment, and vehicles. Upon the adoption of ASC 842, all leases with a term of greater than twelve months have been recorded on the Balance Sheet as utility property under capital lease (account 101.1), with the offsetting corresponding liability split between obligations under capital lease non-current (account 227) and current (account 243), which is consistent with FERC guidance issued in Document No. AI19-1-000. The amortization and interest associated with the finance leases have been construed to equate to the net cash payments on the finance leases and reported as part of operations expense on the Statement of Income.

	Years Ended December 31,	
	2023	2022
	(in thousands)	
Components of lease expense included in operations expenses		
Operating lease expense	\$ 127	\$ 150
Finance lease expense		
Amortization of right-of-use assets	1,772	1,877
Interest on lease liabilities	127	99
Total finance lease expense	<u>1,899</u>	<u>1,976</u>
Total lease expense	<u>\$ 2,026</u>	<u>\$ 2,126</u>

Supplemental cash flow information related to leases

Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases	\$ 127	\$ 99
Operating cash flows from operating leases	107	123
Financing cash flows from finance leases	(1,874)	(1,959)
Right-of-use assets obtained in exchange for new lease liabilities		
Operating leases	38	111
Finance leases	1,223	1,926

Supplemental balance sheet information related to leases

Property under capital leases

Operating leases

Finance leases

Accumulated amortization on finance leases

Lease liabilities

Obligations under capital lease - current

Operating leases

Finance leases

Obligations under capital lease - noncurrent

Operating leases

Finance leases

December 31,	
2023	2022
(in thousands)	
\$ 240	\$ 307
12,163	11,101
12,403	11,408
(8,454)	(6,749)
\$ 3,949	\$ 4,659
\$ 89	\$ 97
1,477	1,642
\$ 1,566	\$ 1,739
\$ 128	\$ 178
2,284	2,730
\$ 2,412	\$ 2,908

Weighted average remaining lease term (years)

Operating leases

Finance leases

Weighted average discount rate (%)

Operating leases

Finance leases

December 31,	
2023	2022
12.30	10.80
3.30	3.40
3.54%	2.90%
3.73%	2.93%

Maturity analysis of lease liabilities is as follows:

2023

2024

2025

2026

2027

Thereafter

Total lease payments

Less: imputed interest

Total lease payments

Operating Leases	Finance Leases
(in thousands)	
\$ 93	\$ 1,459
61	1,187
33	746
5	460
3	161
103	15
298	4,028
(81)	(267)
\$ 217	\$ 3,761

Lessor. Certain of the Company's revenues are obtained through lease agreements with tenants who occupy square footage at the Company's headquarters building in Port Huron, Michigan. The Company occupies approximately 62.4% of the building. Lease payments received are amortized over the term of the lease.

	<u>December 31, 2023</u>
	(in thousands)
Maturity analysis of lease receivables is as follow:	
2024	\$ 356
2025	108
2026	-
2027	-
2028	-
Thereafter	-
Total lease receivable	<u>\$ 464</u>

The carrying value of property, plant and equipment associated with these leases was approximately \$11.3 million as of December 31, 2023.

Note 10. Commitments and Contingencies

As discussed in Note 1, the Company is a division of the Parent. The Parent, being the legal entity, generally enters various contracts on behalf of its divisions, which commits itself and its divisions to future obligations. As a result, commitments and contingencies of the Parent and its other divisions may, in certain circumstances, require the use of Company assets in order to be satisfied and therefore be considered commitments and contingencies of the Company. In this Note, commitments and contingencies related specifically to the Company are discussed by reference to the "Company" and commitments and contingencies related to the Parent and its divisions, including the Company, are discussed by reference to the "Parent."

Commitments for Natural Gas Supplies, Transmission and Storage. The Parent enters into contracts to purchase natural gas and natural gas transportation and storage services from various suppliers. These contracts, which have expiration dates that range from 2024 to 2029, are used to assure that there is an adequate supply of natural gas to meet the needs of customers and to minimize exposure to market price fluctuations. The Parent's estimated gas purchase contractual obligations as of December 31, 2023, totaled \$215.2 million, consisting of (in millions):

2024	\$ 84.9
2025	\$ 43.6
2026	\$ 32.2
2027	\$ 23.9
2028	\$ 20.8
Thereafter	\$ 9.8

Guarantees. The Parent has issued letters of credit through financial institutions for the benefit of third parties that have extended credit or have financial exposure to the Company and its Affiliates. At December 31, 2023, the outstanding letters of credit amounted to \$0.3 million. Under the terms of these letters of credit, if the Parent does not pay amounts when due under the covered contracts, the beneficiary of the letter of credit may present its claim for payment to the financial institution, which will, in turn, request payment from the Parent. If the Parent does not make the requested payment, the financial institution will make the payment, effectively guaranteeing the Parent's payment. The letters of credit are entered into on a short-term basis, normally every six-to-twelve months, and are then renewed for another short-term period. At December 31, 2023, the scheduled expiration dates for these letters of credit range from August 31, 2024, to November 9, 2024.

Environmental Issues. Prior to the construction of major interstate natural gas pipelines, gas for heating and other uses was manufactured from processes involving coal, coke or oil at manufactured gas plants ("MGP"). Residual byproducts of these processes may have caused environmental conditions that require investigation and remediation at these MGP sites. The Company is subject to federal, state and local laws and regulations that require, among other things, the investigation and, if necessary, the remediation of contamination associated with these sites, irrespective of fault, legality of initial activity, or ownership, and which may impose liability for damage to natural resources.

The Company is responsible for two such sites where gas was manufactured by previous owners. The Company has complied with the applicable Michigan Department of Environment, Great Lakes, and Energy ("EGLE") requirements, which mandate that current landowners mitigate risks to human health from the byproducts of MGP operations and notify the EGLE and adjacent property owners of potential contaminant. As of December 31, 2023, SEMCO Gas has completed the investigation and remediation at these two sites and has received No Further Action ("NFA") letters from the EGLE for both sites. The Company will continue to monitor these sites in the future as required by NFA letters. As a result of the NFA letters received to date, the Company believes that the likelihood of any further liability at either site is remote and based upon the current circumstances, the Company cannot reasonably estimate an amount to include as a liability in the Company's Balance Sheet at December 31, 2023. However, if applicable environmental laws change that require further investigation and remediation to be performed at the sites in the future, the Company could incur a material liability. This liability would be offset by a corresponding regulatory asset subject to approval by the MPSC in a base rate case.

In accordance with an MPSC accounting order, SEMCO Gas's environmental investigation and remediation costs associated with the MGP sites were deferred and are being amortized with remaining amortization periods between one and seven years based upon the year the costs were incurred. These deferred costs were reviewed as part of the 2019 rate filing.

Self-Insurance. The Company is self-insured for health care costs up to \$200,000 per subscriber annually. Insurance coverage is carried for costs more than of this amount. The Company incurred self-insured health care expense of approximately \$5.7 and \$3.9 million for the years ended December 31, 2023 and 2022, respectively. Estimated claims incurred but not reported were \$0.8 million and \$0.9 million as of December 31, 2023, and 2022, respectively, and are included in other current liabilities in the Company's Balance Sheets.

Other Contingencies. In the ordinary course of business, the Company and its Affiliates may be a party to lawsuits and administrative proceedings before various courts and government agencies. The Company and its Affiliates also may be involved in private dispute resolution proceedings. These lawsuits and proceedings may involve personal injury, property damage, contractual issues and other matters (including alleged violations of federal, state and local laws, rules, regulations and orders). Management cannot predict the possibility of any such potential claims, the outcome or timing of any pending or threatened litigation, nor actual or possible claims. Except as otherwise stated, management believes that considering reserves established for various matters and the availability of insurance coverage, resulting liabilities, if any, will not have a material adverse impact upon the Company and its affiliates financial position, cash flow, or results of operations.

Note 11. Subsequent Events

Under current accounting guidance, the Company is required to disclose events that occur after the balance sheet date but before financial statements are issued or are available to be issued. These are known as subsequent events. Subsequent events have been reviewed through March 21, 2024, the date these financials were available to be issued.

There were no subsequent events requiring an adjustment to or disclosure in the Company's financial statements.

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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)	1,209,936,559		
4	Property Under Capital Leases	12,403,313		
5	Plant Purchased or Sold	0		
6	Completed Construction not Classified - ARO	5,364,053		
7	Experimental Plant Unclassified	0		
8	TOTAL (Enter Total of lines 3 thru 7)	1,227,703,925		
9	Leased to Others	0		
10	Held for Future Use	151,723		
11	Construction Work in Progress	13,515,673		
12	Acquisition Adjustments	65,445,855		
13	TOTAL Utility Plant (Enter Total of line 8 thru 12)	1,306,817,176		
14	Accum. Prov. for Depr., Amort., & Depl.	(431,369,812)		
15	Net Utility Plant (Enter Total of line 13 less 14)	875,447,364		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZAITON AND DEPLETION			
17	In Service:			
18	Depreciaition	(416,067,612)		
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	(13,342,258)		
22	TOTAL In Service (Enter Total of lines 18 thru 21)	(429,409,870)		
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 - ARO	(1,959,942)		
29	Amortization	0		
30	TOTAL held for Future Use (Enter Total of lines 28 and 29)	(1,959,942)		
31	Abandonment of Leases (Natural Gas)	0		
32	Amort. of Plant Acquisition Adj.	0		
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31, and 32	(431,369,812)		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
1,209,936,559					3
12,403,313					4
0					5
5,364,053					6
0					7
1,227,703,925					8
0					9
151,723					10
13,515,673					11
65,445,855					12
1,306,817,176					13
(431,369,812)					14
875,447,364					15
					16
					17
(416,067,612)					18
0					19
0					20
(13,342,258)					21
(429,409,870)					22
					23
0					24
0					25
0					26
					27
(1,959,942)					28
0					29
(1,959,942)					30
0					31
0					32
(431,369,812)					33

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106)			
<p>1. Report below the original cost of gas plant in service according to the prescribed accounts.</p> <p>2. In addition to Account 101, Gas Plant in Service (Classified), this schedule includes Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, 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</p>		<p>include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Included also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years' tentative account distributions of these</p>	

Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1		1. Intangible Plant		
2	301	Organization	86,511	0
3	302	Franchises and Consents	452,175	19,580
4	303	Miscellaneous Intangible Plant	8,457,505	1,781,371
5		TOTAL Intangible Plant	8,996,191	1,800,951
6		2. Production Plant		
7		Manufactured Gas Production Plant		
8	304.1	Land	0	
9	304.2	Land Rights	0	
10	305	Structures and Improvements	0	
11	306	Boiler Plant Equipment	0	
12	307	Other Power Equipment	0	
13	308	Coke Ovens	0	
14	309	Producer Gas Equipment	0	
15	310	Water Gas Generating Equipment	0	
16	311	Liquefied Petroleum Gas Equipment	0	
17	312	Oil Gas Generating Equipment	0	
18	313	Generating Equipment-Other Processes	0	
19	314	Coal, Coke and Ash Handling Equipment	0	
20	315	Catalytic Cracking Equipment	0	
21	316	Other Reforming Equipment	0	
22	317	Purification Equipment	0	
23	318	Residual Refining Equipment	0	
24	319	Gas Mixing Equipment	0	
25	320	Other Equipment	0	
26		TOTAL Manufactured Gas Production Plant	0	0

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023		
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
<p>amounts. Careful observance of the above instructions and the text of Accounts 101 and 106 will avoid serious omission of the reported amount of respondent's plant actually in service at the end of year.</p> <p>6. Show in column (f) reclassification 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 classifications.</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
0	0	0	86,511	301	2
34,192	0	0	437,563	302	3
672,178	0	0	9,566,698	303	4
706,370	0	0	10,090,772		5
					6
					7
			0	304.1	8
			0	304.2	9
			0	305	10
			0	306	11
			0	307	12
			0	308	13
			0	309	14
			0	310	15
			0	311	16
			0	312	17
			0	313	18
			0	314	19
			0	315	20
			0	316	21
			0	317	22
			0	318	23
			0	319	24
			0	320	25
0	0	0	0		26

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 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	0		
30	325.3	Gas Rights	0		
31	325.4	Rights-of-Way			
32	325.5	Other Land			
33	325.6	Other Land Rights			
34	326	Gas Well Structures			
35	327	Field Compressor Station Structures			
36	328	Field Measuring and Regulating Station Structures	0		
37	329	Other Structures			
38	330	Producing Gas Wells-Well Construction	0		
39	331	Producing Gas Wells-Well Equipment	0		
40	332	Field Lines	0		
41	333	Field Compressor Station Equipment	0		
42	334	Field Measuring and Regulating Station Equipment	0		
43	335	Drilling and Cleaning Equipment			
44	336	Purification Equipment	0		
45	337	Other Equipment	0		
46	338	Unsuccessful Exploration & Development Costs			
47		TOTAL Production and Gathering Plant	0	0	
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	0	0	
59		TOTAL Natural Gas Production Plant	0	0	
60		SNG Production Plant (Submit Supplemental Statement)			
61		TOTAL Production Plant	0	0	
62		3. Natural Gas Storage and Processing Plant			
63		Underground Storage Plant			
64	350.1	Land	620,431		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					27
			0	325.1	28
			0	325.2	29
			0	325.3	30
			0	325.4	31
			0	325.5	32
			0	325.6	33
			0	326	34
			0	327	35
			0	328	36
			0	329	37
			0	330	38
			0	331	39
			0	332	40
			0	333	41
			0	334	42
			0	335	43
			0	336	44
			0	337	45
			0	338	46
0	0	0	0		47
					48
				340.1	49
				340.2	50
				341	51
				342	52
				343	53
				344	54
				345	55
				346	56
				347	57
					58
0	0	0	0		59
					60
0	0	0	0		61
					62
					63
			620,431	350.1	64

Name of Respondent		This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO		(1) [X] An Original (2) [] A Resubmission	4/30/2024	12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)				
Line No.	Acct. No.	Account	Balance at Beginning of Year	Additions
		(a)	(b)	(c)
65	350.2	Rights-of-Way	-	-
66	351	Structures and Improvements	2,725,213	49,785
67	352	Wells	8,945,488	641,471
68	352.1	Storage Leaseholds and Rights	1,375,354	0
69	352.2	Reservoirs	0	0
70	352.3	Non-Recoverable Natural Gas	0	0
71	353	Lines	2,165,388	0
72	354	Compressor Station Equipment	9,631,878	67,569
73	355	Measuring and Regulating Equipment	2,570,630	0
74	356	Purification Equipment	0	0
75	357	Other Equipment	151,723	0
76	358	Gas in Underground Storage-Noncurrent	7,706,223	0
77		TOTAL Underground Storage Plant	35,892,328	758,825
78		Other Storage Plant		
79	360.1	Land	0	
80	360.2	Land Rights	0	
81	361	Structures and Improvements	0	
82	362	Gas Holders	0	
83	363	Purification Equipment	0	
84	363.1	Liquefaction Equipment	0	
85	363.2	Vaporizing Equipment	0	
86	363.3	Compressor Equipment	0	
87	363.4	Measuring and Regulating Equipment	0	
88	363.5	Other Equipment	0	
89		TOTAL Other Storage Plant	0	0
90		Base Load Liquefied NG Terminating and Processing Plant		
91	364.1	Land	0	
92	364.1a	Land Rights	0	
93	364.2	Structures and Improvements	0	
94	364.3	LNG Processing Terminal Equipment	0	
95	364.4	LNG Transportation Equipment	0	
96	364.5	Measuring and Regulating Equipment	0	
97	364.6	Compressor Station Equipment	0	
98	364.7	Communication Equipment	0	
99	364.8	Other Equipment	0	
100		TOTAL Base Load LNG Terminating and Processing Plant	0	0
101				
102		TOTAL Natural Gas Storage and Processing Plant	35,892,328	758,825

Name of Respondent		This Report Is:		Date of Report	Year of Report
SEMCO ENERGY GAS CO		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		4/30/2024	12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements	Adjustments	Transfers	Balance at End of Year	Acct. No.	Line No.
(d)	(e)	(f)	(g)		
			-	350.2	65
8,704	0	(2,772)	2,763,522	351	66
185,804	0	0	9,401,155	352	67
0	0	0	1,375,354	352.1	68
0	0	0		352.2	69
0	0	0		352.3	70
0	0	0	2,165,388	353	71
21,254	0	0	9,678,193	354	72
0	0	0	2,570,630	355	73
0	0	0		356	74
0	0	0	151,723	357	75
0	0	0	7,706,223	358	76
215,762	-	(2,772)	36,432,619		77
					78
			0	360.1	79
			0	360.2	80
			0	361	81
			0	362	82
			0	363	83
			0	363.1	84
			0	363.2	85
			0	363.3	86
			0	363.4	87
			0	363.5	88
0	0	0	0		89
					90
			0	364.1	91
			0	364.1a	92
			0	364.2	93
			0	364.3	94
			0	364.4	95
			0	364.5	96
			0	364.6	97
			0	364.7	98
			0	364.8	99
0	0	0	0		100
					101
215,762	-	(2,772)	36,432,619		102

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
103		4. Transmission Plant			
104	365.1	Land	695,688	181,116	
105	365.2	Land Rights	5,063,538	28,412	
106	365.3	Rights-of-Way	0	0	
107	366	Structures and Improvements	5,814,582	40,131	
108	367	Mains	163,023,681	1,820,003	
109	368	Compressor Station Equipment	0	0	
110	369	Measuring and Regulating Station Equipment	19,142,990	625,041	
111	370	Communication Equipment	451,304	21,505	
112	371	Other Equipment	0	0	
113		TOTAL Transmission Plant	194,191,783	2,716,208	
114		5. Distribution Plant			
115	374.1	Land	290,546	279,614	
116	374.2	Land Rights	4,271,229	699,628	
117	375	Structures and Improvements	5,104,549	864,772	
118	376	Mains	394,037,407	38,626,272	
119	377	Compressor Station Equipment	0	0	
120	378	Measuring and Regulating Station Equip.-Genral	19,598,706	2,092,193	
121	379	Measuring and Regulating Station Equip.-City Gate	10,811,250	1,847,596	
122	380	Services	268,786,426	14,780,387	
123	381	Meters	62,748,023	2,470,735	
124	382	Meter Installations	68,625,012	3,202,365	
125	383	House Regulators	13,694,496	635,137	
126	384	House Regulator Installations	0	0	
127	385	Industrial Measuring and Regulating Station Equip.	5,700,680	427,462	
128	386	Other Property on Customer's Premises	0	0	
129	387	Other Equipment	22,003	0	
130		TOTAL Distribution Plant	853,690,327	65,926,161	
131		6. General Plant			
132	389.1	Land	1,524,156	19,008	
133	389.2	Land Rights	0	0	
134	390	Structures and Improvements	29,715,860	481,206	
135	391	Office Furniture and Equipment	2,994,773	40,664	
136	391.1	Computers and Computer Related Equipment	4,133,736	466,689	
137	392	Transportation Equipment	1,244,638	0	
138	393	Stores Equipment	416,318	6,220	
139	394	Tools, Shop and Garage Equipment	6,688,034	265,984	
140	395	Laboratory Equipment	0	0	

Name of Respondent		This Report Is:		Date of Report	Year of Report
SEMCO ENERGY GAS CO		(1) [X] An Original (2) [] A Resubmission		4/30/2024	12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements	Adjustments	Transfers	Balance at End of Year	Acct. No.	Line No.
(d)	(e)	(f)	(g)		
					103
0	0	0	876,804	365.1	104
0	0	(7,316)	5,084,634	365.2	105
0	0	0	-	365.3	106
5,651	0	2,772	5,851,834	366	107
19,208	0	0	164,824,476	367	108
0	0	0	-	368	109
477,791	0	0	19,290,240	369	110
0	0	0	472,809	370	111
0	0	0	-	371	112
502,650	-	(4,544)	196,400,797		113
					114
63,741	0	0	506,419	374.1	115
0	0	7,316	4,978,173	374.2	116
966,661	0	0	5,002,660	375	117
1,309,646	(11,695)	1,115	431,343,453	376	118
0	0	0	-	377	119
126,011	0	0	21,564,888	378	120
139,564	0	0	12,519,282	379	121
1,335,372	0	(1,115)	282,230,326	380	122
1,271,265	0	0	63,947,493	381	123
436,346	0	0	71,391,031	382	124
68,994	0	0	14,260,639	383	125
0	0	0	-	384	126
76,522	0	0	6,051,620	385	127
0	0	0	-	386	128
0	0	0	22,003	387	129
5,794,122	(11,695)	7,316	913,817,987		130
					131
0	0	0	1,543,163	389.1	132
0	0	0	-	389.2	133
16,401	0	20,787	30,201,453	390	134
14,981	0	(2,485)	3,017,970	391	135
554,533	(8,237)	6,995	4,044,650	391.1	136
0	0	0	1,244,638	392	137
0	0	0	422,538	393	138
213,558	0	(20,787)	6,719,672	394	139
0	0	0	-	395	140

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Line No.	Acct. No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
141	396	Power Operated Equipment	2,216,561	13,062	
142	397	Communication Equipment	3,609,716	353,042	
143	398	Miscellaneous Equipment	52,075	11,810	
144		SUBTOTAL (Lines 132 thru 143)	52,595,867	1,657,685	
145	399	Other Tangible Property			
146		TOTAL General Plant	52,595,867	1,657,685	
147		TOTAL (Accounts 101 and 106)	1,145,366,496	72,859,830	
148	101.1	Property Under Capital Leases	11,408,328	0	
149	102	Gas Plant Purchased (See Instruction 8)			
150	(LESS) 102	Gas Plant Sold (See Instruction 8)			
151	103	Experimental Gas Plant Unclassified			
152		TOTAL GAS PLANT IN SERVICE	1,156,774,824	72,859,830	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
-	-	0	2,229,623	396	141
99,735	-	(4,510)	3,858,513	397	142
0	-	-	63,885	398	143
899,208	(8,237)	-	53,346,106		144
				399	145
899,208	(8,237)	-	53,346,106		146
8,118,112	(19,932)	-	1,210,088,282		147
0	994,985		12,403,313	101.1	148
				102	149
				(102)	150
				103	151
8,118,112	975,052	-	1,222,491,595		152

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PLANT LEASED TO OTHERS (Account 104)					
1. Report below the information called for concerning gas plant leased to others.			2. In Column (c) give the date of Commission authorizaton of the lease of gas plant to others.		
Line No.	Name of Lessee (Designate associated companies with an asterisk) (a)	Description of Property Leased (b)	Commission Author-ization (c)	Expiration Date of Lease (d)	Balance at End of Year
1	NONE				
2					
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46					
47	TOTAL				

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PLANT HELD FOR FUTURE USE (Account 105)				
1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.		2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.		
Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (per Pages 500-501)			
2	Depleted gas wells, well facilities, and base gas held for future storage use	09/30/83	Unknown	151,723
3				
4				
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45				
46	TOTAL			151,723

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
PRODUCTION PROPERTIES HELD FOR FUTURE USE (Account 105.1)				
1. Report separately each property held for future use at the end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.		more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.1		
2. For property having an original cost of \$250,000 or				
Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (per Pages 500-501)			
2	NONE			
3				
4				
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46	TOTAL			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)				
1. Report below descriptions and balances at end of year or project in process of construction (107).		Development, and Demonstration (see Account 107 of the Uniform Systems 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	Amortized:			
2	Franchises/Consents	0	0	
3				
4				
5	Storage:			
6	Wells	451,514	322,226	
7	Compressor Stn Equip	74,851	375,249	
8	M&R Stn Equip	0	0	
9				
10				
11	Transmission:			
12	Land Rights	10,946	44,055	
13	Structures & Improvements	307,211	489,389	
14	Lines	118,748	168,952	
15	M&R Stn Eq	1,973,497	1,685,833	
16				
17				
18	Distribution:			
19	Land &/or Land Rights	978,978	506,461	
20	Structures & Improvements	474,840	664,838	
21	Mains	2,420,788	5,369,421	
22	M&R Stn Equip	3,267,248	6,076,935	
23	Services &/or Related Measurement	0	43,936	
24	Unallocated Accrued Payroll	693,070	0	
25				
26				
27	General:			
28	Land &/or Land Rights	0	0	
29	Office Buildings	53,856	600,391	
30	Office Furniture	0	0	
31	Computer Equip HW &/or SW	475,335	231,594	
32	Tools/Work & Misc Equip	0	0	
33	Communication Equip	2,214,791	3,832,185	
34				
35				
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38				
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40				
41				
42				
43	TOTAL	13,515,673	20,411,465	

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
SEMCO ENERGY GAS CO			

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 on 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			
2	Administrative and General Expense Allocation	6,664,998	62,100,107
3			
4	Supervision & Engineering Expense Allocation	6,252,480	56,695,041
5			
6			
7			
8			
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44	TOTAL	12,917,478	

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE			
1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of		construction, and (f) whether the overhead is directly or indirectly assigned. 2. Show below the computation of allowance for funds used during construction rates, if those differ from the overall rate of return authorized by the Michigan Public Service Commission.	
<u>ADMINISTRATIVE AND GENERAL:</u>			
(a)	Overhead charges are intended to cover salaries and expenses of officers, managers, and general office employees, and other general and administrative expenses applicable to construction.		
(b)	Periodically, studies are made to determine the administrative and general expenses applicable to construction.		
(c)	All construction job orders closed in 2023 were charged with a portion of overhead on a gross charge basis.		
(d)	A variable numerator allocation was applied to all non-extraordinary, pertinent construction on a <u>annual</u> basis.		
(e)	No differentiation on construction type. However, extraordinary construction was pulled out of the allocation and assigned a reasonable rate when applicable		
(f)	Overhead is directly assigned to the created fixed assets		
<u>SUPERVISION AND ENGINEERING:</u>			
(a)	Overhead charges are intended to cover the cost of supervision and directing construction activities including wages and expenses of engineers, superintendents, draftsmen, inspectors, clerks, and others reporting to and responsible to the Engineering and Operation Departments.		
(b)	The supervision and engineering expenses are accumulated on an actual time and actual cash applicable to construction basis.		
(c)	All construction job orders closed in 2023 for " <u>CONSTRUCTED ASSETS</u> " were charged with a portion of overhead on a gross charge basis.		
(d)	A variable numerator allocation was applied to all non-extraordinary, pertinent construction on a <u>annual</u> basis.		
(e)	No differentiation on construction type. However, extraordinary construction was pulled out of the allocation and assigned a reasonable rate when applicable.		
(f)	Overhead is directly assigned to the created fixed assets		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108 & 110)					
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c) and that reported for gas plant in service, pages 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	(408,117,636)	(408,117,636)		
2	Depreciation Prov. for Year, Charged to				
3	(403) Depreciation Expense	(32,458,925)	(32,458,925)		
4	(403.1) Deprec. and Deplet. Expense	0	0		
5	(413) Exp. of Gas Plt. Leas. to Others	0	0		
6	Transportation Expenses-Clearing	0	0		
7	Other Clearing Accounts	0	0		
8	Other Accounts (Specify): (404) (421)	(2,777,313)	(2,777,313)		
9					
10	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 9)	(35,236,238)	(35,236,238)		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	8,054,372	8,054,372		
13	Cost of Removal - Production Plt		0		
14	Cost of Removal - Underground Storage Plt	51,094	51,094		
15	Cost of Removal - Amortized Plt		0		
16	Cost of Removal - Transmission Plt	628,842	628,842		
17	Cost of Removal - Distribution Plt	4,389,045	4,389,045		
18	Cost of Removal - General Plt	3,220	3,220		
19	Salvage (Credit)	(2,837)	(2,837)		
20	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 18)	13,123,736	13,123,736		
21	Other: Misc Adjmts, including Salvage	(57,371)	(57,371)		
22	Net RWIP carryover between '22 and '23	216,904	216,904		
23	ARO CY Adjmt	(1,299,208)	(1,299,208)		
24	Balance End of Year (Enter Total of lines 1, 10, 20, 21, 22, 23)	(431,369,812)	(431,369,812)		
Section B. Balances at End of Year According to Functional Classifications					
25	Production - Manufactured Gas	0	0		
26	Production and Gathering - Natural Gas	0	0		
27	Transportation	0	0		
28	Underground Gas Storage	(17,000,685)	(17,000,685)		
29	Franchise / Leaseholds	(233,747)	(233,747)		
30	Base Load LNG Terminating & Proc. Plt.	0	0		
31	Transmission	(36,563,747)	(36,563,747)		
32	Distribution	(351,558,321)	(351,558,321)		
33	General	(26,013,312)	(26,013,312)		
34	TOTAL (Enter total of lines 20 thru 28)	(431,369,812)	(431,369,812)		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
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 adjustment, the Mcf and dollar amount of adjustment, and account charged or credited. 2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir. 3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment				of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year. 4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year. 5. Report pressure base of gas volumes as 14.65 psia at 60° F.		
Line No.	Description (a)	Noncurrent (Account 117) (b)	Current (Account 164.1) (c)	LNG (Account 164.2) (d)	LNG (Account 164.3) (e)	Total (f)
1	Balance at Beginning of Year	7,706,223	107,144,633			114,850,856
2	Gas Delivered to Storage (contra Account)		32,219,084			32,219,084
3	Gas Withdrawn from Storage (contra Account)	-	68,139,227			68,139,227
4	Other Debits or Credits (Net)	-	-			-
5	Balance at End of Year	7,706,223	71,224,490			78,930,713
6	Mcf	3,159,419	17,563,333			20,722,752
7	Amount Per Mcf	2.4391	4.0553			3.8089
State basis of segregation of inventory between current and noncurrent portions: (1) Dollars and quantity for Noncurrent are accounted for in account 358.000; reference pages 208/209.						

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
NONUTILITY PROPERTY (Account 121)				
1. Give a brief description and state the location of nonutility property included in Account 121. 2. Designate with an asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company. 3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year. 4. List separately all property previously devoted to public service and give date of transfer to Account 121, <i>Nonutility Property</i> . These items are separate and		distinct from those allowed to be grouped under instruction No. 5. 5. Minor items (5% of the Balance at the End of the Year, for Account 121) may be grouped. 6. Natural gas companies which have oil property should report such property by State, classified as to (a) oil lands and land rights, (b) oil wells, and (c) other oil property. Gasoline plants and other plants for the recovery of products from natural gas are classifiable as gas plant and should be reported as such and not shown as <i>Nonutility Property</i> .		
Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1				
2	HSE,BARN 6911 Angling Rd Cottrellville, MI	83,148	0	83,148
3				
4				
5				
6	Land - Parcel #16 on 6 1/2 Mile Rd Emmett, MI	17,425	0	17,425
7	Land - Parcel #18 on 6 1/2 Mile Rd Emmett, MI	7,957	0	7,957
8	Land - Parcel #26 on 6 1/2 Mile Rd Emmett, MI	1,429	0	1,429
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24				
25		109,959	0	109,959
ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)				
Report below the information called for concerning depreciation and amortization of nonutility property.				
Line No.	Item (a)	Amount (b)		
1	Balance, Beginning of Year	(45,346)		
2	Accruals for Year, Charged to			
3	(417) Income from Nonutility Operations			
4	(418) Nonoperating Rental Income			
5	Other Accounts (Specify): 403 Depreciation	(1,854)		
6				
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	(1,854)		
8	Net Charges for Plant Retired			
9	Book Cost of Plant Retired			
10	Cost of Removal			
11	Salvage (Credit)			
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	0		
13	Other Debit or Credit Items (Describe):			
14	Trnfr cost of asset retired and accum dep to NBV acct to offset gain			
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	(47,200)		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
INVESTMENTS (Account 123, 124, 136)				
1. Report below Investments in Accounts 123, <i>Investment in Associated Companies</i> , 124, <i>Other Investments</i> , and 136, <i>Temporary Cash Investments</i> . 2. Provide a subheading for each account and list thereunder the information called for: (a) Investment in Securities -- List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale) pursuant to authorization by the Board		of Directors, and included in Account 124, <i>Other Investments</i> , state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, <i>Temporary Cash Investments</i> , 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 property includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or open account.		
Line No.	Description of Investment (a)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (b)	Purchases or Additions During Year (c)	
1	Battle Creek Country Club Stock	5,850		
2				
3				
4				
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10				
11				
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38				
39	TOTALS	5,850		

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023		
INVESTMENTS (Account 123, 124, 136) (Continued)					
<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 pledge 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</p>			<p>and give 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 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 (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (f)	Revenues for Year (g)	Gain on Loss from Investment Disposed of (h)	Line No.
		5,850			1
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		5,850			39

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)				
<p>1. Report below Investments in Accounts 123.1, <i>Investments in Subsidiary Companies</i>.</p> <p>2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).</p> <p>(a) Investment in Securities -- List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.</p> <p>(b) Investment Advances -- Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specify whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1</p>				
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	NONE			
2				
3				
4				
5				
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7				
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42	TOTAL			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)				
4. For any securities, notes or accounts that were pledged, designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge. 5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number. 6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.		7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f). 8. Report on Line 42, column (a) the total cost of Account 123.1.		
Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
	NONE	0		1
		0		2
		0		3
		0		4
		0		5
		0		6
		0		7
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		0		9
		0		10
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	0	0		42

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
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 which 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	None				
2					
3					
4					
5					
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12					
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42	TOTAL				

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023			
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) (e)	Percent of Year's required take (f)		
NONE						1
						2
						3
						4
						5
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET						
Show separately by footnote the total amount of notes and employees included in Notes Receivable (Account 141) accounts receivable from directors, officers, and 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)					
2	Customer Accounts Receivable (Account 142)	25,775,885		15,467,266		
3	Other Accounts Receivable (Account 143) (Disclose any capital stock subscriptions received)	3,789,207		4,168,634		
4	TOTAL	29,565,092		19,635,900		
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	-1,024,704		-660,453		
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	28,540,388		18,975,447		
7						
8						
9						
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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)	Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	1,024,704	0			1,024,704
2	Prov. for uncollectibles for current year	876,139				0
3	Accounts written off	(1,749,382)	0			876,139
4	Coll. of accounts written off	508,992	0			(1,749,382)
5	Adjustments (explain): Adoption of ASC 326	0				0
6	Balance end of year	660,453	0			508,992
7						0
8						
9						
10						
11						

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

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, associates 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						
2						
3	Under current software system receivables and payables are netted against one another.					
4	Please refer to Page 260B for details.					
5						
6						
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25	TOTAL	0	0	0	0	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
MATERIAL AND SUPPLIES					
1. For Accounts 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material. Nonmajor companies may report total on line 4.			2. Give an explanation of important inventory adjustments during the year (on a supplemental page) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.		
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Dept. or Departments Which Use Material (d)	
1	Fuel Stock (Account 151)				
2	Fuel Stock Expense Undistributed (Account 152)				
3	Residuals and Extract Products (Account 153)				
4	Plant Materials & Operating Supplies (Account 154)	12,152,292	12,927,238		
5	Assigned to - Construction (Estimated)				
6	Assigned to - Operations & Maintenance				
7	Production Plant (Estimated)				
8	Transmission Plant (Estimated)				
9	Distribution Plant (Estimated)				
10	Assigned to - Other				
11	TOTAL Account 154 (Enter total of lines 5 thru 10)	12,152,292	12,927,238	Services/Operation	
12	Merchandise (Account 155)				
13	Other Material & Supplies (Account 156)				
14	Nuclear Materials Held for Sale (Account 157) (Not applicable to Gas Utilities)				
15	Stores Expense Undistributed (Account 163)	264,984	310,808		
16					
17					
18					
19					
20	TOTAL Materials & Supplies (Per Balance Sheet)	12,417,276	13,238,046		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023		
ADVANCES FOR GAS PRIOR TO INITIAL DELIVERIES OR COMMISSION CERTIFICATION (Accounts 124, 166 and 167)							
<p>1. Report below the information called for concerning all advances for gas, as defined in the text of Account 166, <i>Advances for Gas Exploration, Development and Production</i>, and 167, <i>Other Advances for Gas</i>, whether reported in Accounts 166, 167 or reclassified to Account 124, <i>Other Investments</i>. List Account 124 items first.</p> <p>2. In column (a) give the date the advance was made, the payee (designate associated companies with an asterisk) a brief statement of the purpose, (exploration, development, production, general loan, etc.) and the estimated date of repayment. Do not use the term indefinite in reporting</p>				<p>estimated date of repayment. If advances are made to a payee in connection with different projects with different arrangements for repayments, use separate lines for reporting; otherwise all advances may be grouped by payee, subject to the requirements of instruction 3 below.</p> <p>3. If the beginning balance shown in column (c) does not agree with the prior year's ending balance, column (g), provide a detailed explanation in a footnote. Show all Advances made during the year in column (d) and all repayments or other credits in column (e). Report amounts shown in column (e) separately by account, as reported in column (f).</p>			
Line No.	Date of Advance, Payee, Purpose and Estimated Date of Repayment (a)	Account Number (124, 166 or 167) (b)	Balance at Beginning of Year (c)	Advances During Year (d)	Repayments or Other Credits During Year (e)	Accounts Charged (f)	Balance at End of Year (g)
1	NONE						
2							
3							
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
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				1,805,960	
2	Prepaid-Workers Comp				64,117	
3	Prepaid Rents					
4	Prepaid Taxes (pages 262-263)				7,702,134	
5	Prepaid Interest					
6	Gas Prepayments (pages 226-227)					
7	Miscellaneous Prepayments				2,100,882	
8	TOTAL				11,673,094	
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 Account Charged (d) Amount (e)		Balance at End of Year (f)
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9	TOTAL					
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)						
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2, and period of amortization (mo, yr, to mo, yr).] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR Account Charged (d) Amount (e)		Balance at End of Year (f)
10	NONE					
11						
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29						
30	TOTAL					

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
PRELIMINARY SURVEY AND INVESTIGATION CHARGES (Account 183)						
<p>1. Report below particulars (details) concerning the cost of plans, surveys, and investigations made for the purpose of determining the feasibility of projects under contemplation.</p> <p>2. For gas companies, report separately amounts included in Account 183.1, <i>Preliminary Natural Gas Survey</i> and <i>Investigation Charges</i>, and Account 183.2, <i>Other Preliminary Survey and Investigation Charges</i>.</p> <p>3. Minor items (less than \$250,000) may be grouped by classes.</p>						
Line No.	Description and Purpose of Project (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3	Keeweenaw Connector Project-	0	62,776			62,776
4	Add gas line in the Upper					
5	Peninsula to provide					
6	redundancy.					
7						
8	White Whale Marketing Project-	0	160,893			160,893
9	Determine the end of main					
10	potential for possible growth					
11	opportunities.					
12						
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43						
44	TOTAL	0	223,669			223,669

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
OTHER REGULATORY ASSETS					
1. Reporting 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). 2. For regulatory assets being amortized, show period of amortization in column (a).			3. Minor items (amounts less than \$50,000 may be grouped by classes). 4. Give the number and name of the account(s) where each amount is recorded.		
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	SEE PAGE 233				
2					
3					
4					
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39					
40	TOTAL				

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024		Year of Report 12/31/2023	
MISCELLANEOUS DEFERRED DEBITS (Account 186)							
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.				3. Minor items (less than \$50,000) may be grouped by classes.			
2. For any deferred debit being amortized, show period of amortization in column (a).							
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							
2							
3							
4	Manuf Gas Plt Clean Up 2012	7		407.2	7	-	
5	Manuf Gas Plt Clean Up 2013	231,442	19,283	407.2	250,725	-	
6	Manuf Gas Plt Clean Up 2014	1,021,133	42,549	407.2	553,137	510,545	
7	Manuf Gas Plt Clean Up 2015	241,758	6,715	407.2	87,295	161,178	
8	Manuf Gas Plt Clean Up 2016	279,867	5,832	407.2	75,816	209,883	
9	Manuf Gas Plt Clean Up 2017	10,516	177	407.2	2,288	8,404	
10	Manuf Gas Plt Clean Up 2018	7,649	106	407.2	1,378	6,377	
11	Manuf Gas Plt Clean Up 2019	8,130	97	407.2	1,261	6,966	
12	Reg Asset - Benefit Plans	0		VAR	-	-	
13	Reg Asset - ARO	3,886,336	3,193,671	VAR		7,080,007	
14	Reg Asset-MBT Dfd Taxes	-		410		-	
15	Reg Asset-MBT FAS 109	5,096,585	-	VAR	392,038	4,704,547	
16	Reg Asset - FAS 158	0		253		-	
17	Reg Asset - FAS 109 AFUDC	1,123,835	-	282	21,265	1,102,570	
18	Def Kansas Ad Valorem Taxes	0		408.1		-	
19	Rate Case - 2019	2,926	(0)	401	2,926	-	
20	Reg Asset-EWR Incentive	0	3,069,000	400.5		3,069,000	
21							
22							
23							
24	Regulatory Assets	11,910,184	6,337,430		1,388,136	16,859,477	
25							
26							
27	Other Deferred Charges	0		VAR		-	
28	Deposits	50,000				50,000	
29	Intangible Assets - Pen Gas	7,927		404	3,280	4,647	
30	Def Db FAS 158 Benefits	22,992,781	9,190,233	VAR		32,183,014	
31							
32							
33							
34							
35							
36							
37							
38	Misc Deferred Debits	23,050,708	9,190,233		3,280	32,237,661	
39							
40							
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43							
44							
45							
46							
47							
48	Misc. Work in Progress						
49	DEFERRED REGULATORY COMM. EXPENSES (SEE PAGES 350-351)						
50	TOTAL	34,960,892				49,097,138	

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

TAX SCHEDULES

I. Purpose:

The Commission will permit the option to adopt FERC reporting requirements if the company agrees to file the MPSC information on a historical test-year basis in a rate case or upon request of the Commission Staff. For the following pages:

A. Accumulated Deferred Income Taxes	234-235
B. Reconciliation of Reported Net Income With Taxable Income For Federal Income Taxes	261A-B
C. Calculation of Federal Income Tax	261C-D
D. Taxes Accrued, Prepaid and Charged During Year	262-263
E. Accumulated Deferred Income Taxes	272-277

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.

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

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2				
3				
4				
5	Other			
6	TOTAL Electric (Enter Total of lines 2 thru 5)			
7	Gas			
8	Accum. Deferred Income Taxes	13,458,670	(823,550)	727,976
9	Deferred State Taxes - Michigan	2,568,570	(191,996)	27,390
10				
11				
12				
13				
14				
15	Other			
16	TOTAL Gas (Enter Total of lines 8 thru 15)	16,027,240	(1,015,546)	755,366
17	Other (Specify)			
18	TOTAL (Account 190) (Enter Total of lines 6, 16 & 17)	16,027,240	(1,015,546)	755,366
19	Classification of Total:			
20	Federal Income Tax	13,458,670	(823,550)	727,976
21	State Income Tax	2,568,570	(191,996)	27,390
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.

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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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 (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
		186	99,870	282,283	(1,435,441)	12,027,525	8
				282,283	(417,198)	1,986,766	9
							10
							11
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							13
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							15
			99,870		(1,852,639)	14,014,291	16
							17
							18
			99,870		(1,852,639)	14,014,291	19
			99,870		(1,435,441)	12,027,525	20
			0		(417,198)	1,986,766	21
							22

NOTES (Continued)

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
CAPITAL STOCK (Account 201 and 204)				
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>				
Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Common Stock	1,000,000	\$10.00	
2	Common Stock	100	\$1.00	
3	Common Stock - No Par	500,000	\$83.77	
4				
5	Cumulative Preferred			
6	Not Designated as a Series	50,000		
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
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 pledgee and purpose of pledge.			
OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent.)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
747,703	\$7,477,030					1
100	\$100					2
35	\$2,932					3
						4
						5
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Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
<p align="center">CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK</p> <p align="center">(Accounts 202 and 205, 203 and 206, 207, 212)</p>			
<p>1. Show for each of the above accounts that 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 transaction under which a conversion liability existed under Account 203,</p> <p><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 an asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p>			
Line No.	Name of Account and Description of Item (a)	Number of Shares (b)	Amount (c)
1	Account 207.10 :		
2	Balance	-	157,247,343
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46	TOTAL		157,247,343

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
OTHER PAID-IN CAPITAL (Account 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	NONE		
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40	TOTAL		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
DISCOUNT ON CAPITAL (Account 213)				
1. Report the balance at end of year of discount on capital stock for each class and series of capital stock.		statement giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged.		
2. If any changes occurred during the year in the balance with respect to any class or series of stock, attach a				
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)		
1	NONE			
2				
3				
4				
5				
6				
7				
8				
9				
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11				
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19				
20				
21	TOTAL			
CAPITAL STOCK EXPENSE (Account 214)				
1. Report the balance at end of year of capital stock expenses for each class and series of capital stock.		statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.		
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a				
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)		
1	Common Stock	268,951		
2				
3				
4				
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11				
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19				
20				
21	TOTAL	268,951		

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED DURING THE YEAR			
<p>1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.</p> <p>2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the fact of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the account for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.</p> <p>3. Include the identification of each class and series</p>		<p>of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.</p> <p>4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instructions 17 of the Uniform System of Accounts, give reference to the Commission authorization for the different accounting and state the accounting method.</p> <p>5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amount relating to refunded securities clearly earmarked.</p>	
<p>NONE</p>			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
LONG TERM DEBT (Accounts 221, 222, 223 and 224)					
1. Report by balance sheet Account the particulars (details) concerning long-term debt included in Accounts 221, <i>Bonds</i> , 222 <i>Reacquired Bonds</i> , 223, <i>Advances from Associated Companies</i> , and 224, <i>Other Long-Term Debt</i> . If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report for (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.			2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds. 3. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) name of associated companies from which advances were received. 4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.		
Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amounts held by respondent) (d)	
1	Long Term				
2					
3					
4					
5	2.45% First Mortgage Bonds	2020	2030	72,000,000	
6					
7	3.15% First Mortgage Bonds	2020	2050	225,000,000	
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
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37					
38	TOTAL			297,000,000	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
LONG-TERM DEBT (Accounts 221, 222, 223, and 224) (Continued)					
5. In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term 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 number and dates. 6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge. 7. If the respondent has any long-term securities which have been nominally issued and are nominally			outstanding at end of year, describe such securities in a footnote. 8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, <i>Interest on Long-Term Debt</i> and Account 430, <i>Interest on Debt to Associated Companies</i> . 9. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.		
INTEREST FOR YEAR		HELD BY RESPONDENT		Redemption Price Per \$100 at End of Year	Line No.
Rate (in %)	Amount	Reacquired Bonds (Acct. 222)	Sinking and Other Funds		
(d)	(e)	(f)	(g)	(h)	
2.45%	3,636,700				1
					2
					3
					4
					5
					6
3.15%	4,675,758				7
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	8,312,458				38

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226)					
1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, particulars (details) of expense, premium or discount applicable to each class and series of long-term debt. 2. Show premium amounts by enclosing the figures in parentheses.			3. In column (b) show the principal amount of bonds or other long-term debt originally issued. 4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.		
Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expenses, Premium or Discount (c)	AMORTIZATION PERIOD	
				Date From (d)	Date To (e)
1					
2	2.45% First Mortgage Bonds	72,000,000	588,425	4/30/20	3/31/30
3					
4	3.15% First Mortgage Bonds	225,000,000	1,376,912	4/30/20	3/31/50
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)						
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Recquired Debt, particulars (details) of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue. 2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized				on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts. 4. Show loss amounts by enclosing the figures in parentheses. 5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1 <i>Amortization of Loss on Recquired Debt</i> , or credited to Account 429.1, <i>Amortization of Gain on Recquired Debt-Credit</i> .		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Account 189					
2						
3						
4						
5						
6	NONE					
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
NOTES PAYABLE (Accounts 231)						
1. Report the particulars indicated concerning notes payable at end of year. 2. Give particulars of collateral pledged, if any. 3. Furnish particulars for any formal or informal compensating balance agreements covering open lines of credit. 4. Any demand notes should be designated as such in column (d). 5. Minor amounts may be grouped by classes, showing the number of such amounts.						
Line No.	Payee (a)	Purpose for which issued (b)	Date of Note (c)	Date of Maturity (d)	Int. Rate (e)	Balance End of Year (f)
1	NONE				%	\$
2						
3						
4						
5						
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TOTAL						

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
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 228B		
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						
2	SEMCO ENERGY, Inc.*	164,614,969	576,160,491	577,976,329	166,430,807	8,821,382
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24	*The Total Balance for year end is reported as a payable on Page 112 Line 40. All cash receipts and cash disbursements					
25	for SEMCO Energy Gas Co. are managed through cash accounts on the books of SEMCO Energy, Inc. As a result, this					
26	balance represents the net cash position of SEMCO Energy Gas Co. and will fluctuate based upon cash needs.					
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
	TOTAL	164,614,969	576,160,491	577,976,329	166,430,807	8,821,382

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES				
1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year.			Indicate clearly the nature of each reconciling amount. 2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated	
Line No.	Details (a)		Amount (b)	
1	Net Income for the Year (Page 117, line 78(c))		25,088,442	
2	Reconciling Items for the Year			
3				
4	Taxable Income Not Reported on Books			
5	Contribution in Aid of Construction		5,603,521	
6	Capitalized Interest		72,529	
7				
8				
9	Deductions Recorded on Books Not Deducted for Return			
10	Federal Income Tax Expense		4,119,520	
11	Deferred Michigan State Tax Expense		3,032,687	
12	Gas in Storage (FIFO Adjustment)		3,263	
13	Deferred Manufacturing Clean Up		897,149	
14	Gas Cost Recovery		985,767	
15	Energy Optimization		4,749,211	
16	IRC Section 263a Adjustment		104,229	
17	M&E, Social Club Dues, Non-Deduct Parking Fringe, Amort. of Rate Case, IRIP Under		155,664	
18	Allowance for Bad Debts			
19	Income Recorded on Books Not Included in Return			
20	Interest Income - AFUDC		668,615	
21				
22				
23				
24	Deductions on Return Not Charged Against Book Income			
25	Tax Depreciation, Repairs, Gain & Losses, & Removal Costs		31,919,395	
26	Accrued Retiree Medical & Pension		375,762	
27	Accrued Vacation Pay		15,975,816	
28	Prepaid Property Taxes		364,251	
29	Accrued Benefits - IBNR		115,000	
30	Reserve for Injuries/Workers Compensation		48,702	
31	Amortization of Pen Gas/Non-compete		3,280	
32			2,852,814	
33			264,075	
34				
35	Federal Tax Net Income		-7,775,728	
36				
37	Show Computation of Tax:			
38				
39	Tax on Line 35 @ 21%		-1,632,903	
40				
41				

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES				
1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year.			Indicate clearly the nature of each reconciling amount. 2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated	
Line No.	SUBSTITUTED FERC FORM NO. 2, PAGE 261		TOTAL AMOUNT	
1	Utility net operating income (page 114 line 24)			
2	Allocations: Allowance for funds used during construction			
3	Interest expense			
4				
5	Net income for the year (page 117 line 72)			
6	Allocation of Net income for the year			
7	Add: Federal income tax expenses			
8				
9	Total pre-tax income			
10				
11	Add: Taxable income not reported on books:			
12				
13				
14				
15	Add: Deductions recorded on books not deducted from return:			
16				
17				
18				
19	Subtract: Income recorded on books not included in return:			
20				
21				
22				
23	Subtract: Deductions on return not charged against book income:			
24				
25				
26	Federal taxable income for the year			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (continued)			
return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members. 3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2		4. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions.	
UTILITY	OTHER	Line No.	
		1	
		2	
		3	
		4	
		5	
		6	
		7	
		8	
		9	
		10	
SUBSTITUTED FERC FORM NO. 2, PAGE 261		11	
		12	
		13	
		14	
		15	
		16	
		17	
		18	
		19	
		20	
		21	
		22	
		23	
		24	
		25	
		26	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
CALCULATION OF FEDERAL INCOME TAX				
Line No.				TOTAL AMOUNT
1	Estimated Federal taxable income for the current year (page 261)			(7,775,728)
2				
3	Show computation of estimated gross Federal income tax applicable to line 1:			
4	Tax on Line 1 @ 21%			(1,632,903)
5				
6				
7				
8	TOTAL			(1,632,903)
9				
10	Allocation of estimated gross Federal income tax from line 8			
11	Investment tax credits estimated to be utilized for the year (page 264 col (c))			
12				
13	Adjustment of last year's estimated Federal income tax to the filed tax return:			
14				
15	Last year's gross Federal income tax expense per the filed return			7,566,938
16	Last year's estimated gross Federal income tax expense			7,075,790
17	Increased (decreased) gross Federal income tax expense			491,148
18				
19	Last year's investment tax credits utilized per the filed return			
20	Last year's investment tax credits estimated to be utilized			
21	Increased (decreased) investment tax credits utilized			
22				
23	Additional Adjustments (specify)			
24	Prior year adjustment			
25	Miscellaneous/rounding			
26				
27	Total Current Federal Income Tax			(1,141,755)
28	Expense:			
29	409.1 (page 114, line 15)			(1,307,107)
30	409.2 (page 117, line 53(c))			165,352

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
CALCULATION OF FEDERAL INCOME TAX (continued)			
UTILITY	OTHER	Line No.	
		1	
		2	
		3	
		4	
		5	
		6	
		7	
		8	
		9	
		10	
		11	
		12	
		13	
		14	
	7,566,938	15	
	7,075,790	16	
	491,148	17	
		18	
		19	
		20	
		21	
		22	
		23	
		24	
		25	
		26	
	(1,141,755)	27	
		28	
	(1,307,107)	29	
		165,352	30

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR				
1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts. 2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or		accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes. 3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts. 4. List the aggregate of each kind of tax in such manner		
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	Federal Income Tax	7,075,790		
2	Employer FICA	0		
3	Federal Unemployment Tax (FUTA)	612		
4	General Tax Allocated to/from Parent	0		
5	Payroll Taxes Allocated to Affiliates	0		
6	State Sales, Use & Excise Tax	947,621		
7	State Unemployment Tax (SUTA)	2,754		
8	Property Tax		9,715,111	
9	City Income Tax	(124,000)		
10	State Income Tax	1,498,872		
11				
12				
13				
14				
15				
16				
17				
18	TOTAL	9,401,649	9,715,111	
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		(1,307,107)		165,352
2		2,819,793		
3		17,997		
4		373,684		
5		(347,700)		
6		(62,448)		
7		87,701		
8		14,791,865		
9				
10		(727,530)		50,259
11				
12				
13				
14				
15				
16				
17				
18	TOTAL	15,646,255		215,611

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)					
<p>that the total tax for each State and subdivision can readily be ascertained.</p> <p>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).</p> <p>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.</p> <p>7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll</p>			<p>deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. Show in columns (f) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p>		

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)	
(1,603,623)	7,566,938	461,868		1,632,903	1
2,819,793	2,819,793			0	2
17,997	18,571			-39	3
373,684	373,684			0	4
0	0			0	5
15,476,577	16,665,035			240,838	6
87,701	90,264			-191	7
14,791,865	10,042,654			4,965,900	8
0	(77,977)			46,023	9
(816,700)	1,638,301	139,429		816,700	10
					11
					12
					13
					14
					15
					16
					17
31,147,294	39,137,263	601,297	0	7,702,134	18

DISTRIBUTION OF TAXES CHARGED (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
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				7
				8
				9
				10
				11
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				13
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024		Year of Report 12/31/2023	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)							
1. Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and non-utility operations. Explain by footnote any correction adjustments to the account balance				shown in column (h). Include in column (j) the average period over which the tax credits are amortized. 2. Fill in columns for all line items as appropriate.			
Line No.	Account Subdivisions (a)	Subaccount Number (b)	Balance at Beginning of Year (c)	Deferred for Year			
				Account Number (d)	Amount (e)		
1	Gas Utility						
2	3%						
3	4%						
4	7%						
5	8%						
6	10%						
7							
8							
9							
10							
11							
12							
13							
14							
15	JDITC						
16							
17							
18							
19							
20	TOTAL		0				
21	Other						
22	3%						
23	4%						
24	7%						
25	8%						
26	10%						
27							
28							
29							
30							
31							
32	JDITC						
33							
34							
35	TOTAL						
NOTES							

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)					
Allocations to Current Year's Income		Adjustments (h)	Balance at End of Year (i)	Average Period of Allocation to Income (j)	Line No.
Account Number (f)	Amount (g)				
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
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					35
NOTES (Continued)					

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 at End of Year (b)	
1			
2			
3	Accrue Liab - Vacations	966,251	
4	Accrued Gas Gift Cert	0	
5	Accrue CWIP Vacations	486,082	
6	Accr Liab-HomeServe Holding	492,014	
7	Accrue Benefits - IBNR	822,000	
8	Accrue CWIP PR Acct	206,988	
9	Accr Liab-Workers Comp	57,157	
10	Accr Liab-SVdP MAP	-58,214	
11	Accr Liab-SWP MAP	-7,136	
12	Accr Liab-THAW MAP	-45,598	
13	Accr Liab-SA MAP	-63,842	
14	Accr Liab-UWJ MAP	-6,770	
15	Accr Liab-CAA MAP	-370	
16	Accr Liab-UWSE MAP	-40,531	
17	Accr Liab-TN MAP	-4,110	
18	Accr Liab-SWP One Time	211	
19	Accr Liab-Imbalances	420,315	
20	Accr Liab-THAW	2,179	
21	Accr Liab-Other	242,604	
22	Accr Liab-Customer 3rd Party Refunds	5,676,094	
23	Unrecovered Gas Cost from Customers	3,075,881	
24			
25	TOTAL	12,221,205	
CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)			
Line No.	List advances by department (a)	Balance at End of Year (b)	
29	Customer Advance for Construction	736,596	
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47	TOTAL	736,596	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
OTHER DEFERRED CREDITS (Accounts 253)						
1. Report below the particulars (details) for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (less than \$10,000) may be grouped by classes.				4. For any undelivered gas obligations to customers under take-or-pay clauses of sale agreements, show the total amount on this page and report particulars (details) called for by page 267. Show also on this page, but as a separate item, any advance billings or receipts for gas sales or service classified in Account 253 but not related to take-or-pay arrangements.		
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Accrued Pension	(8,944,529)	Var	2,612,518	2,541,941	(9,015,106)
2	Uncashed Checks	(1,287)	Var	43,302	43,887	(702)
3	Retiree Medical	(8,560,921)	926/186	7,289,855	6,984,668	(8,866,108)
4	Asset Retirement Obligation	5,246,673	404	5,246,673	10,484,117	10,484,117
5	FAS 158 Unfnd Benefits	20,980,332	186	20,980,332	21,620,164	21,620,164
6	Environmental Clean Up	-	186	-	-	-
7	GCC Deposits	473,335	131	559,607	662,679	576,407
8	Regulatory Liabilities-FIT Rate Change	43,933,938	407	46,605,918	43,933,940	41,261,960
9	Regulatory Liabilities-FAS 158	2,012,450	186	2,012,450	10,562,850	10,562,850
10	Regulatory Liabilities-IRIP Underspend	93,692	400	129,673	230,391	194,410
11	Other	-	236	0	0	-
12						
13						
14						
15						
16						
17						
18						
19						
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36						
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39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	55,233,683		85,480,328	97,064,637	66,817,992

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating		to amortizable property. 2. For Other (<i>Specify</i>) , include deferrals relating to other		
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	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5				
6				
7				
8	TOTAL Electric (Enter Total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12				
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)			
16				
17	TOTAL (Acct 281) (Total of lines 8, 15, and 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

Not Applicable

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024		Year of Report 12/31/2023	
ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Acct. 281) (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. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
							15
							16
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							19
							20
							21
NOTES (Continued)							
Not Applicable							

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 (<i>Specify</i>) , include deferrals relating to other		
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	Account 282			
2	Electric			
3	Gas	85,191,236	6,273,986	(1,299,147)
4	Other (Define)			
5	TOTAL (Enter Total of lines 2 thru 4)	85,191,236	6,273,986	(1,299,147)
6	Other (Specify)			
7	Deferred State Taxes - Michigan	19,627,351	2,118,833	(371,184)
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	104,818,587	8,392,819	(1,670,331)
10	Classification of TOTAL			
11	Federal Income Tax	85,191,236	6,273,986	(1,299,147)
12	State Income Tax	19,627,351	2,118,833	(371,184)
13	Local Income Tax			
NOTES				

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024		Year of Report 12/31/2023	
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. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
							1
							2
		186	16,306	190,282	(238,273)	90,388,042	3
							4
					(238,273)	90,388,042	5
							6
		186	4,947	190,282	(52,233)	21,422,286	7
							8
			4,947		(290,506)	111,810,328	9
							10
			0		(238,273)	90,388,042	11
			4,947		(52,233)	21,422,286	12
							13
NOTES (Continued)							

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 deferral 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				
3				
4				
5				
6	Other			
7	TOTAL Electric (Enter Total of lines 2 thru 6)			
8	Gas			
9				
10				
11				
12	Other - Federal	6,047,375	4,089,067	(1,205,082)
13	Other - Michigan	1,709,163	1,152,461	(344,310)
14	TOTAL Gas (Enter Total of lines 9 thru 13)	7,756,538	5,241,528	(1,549,392)
15	Other (Specify)			
16	TOTAL (Account 283) (Enter Total of lines 7, 14, 15)	7,756,538	5,241,528	(1,549,392)
17	Classification of TOTAL			
18	Federal Income Tax	6,047,375	4,089,067	(1,205,082)
19	State Income Tax	1,709,163	1,152,461	(344,310)
20	Local Income Tax			
NOTES				

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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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. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
		186,190,282	1,695,905			7,235,455	12
		190,282	448,283			2,069,031	13
			2,144,188			9,304,486	14
							15
			2,144,188		0	9,304,486	16
							17
			1,695,905		0	7,235,455	18
			448,283		0	2,069,031	19
							20

NOTES (Continued)

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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ACCUMULATED DEFERRED INCOME TAXES - TEMPORARY (Account 284)

1. Report the information called for below concerning each item included in this account at year end.

Line No.	Description of Item (a)	Balance at End of Year (b)	Date of Filing for Commission Approval (c)	Case Number (d)
1	Electric			
2				
3				
4				
5				
6				
7	TOTAL Electric (Enter Total of lines 2 thru 6)			
8	Gas			
9				
10				
11				
12				
13				
14	TOTAL Gas (Enter Total of lines 9 thru 13)			
15	Other (Specify)			
16	TOTAL (Account 284) (Enter Total of lines 7, 14, 15)	0		
17	Classification of TOTAL			
18	Federal Income Tax			
19	State Income Tax			
20	Local Income Tax			

NOTES

Not Applicable

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
OTHER REGULATORY LIABILITIES					
<p>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).</p> <p>2. For regulatory liabilities 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 Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1					
2	Excess Deferred Income Taxes-	253			51,824,810
3	27 year remianing life				
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
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28					
29					
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31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				51,824,810

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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GAS OPERATING REVENUES (ACCOUNT 400)			
1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.		for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.	
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.		4. Report quantities of natural gas sold in Mcf (14.65 psia dry at 60° F). If billings are on a term basis, give the Btu contents of the gas sold and the sales converted to Mcf.	
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate account; except that where separate meter readings are added for billing purposes, one customer should be counted		5. If increases or decreases from previous years (columns (c), (e) and (g)), are not derived from previously	

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	218,496,137	269,523,239
3	481 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	99,325,028	126,945,228
5	Large (or Ind.) (See Instr. 6)	5,975,412	9,872,824
6	482 Other Sales to Public Authorities		
7	484 Interdepartmental Sales	0	0
8	TOTAL Sales to Ultimate Customers	323,796,577	406,341,291
9	483 Sales for Resale		
10	TOTAL Nat. Gas Service Revenues	323,796,577	406,341,291
11	Revenues from Manufactured Gas		
12	TOTAL Gas Service Revenues	323,796,577	406,341,291
13	OTHER OPERATING REVENUES		
14	485 Intracompany Transfers		
15	487 Forfeited Discounts	1,262,228	1,354,766
16	488 Misc. Service Revenues	2,278,156	2,950,440
17	489 Rev. from Trans. of Gas of Others	26,152,315	27,289,183
18	490 Sales of Prod. Ext. from Nat. Gas		
19	491 Rev. from Nat. Gas Proc. by Others		
20	492 Incidental Gasoline and Oil Sales		
21	493 Rent from Gas Property	376,156	353,361
22	494 Interdepartmental Rents		
23	495 Other Gas Revenues	8,223,456	5,550,936
24	TOTAL Other Operating Revenues	38,292,311	37,498,686
25	TOTAL Gas Operating Revenues	362,088,888	443,839,977
26	(Less) 485 Provision for Refunds		
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	362,088,888	
28	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)	317,821,165	
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	5,975,412	
30	Sales for Resale		
31	Other Sales to Pub. Auth. (Local Dist. Only)		
32	Interdepartmental Sales	0	
33	TOTAL (Same as Line 10, Columns (b) and (d))	323,796,577	

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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GAS OPERATING REVENUES (ACCOUNT 400) (Continued)

reported figures, explain any inconsistencies in a footnote.
6. *Commercial and Industrial Sales*, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 Mcf

per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.

MCF OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTRS. PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
23,591,588	27,030,056	275,632	272,044	2
				3
13,644,903	15,169,937	24,784	24,475	4
820,367	1,291,753	395	403	5
				6
				7
38,056,858	43,491,746	300,811	296,922	8
				9
38,056,858	43,491,746	300,811	296,922	10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
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				25
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				37
				38
				39
				40

NOTES

Demand Contracts

<u>Name</u>	<u>Revenue</u>
DTE #1	183,575
DTE #2	58,634
Mirant	400,560

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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CUSTOMER CHOICE GAS OPERATING REVENUES (ACCOUNT 400)

1. Report below *natural gas operating revenues* for each prescribed account, and manufactured gas revenues in total.
2. Natural Gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that were separate meter readings are added for billing purposes, one customer should be counted for each group of meters added.

The average number of customers means the average of twelve figures at the close of each month.
4. Report quantities of natural gas sold in Mcf (14.65 psia dry at 60 degrees F). If billings are on therm basis, give the Btu contents of the gas sold and the sales converted to Mcf.
5. If increases or decreases from previous year (columns (c), (e) and (g)), are not derived from previously reported

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES		
2	489 Residential Sales	5,379,883	6,158,539
3	489 Commercial & Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	2,485,062	2,655,338
5	Large (or Ind.) (See Instr. 6)		
6	TOTAL Sales to Ultimate Customers	7,864,945	8,813,877
7			
8	OTHER OPERATING REVENUES		
9			
10	489 Other Choice Revenues		
11	TOTAL Other Operating Revenues	7,864,945	8,813,877
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)	7,864,945	
25	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	0	
26	Year End Reconciliation		
27	Other Choice Revenue	0	
28			
29	TOTAL (Same as Line 10, Columns (b) and (d))	7,864,945	

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023	
CUSTOMER CHOICE GAS OPERATING REVENUES (ACCOUNT 400) (Continued)				
figures, explain any inconsistencies in a footnote. 6. Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 mcf		per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.) 7. See pages 108-109, important changes During Year, for important new territory added and important rate increases or decreases.		
MCF OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTRS. PER MO.		
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
1,321,379	1,646,220	17,102	18,057	
1,173,902	1,290,880	1,827	1,938	
2,495,281	2,937,100	18,929	19,995	
2,495,281	2,937,100	18,929	19,995	
<div style="text-align: center;">NOTES</div>				
				2,495,281
0				
2,495,281				

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

RATE AND SALES SECTION

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

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

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

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

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

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

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

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

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

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

C. Commercial Service. This class 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 establishments where gas is used principally for large power, heating and metallurgical purposes.

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

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

H. Interdepartmental Sales. This class includes gas supplied by the gas department to other departments of the utility when the charges 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.

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625-A. SALES DATA FOR THE YEAR (For the State of Michigan)							
Line No.	Class of Service (a)	Average Number of Customers per Month (b)	Gas Sold Mcf* (c)	Revenue (Show to nearest dollar) (d)	AVERAGES		
					Mcf* per Customer (e)	Revenue per Customer (f)	Revenue per Mcf* (g)
1	AB. Residential Service			\$		\$	\$
2	A. Residential Service	2,302	174,412	1,676,471	75.77	728.27	9.61
3	B. Residential Space Heating Service	273,330	23,417,176	216,819,666	85.67	793.25	9.26
4	CD. Commercial Service						
5	C. Commercial Service, except space heating	763	979,046	5,912,066	1,283.15	7,748.45	6.04
6	D. Commercial Space Heating	24,021	12,665,857	93,412,962	527.28	3,888.80	7.38
7	E. Industrial Service	395	820,367	5,975,412	2,076.88	15,127.63	7.28
8	F. Public Street & Highway Lighting						
9	G. Other Sales to Pubic Authorities						
10	H. Interdepartmental Sales						
11	I. Other Sales						
12	A - I. Total Sales to Ultimate Consumers	300,811	38,056,858	323,796,577	126.51	1,076.41	8.51
13	J. Sales to Other Gas Utilities for Resale						
14	A - J. TOTAL SALES OF GAS	300,811	38,056,858	323,796,577	126.51	1,076.41	8.51
15	K. Other Gas Revenues						
16	A - K. TOTAL GAS OPERATING REVENUE	300,811	38,056,858	323,796,577	126.51	1,076.41	8.51
<p>* Report Mcf on a pressure base of 14.65 psia dry and a temperature base of 60 F. Give two decimals.</p>							

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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625-B. SALES DATA BY RATE SCHEDULES FOR THE YEAR

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

2. Column (a) - List all the 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 Service Rate					
2		Non-Heat	A	2,302	174,412	1,676,471
3		Heat	B	273,330	23,417,176	216,819,666
4						
5	Commercial and Industrial Service Rate					
6		Comm & Ind Non-Heat	C	763	979,046	5,912,066
7		Comm & Ind Heat	DTE	24,416	13,486,224	99,388,374
8		Other	K	0	0	0
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTALS			300,811	38,056,858	323,796,577

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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625-B. CUSTOMER CHOICE SALES DATA BY RATE SCHEDULES FOR THE YEAR

1. Report below the distribution of customers, sales and revenue for the year by individual rate schedules. (See definition on first page of this section).
2. Column (a) - List all the 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			A			
2	General Gas Rate	Residential - Heat	B	17,102	1,321,379	5,379,883
3			C			
4	General Gas Rate	Commercial - Heat	D	1,827	1,173,902	2,485,062
5			E			
6			E			
7			D			
8			H			
9			K			
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTALS			18,929	2,495,281	7,864,945

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
OFF-SYSTEM SALES - NATURAL GAS					
Report particulars (details) concerning off-system sales. Off- system sales include all sales other than MPSC approved rate schedule sales.					
Line No.	Name (a)	Point of Delivery (City or town AND State) (b)	Account (c)	Mcf of Gas Sold (Approx. B.T.U. per Cubic Ft.) (d)	
1	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
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33					
34					

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023		
OFF-SYSTEM SALES - NATURAL GAS (Continued)					
Revenue for Year (See Instr. 5) (e)	Average Revenue per Mcf (in cents) (f)	Peak Day Delivery to Customers			Line No.
		Date (g)	Mcf		
			Noncoin- cidental (h)	Coin- cidental (i)	
NONE					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
REVENUES FROM TRANSPORTATION OF GAS OF OTHERS THROUGH GATHERING FACILITIES - NATURAL GAS (Account 489.1)					
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	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
TOTAL					

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

**REVENUES FROM TRANSPORTION OF GAS OF OTHERS THROUGH GATHERING
FACILITIES -- NATURAL GAS (Account 489.1) (Cont'd)**

4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system.
5. Enter Mcf at 14.65 psia dry at 60 degrees F.
6. Minor items (less than 1,000,000 Mcf) may be grouped.

"Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a): 284.102, 284.122, 284.222, 284.223(a), 284.233(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.
None					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
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Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

**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 schedules.

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	TR-1/ST	125	123	Local
3				
4	TR-2/LT	59	59	Local
5				
6	TR-3/XLT	5	5	Local
7				
8	GS-1	2	2	Local
9				
10	GS-2	26	20	Local
11				
12	GS-3	66	64	Local
13				
14	TR3-S	2	2	Local
15				
16	Marquette Energy Center	1	1	Local
17				
18	UP Paper	1	1	Local
19				
20				Local
21				
22		287	277	Local
23				
24	Gas Customer Choice	18,752	18,929	Local
25				
26				
27				
28				
TOTAL			19,206	

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023		
REVENUES FROM TRANSPORTION OF GAS OF OTHERS THROUGH TRANSMISSION OR DISTRIBUTION FACILITIES -- NATURAL GAS (Account 489.2, 489.3) (Cont'd)					
4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system. 5. Enter Mcf at 14.65 psia dry at 60 degrees F. 6. Minor items (less than 1,000,000 Mcf) may be grouped.			>Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a): 284.102, 284.122, 284.222, 284.223(a), 284.233(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.
	3,548,045	4,675,419	1.3177		1
	7,132,669	7,797,886	1.0933		2
	3,781,125	2,779,720	0.7352		3
	392	2,997	7.6400		4
	40,379	94,205	2.3330		5
	575,823	904,159	1.5702		6
	1,668,141	1,055,782	0.6329		7
	1,319,331	505,849	0.3834		8
	961,689	471,352	0.4901		9
	2,495,281	7,864,945	3.1519	Gas Customer Choice	10
					11
					12
					13
					14
					15
					16
					17
					18
					19
					20
					21
					22
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					29
					30
	21,522,875	26,152,315	1.2151		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
REVENUES FROM STORING GAS OF OTHERS--NATURAL GAS (Account 489.4)				
<p>1. Report below particulars (details) concerning revenue from storage (by respondent) of natural gas for others. Subdivide revenue by intrastate or interstate entities.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured 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)	Average Number of Customers per Month	Mcf Of Gas Injected	
	(a)	(b)	(c)	
1	None			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
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17				
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25				
26				
27				
28				
29				
30				
TOTAL				

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023	
REVENUES FROM STORING OF GAS OF OTHERS--NATURAL GAS (Acct. 489.4) (Cont'd)				
4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system. 5. Enter Mcf at 14.65 psia at 60 degrees F. 6. Minor items (less than 1,000,000 Mcf) may be grouped.				
Mcf of Gas Withdrawn (d)	Revenue (f)	Average Revenue per Mcf of Gas Injected/Withdrawn (in cents) (g)	FERC Tariff Rate Schedule Designation (h)	Line No.
None				1
				2
				3
				4
				5
				6
				7
				8
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				10
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
SALES OF PRODUCT EXTRACTED FROM NATURAL GAS (Account 490)					
1. Report particulars (details) concerning sales of gasoline, butane, propane, and other products extracted from natural gas, including sales or any such products which may have been purchased from others for resale.			2. If the purchasers are numerous, it is permissible to group the sales by kind of product. Show the number of purchasers grouped. Show separately, however, sales to associated companies which were associated at the time the application sales contracts were made.		
Line No.	Name of Purchaser (Designate associated companies with an asterisk) (a)	Name of Product (b)	Quantity (in gallons) (c)	Amount of Sales (in dollars) (d)	Sales Amount per Gallon (in cents) (d / c) (e)
1	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
REVENUES FROM NATURAL GAS PROCESSED BY OTHERS (Account 491)					
1. Report particulars (details) concerning royalties and other revenues derived from permission granted to others for the right to remove products from the respondent's natural gas			2. If the respondent's natural gas is processed by others for removal of saleable products and no revenue therefrom is derived by the respondent, complete only columns (a) and (b) below, and include the date of the contract in column (a).		
Line No.	Name of Processor and Description of Transaction (Designate associated companies with an asterisk) (a)	Mcf of Respondent's Gas Processed (14.73 psia at 60 F) (b)		Revenue (in dollars) (c)	
1	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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			
3	Manufactured Gas Production (Submit Supplemental Statement)	0	0	
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering			
8	751 Production Maps and Records			
9	752 Gas Wells Expenses	234,226	223,383	
10	753 Field Lines Expenses	0	0	
11	754 Field Compressor Station Expenses			
12	755 Field Compressor Station Fuel and Power			
13	756 Field Measuring and Regulating Station Expenses	192	191	
14	757 Purification Expenses	0	0	
15	758 Gas Well Royalties			
16	759 Other Expenses			
17	760 Rents			
18	TOTAL Operation (Enter Total of lines 7 thru 17)	234,418	223,574	
19	Maintenance			
20	761 Maintenance Supervision and Engineering			
21	762 Maintenance of Structures and Improvements	0	565	
22	763 Maintenance of Producing Gas Wells			
23	764 Maintenance of Field Lines			
24	765 Maintenance of Field Compressor Station Equipment	724	1,926	
25	766 Maintenance of Field Meas. and Reg. Sta. Equipment	259	519	
26	767 Maintenance of Purification Equipment	0	0	
27	768 Maintenance of Drilling and Cleaning Equipment			
28	769 Maintenance of Other Equipment			
29	TOTAL Maintenance (Enter Total of lines 20 thru 28)	983	3,010	
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	235,401	226,584	
31	B2. Products Extraction			
32	Operation			
33	770 Operation Supervision and Engineering			
34	771 Operation Labor			
35	772 Gas Shrinkage			
36	773 Fuel			
37	774 Power			
38	775 Materials			
39	776 Operation Supplies and Expenses			
40	777 Gas Processed by Other			
41	778 Royalties on Products Extracted			
42	779 Marketing Expenses			
43	780 Products Purchased for Resale			
44	781 Variation in Products Inventory			
45	(Less) 782 Extracted Products Used by the Utility -- Credit			
46	783 Rents			
47	TOTAL Operation (Enter Total of lines 33 thru 46)	0	0	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
B2. Products Extraction (Continued)				
48	Maintenance			
49	784 Maintenance Supervision and Engineering			
50	785 Maintenance of Structures and Improvements			
51	786 Maintenance of Extraction and Refining Equipment			
52	787 Maintenance of Pipe Lines			
53	788 Maintenance of Extracted Products Storage Equipment			
54	789 Maintenance of Compressor Equipment			
55	790 Maintenance of Gas Measuring and Reg. Equipment			
56	791 Maintenance of Other Equipment			
57	TOTAL Maintenance (Enter Total of lines 49 thru 56)	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			
62	796 Nonproductive Well Drilling			
63	797 Abandoned Leases			
64	798 Other Exploration			
65	TOTAL Exploration and Development (Enter Total of lines 61 and 64)	0	0	
D. Other Gas Supply Expenses				
66	Operation			
67	800 Natural Gas Well Head Purchases			
68	801 Natural Gas Field Line Purchases	0	0	
69	802 Natural Gas Gasoline Plant Outlet Purchases			
70	803 Natural Gas Transmission Line Purchases	161,773,260	323,083,025	
71	803.1 Off-System Gas Purchases			
72	804 Natural Gas City Gate Purchases			
73	804.1 Liquefied Natural Gas Purchases			
74	805 Other Gas Purchases			
75	(Less) 805.1 Purchases Gas Cost Adjustments			
76	(Less) 805.2 Incremental Gas Cost Adjustments			
77	TOTAL Purchased Gas (Enter Total of lines 67 and 76)	161,773,260	323,083,025	
78	806 Exchange Gas			
79	Purchased Gas Expenses			
80	807.1 Well Expenses - Purchased Gas			
81	807.2 Operation of Purchased Gas Measuring Stations	290,005	375,791	
82	807.3 Maintenance of Purchased Gas Measuring Stations			
83	807.4 Purchased Gas Calculations Expense			
84	807.5 Other Purchased Gas Expenses			
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 and 84)	290,005	375,791	
86	808.1 Gas Withdrawn from Storage - Debit	68,139,227	76,679,511	
87	(Less) 808.2 Gas Delivered to Storage - Credit	-32,219,084	-127,618,041	
88	809.1 Withdrawals of Liquefied Natural Gas for Processing - Debit			
89	(Less) 809.2 Deliveries of Natural Gas for Processing - Credit			
90	(Less) Gas Used in Utility Operations - Credit			
91	810 Gas Used for Compressor Station Fuel - Credit	-261,982	-428,744	
92	811 Gas Used for Products Extraction - Credit			
93	812 Gas Used for Other Utility Operation - Credit	-1,066,131	-1,389,380	
94	TOTAL Gas Used in Utility Operations - Credit (Total of lines 91 thru 93)	-1,328,113	-1,818,124	
95	813 Other Gas Supply Expenses	0	0	
95a	813.1 Synthetic Gas Supply Expenses			
95b	813.2 Gas Cost Recovery Expenses - Royalties			
96	TOTAL Other Gas Supply Exp (Total of lines 77, 78, 85, 86 thru 89, 94, 95)	196,655,295	270,702,162	
97	TOTAL Production Expenses (Enter Total of lines 3, 30, 58, 65, and 96)	196,890,696	270,928,746	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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			
102	815 Maps and Records			
103	816 Wells Expenses	110,041	182,356	
104	817 Lines Expenses	1,035	423	
105	818 Compressor Station Expenses	127,234	116,452	
106	819 Compressor Station Fuel and Power	313,681	514,628	
107	820 Measuring and Regulating Station Equipment	49,259	71,638	
108	821 Purification Expenses			
109	822 Exploration and Development			
110	823 Gas Losses			
111	824 Other Expenses	100	100	
112	825 Storage Well Royalties			
113	826 Rents			
114	TOTAL Operation (Enter Total of lines 101 thru 113)	601,350	885,597	
115	Maintenance			
116	830 Maintenance Supervision and Engineering			
117	831 Maintenance of Structures and Improvements	2,863	605	
118	832 Maintenance of Reservoirs and Wells	5,473	13,954	
119	833 Maintenance of Lines	1,736	0	
120	834 Maintenance of Compressor Station Equipment	67,325	213,970	
121	835 Maintenance of Measuring and Regulating Station Equipment	0	411	
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment	0	357	
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)	77,397	229,297	
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	678,747	1,114,894	
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation Supervision and Engineering			
129	841 Operation Labor and Expenses			
130	842 Rents			
131	842.1 Fuel			
132	842.2 Power			
133	842.3 Gas Losses			
134	TOTAL Operation (Enter Total of lines 128 thru 133)	0	0	
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering			
137	843.2 Maintenance of Structures and Improvements			
138	843.3 Maintenance of Gas Holders			
139	843.4 Maintenance of Purification Equipment			
140	843.5 Maintenance of Liquefaction Equipment			
141	843.6 Maintenance of Vaporizing Equipment			
142	843.7 Maintenance of Compressor Equipment			
143	843.8 Maintenance of Measuring and Regulating Equipment			
144	843.9 Maintenance of Other Equipment			
145	TOTAL Maintenance (Enter Total of lines 136 thru 144)	0	0	
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)	0	0	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
147	C. Liquefied Natural Gas Terminating and Processing Expenses				
148	Operation				
149	844.1 Operation Supervision and Engineering				
150	844.2 LNG Processing Terminal Labor and Expenses				
151	844.3 Liquefaction Processing Labor and Expenses				
152	844.4 Liquefaction Transportation Labor and Expenses				
153	844.5 Measuring and Regulating Labor and Equipment				
154	844.6 Compressor Station Labor and Expenses				
155	844.7 Communication System Expenses				
156	844.8 System Control and Load Dispatching				
157	845.1 Fuel				
158	845.2 Power				
159	845.3 Rents				
160	845.4 Demurrage Charges				
161	(Less) 845.5 Wharfage Receipts - Credit				
162	845.6 Processing Liquefied or Vaporized Gas by Others				
163	846.1 Gas Losses				
164	846.2 Other Expenses				
165	TOTAL Operation (Enter Total of lines 149 thru 164)	0	0		
166	Maintenance				
167	847.1 Maintenance Supervision and Engineering				
168	847.2 Maintenance of Structures and Improvements				
169	847.3 Maintenance of LNG Processing Terminal Equipment				
170	847.4 Maintenance of LNG Transportation Equipment				
171	847.5 Maintenance of Measuring and Regulating Equipment				
172	847.6 Maintenance of Compressor Station Equipment				
173	847.7 Maintenance of Communication Equipment				
174	847.8 Maintenance of Other Equipment				
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)	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)	678,747	1,114,894		
178	3. TRANSMISSION EXPENSES				
179	Operation				
180	850 Operation Supervision and Engineering				
181	851 System Control and Load Dispatching				
182	852 Communication System Expenses				
183	853 Compressor Station Labor and Expenses				
184	854 Gas for Compressor Station Fuel	638	692		
185	855 Other Fuel and Power for Compressor Stations				
186	856 Mains Expenses	7,445	15,862		
187	857 Measuring and Regulating Station Expenses	234,142	269,643		
188	858 Transmission and Compression of Gas by Others				
189	859 Other Expenses	250,430	275,132		
190	860 Rents				
191	TOTAL Operation (Enter Total of lines 180 thru 190)	492,655	561,329		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
3. TRANSMISSION EXPENSES (Continued)				
192	Maintenance			
193	861 Maintenance Supervision and Engineering			
194	862 Maintenance of Structures and Improvements	23,029	22,093	
195	863 Maintenance of Mains	74,693	34,523	
196	864 Maintenance of Compressor Station Equipment	331	217	
197	865 Maintenance of Measuring and Reg. Station Equipment	12,074	6,579	
198	866 Maintenance of Communication Equipment	-	-	
199	867 Maintenance of Other Equipment	181	-	
200	TOTAL Maintenance (Enter Total of lines 193 thru 199)	110,308	63,412	
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	602,963	624,741	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering	581,693	594,494	
205	871 Distribution Load Dispatching	454,594	470,657	
206	872 Compressor Station Labor and Expenses	-	-	
207	873 Compressor Station Fuel and Power			
208	874 Mains and Services Expenses	4,654,450	4,470,541	
209	875 Measuring and Regulating Station Expenses - General	495,377	610,465	
210	876 Measuring and Regulating Station Expenses - Industrial	82,794	102,450	
211	877 Measuring and Regulating Station Expenses - City Gate Check Station	713,592	702,689	
212	878 Meter and House Regulator Expenses	761,310	879,944	
213	879 Customer Installations Expenses	476,194	676,079	
214	880 Other Expenses	2,355,844	2,183,171	
215	881 Rents	1,851,286	1,954,410	
216	TOTAL Operation (Enter Total of lines 204 thru 215)	12,427,134	12,644,900	
217	Maintenance			
218	885 Maintenance Supervision and Engineering	285	1,005	
219	886 Maintenance of Structures and Improvements	2,247	-	
220	887 Maintenance of Mains	1,254,483	1,374,428	
221	888 Maintenance of Compressor Station Equipment	-	-	
222	889 Maintenance of Meas. and Reg. Sta. Equip. - General	711,972	732,106	
223	890 Maintenance of Meas. and Reg. Sta. Equip. - Industrial	185,019	226,209	
224	891 Maintenance of Meas. and Reg. Sta. Equip. - City Gate Check Station	309,980	274,844	
225	892 Maintenance of Services	1,019,660	1,427,594	
226	893 Maintenance of Meters and House Regulators	1,007,186	1,220,646	
227	894 Maintenance of Other Equipment	27,892	17,685	
228	TOTAL Maintenance (Enter Total of lines 218 thru 227)	4,518,724	5,274,517	
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	16,945,858	17,919,417	
230	5. CUSTOMER ACCOUNTS EXPENSE			
231	Operation			
232	901 Supervision	1,592,000	1,553,265	
233	902 Meter Reading Expenses	533,177	531,045	
234	903 Customer Records and Collection Expenses	3,731,139	3,801,727	
235	904 Uncollectible Accounts	876,139	1,355,577	
236	905 Miscellaneous Customer Accounts Expenses	-	-	
237	TOTAL Customer Accounts Expenses (Enter Total of lines 232 thru 236)	6,732,455	7,241,614	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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			
241	908 Customer Assistance Expenses			
242	909 Informational and Instructional Expenses			
243	910 Miscellaneous Customer Service and Informational Expenses			
244	TOTAL Customer Service and Informational Expenses (Lines 240 thru 243)	0	0	
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision			
248	912 Demonstrating and Selling Expenses			
249	913 Advertising Expenses			
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 Supervision	11,499,825	11,272,669	
255	921 Office Supplies and Expenses	7,289,729	6,394,869	
256	(Less) (922) Administrative Expenses Transferred - Cr.	-6,730,000	-4,600,000	
257	923 Outside Services Employed	16,626,193	12,745,150	
258	924 Property Insurance	1,945,077	1,435,034	
259	925 Injuries and Damages	219,415	481,992	
260	926 Employee Pensions and Benefits	7,317,332	611,987	
261	927 Franchise Requirements			
262	928 Regulatory Commission Expenses	734,115	1,280,327	
263	(Less) (929) Duplicate Charges - Cr.			
264	930.1 General Advertising Expenses	271,618	208,337	
265	930.2 Miscellaneous General Expenses	22,534	15,003	
266	931 Rents	37,833	45,028	
267	TOTAL Operations (Enter Total of lines 254 thru 266)	39,233,671	29,890,396	
268	Maintenance			
269	935 Maintenance of General Plant	3,084	135	
270	TOTAL Administrative and General Exp. (Total of lines 267 and 269)	39,236,755	29,890,531	
271	TOTAL Gas O. and M. Exp (Lines 97, 177, 201, 229, 237, 244, 251, and 270)	261,087,474	327,719,943	
NUMBER OF GAS DEPARTMENT EMPLOYEES				
1. The data on number of employees should be reported for the payroll period ending nearest to December 31, or any payroll period ending 60 days before or after December 31.		construction employees in a footnote.		
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		3. The number of employees assignable to the gas department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.		
1	Payroll Period Ended (Date)	12/22/23		
2	Total Regular Full-Time Employees	426		
3	Total Part-Time and Temporary Employees			
4	Total Employees	426		

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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EXPLORATION AND DEVELOPMENT EXPENSES (Accounts 795, 796, 798)
(Except Abandoned Leases, Account 797)

1. Report below the exploration and development costs for the year, exclusive of Account 797, *Abandoned Leases*, according to the prescribed accounts shown by the column headings.

2. Provide subheadings and subtotals for exploration and development costs for each State.

3. Explain in a footnote any difference between the amounts reported in column (f) and the amount shown on page 231, Preliminary Survey and Investigation Charges, for clearance to Account 798 during the year from Account 183.1 *Preliminary Natural Gas Survey and Investigation Charges*.

Line No.	Field (a)	County (b)	Delay Rentals (Account 795) (c)	Nonproductive Well Drilling (Account 796)		Other Exploration Costs (Account 798) (f)	Total (g)
				Number of Wells (d)	Amount (e)		
1	NONE						
2							
3							
4							
5							
6							
7							
8							
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26							
27	TOTAL						

ABANDONED LEASES (Account 797)

1. Report below the particulars (details) concerning the provision for the year to cover probable loss on abandonment of natural gas leases included in Account 105, Gas Plant Held for Future Use which have never been productive.

2. Explain the basis of determining the year's provision and state whether the basis is the same as that used for the preceding year.

If the year's total provision is comprised of separate determinations with respect to certain groups or classes of leases, show separately the determinations for each such group or class. If the provision was so determined that component amounts may be identified by territories, fields, or counties, show the component amounts identified as such.

Line No.	Item (a)	Amount (b)
1		
2		
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9		
10	TOTAL	

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 follow:</p> <p style="padding-left: 40px;">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 accounts, 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 country 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 date.</p> <p>If the purchase was permanently discontinued during the reporting year, so indicate by an asterick (*) 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 in prior years.</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 SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
GAS PURCHASES (Accounts 800, 801, 802, 803, 803.1, 804, 804.1 & 805) (Continued)					
Line No.	Account No. (a)	Name of Seller (Designate Associated Companies) (b)	Name of Producing Field or Gasoline Plant (c)	State (d)	
1		Information will be made available upon request			
2					
3					
4					
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8					
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
GAS PURCHASES (Account 800, 801, 802, 803, 803.1, 804, 804.1, & 805) (Continued)						
County (e)	Date of Contract (f)	Approx. Btu Per Cu. ft. (g)	Gas Purchased-Mcf (14.73 psia 60 F) (h)	Cost of Gas (i)	Cost Per Mcf (cents) (j)	Line No.
Information will be made available upon request						1
						2
						3
						4
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas)				
1. Report below particulars (details) concerning the gas volumes and related dollar amounts of natural gas exchange transactions during the year. Minor		transactions (less than 100,000 Mcf) may be grouped. 2. Also give the particulars (details) call for concerning each natural gas exchange where consideration		
Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Exchange Gas Received		
		Point of Receipt (City, state, etc.) (b)	Mcf (c)	Debit (Credit) Account 242 (d)
1	None			
2				
3				
4				
5				
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44				
45	TOTAL			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)					
was received or paid in performance of gas exchange services.			4. Indicate points of receipt and delivery of gas so that they may be readily identified on a map of the respondent's pipeline system.		
3. List individually net transactions occurring during the year for each rate schedule.					
Exchange Gas Delivered			Excess Mcf Received or Delivered (h)	Debit (Credit) Account 806) (i)	Line No.
Point of Delivery (City, State, etc.) (e)	Mcf (f)	Debit (Credit) Account 174 (g)			
None					1
					2
					3
					4
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Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)

5. Furnish any additional explanations needed to further explain the accounting for exchange gas transactions.

6. Report the pressure base of measurement of gas volumes at 14.73 psia at 60°F.

Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Charges Paid or Payable by Respondent		Revenues Received or Receivable by Respondent		FERC Tariff Rate Schedule Identification (n)
		Amount (j)	Account (k)	Amount (l)	Account (m)	
1	None					
2						
3						
4						
5						
6						
7						
8						
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43						
44						
45	TOTAL					

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024		Year of Report 12/31/2023	
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	39,722	261,982	659.54		
2	811 Gas used for Products Extraction - Cr.						
3	Gas Shrinkage and Other Usage in Respondent's Own Proc.						
4	Gas Shrinkage, Etc. for Respd't'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)	819/VAR	4,623	33,975	734.89		
7							
8	Meas./Reg. Station	VAR	64,758	475,901	734.89		
9	Heat/General Use	VAR	75,692	556,255	734.89		
10							
11							
12							
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23							
24							
25	TOTAL		184,795	1,328,113	718.70		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (Account 858)				
1. Report below particulars (details) concerning gas transported or compressed for respondent by others equaling more than 1,000,000 Mcf (Bcf) and amounts of payments for such services during the year.			Minor items (less than 1,000,000 Mcf) must be grouped. 2. In column (a) give name of companies to which payments were made, points of delivery and receipt of gas, names of companies to which gas was delivered and from	
Line No.	Name of Company and Description of Service Performed (Designate associated companies with an asterisk) (a)			Distance Transported (in miles) (b)
1	NONE			
2				
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45				
46	TOTAL			

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
TRANSMISSION AND COMPRESSION OF GAS BY OTHERS (Account 858) (Continued)			
which received. Points of delivery and receipt should be so designated that they can be identified readily on map of respondent's pipeline system.		3. If the Mcf of gas received differs from the Mcf delivered, explain in a footnote the reason for difference, i.e. uncompleted deliveries, allowance for transmission loss, etc.	
Mcf of Gas Delivered (14.73 psia at 60 F) (c)	Mcf of Gas Received (14.73 psia at 60 F) (d)	Amount of Payments (in dollars) (e)	Amount per Mcf of Gas Received (in cents) (f)
NONE			Line No.
			1
			2
			3
			4
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0			46

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
LEASE RENTALS CHARGED			
<p>1. For purposes of this schedule a "lease" is defined as a contract or other agreement by which one party (lessor) conveys an intangible right or land or other tangible property and equipment to another (lessee) for a specified period of one year or more for rent.</p> <p>2. Report below, for leases with annual charges of \$25,000 or more, but less than \$250,000, the data called for in column a, b (description only), f, g and j.</p> <p>3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.</p> <p>4. The annual charges referred to in Instruction 2 and 3 include the basic lease payment and other payments to or on behalf of the lessor such as taxes, depreciation, assumed interest or dividends on the lessor's securities, cost of replacements** and other expenditures with respect to leased property. The expenses paid by lessee are to be itemized in column (e) below.</p>		<p>5. Leases of construction equipment in connection with construction work in progress are not required to be reported herein. Continuous, master or open-ended leases for EDP or office equipment, automobile fleets and other equipment that is short-lived and replaced under term of the lease or for pole rentals shall report only the data called for in columns a, b (description only), f, g and j, unless the lessee has the option to purchase the property.</p> <p>6. In column (a) report the name of the Lessor. List lessors which are associated companies* (describing association) first, followed by non-associated lessors.</p> <p>7. In column (b) for each leasing arrangement, report in order, classified by production plant, storage plant, transmission line, distribution system, or other operating unit or system, followed by any other leasing arrangement not covered under the preceding classifications:</p>	
A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES			
Name of Lessor (a)	Basic Details of Lease (b)	Termination Date of Lease, Primary (P) or Renewal (R) (c)	
Wheels Inc.	Cars, trucks, vans, and accessories for the vehicles. Partial distribution system and partial other operating system continuous lease.		
Automotive Rental Inc (ARI)	Cars, trucks, vans, and accessories for the vehicles. Partial distribution system and partial other operating system continuous lease.		

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

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023				
LEASE RENTALS CHARGED (Continued)							
<p>Description of the property, whether lease is a sale and leaseback, whether lessee has option to purchase and conditions of purchase, whether lease is cancellable by either party and the cancellation conditions, the tax treatment used, the accounting treatment of the lease payments (levelized charges to expense or other treatment), the basis of any charges apportioned between the lessor and lessee, and the responsibility of the respondent for operation and maintenance expenses and replacement of property. The above information is to be reported with initiation of the lease and thereafter when changed or every five years, whichever occurs first.</p> <p>8. Report in column (d), as of the date of the current lease term, the original cost of the property leased, estimated if not known, or the fair market of the property if greater than original cost and indicate as shown. If leased property is part of a large unit, such as part of a building, indicate without associating any cost or value with it.</p>		<p>9. Report in column (k) below the estimated remaining annual charges under the current term of the lease. Do not apply a present value to the estimate. Assume that cancellable leases will not be cancelled when estimating the remaining charges.</p> <p>* See definition on page 226 (B)</p>					
A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES							
Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		217,187				Various	
		4,254,195				Various	

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES (Continued)			
Name of Lessor (a)	Basic Details of Lease (b)	Termination Date of Lease, Primary (P) or Renewal (R) (c)	
Not Applicable			
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024		Year of Report 12/31/2023	
A. LEASE RENTALS CHARGED TO GAS OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
Not Applicable							
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)							

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
OTHER GAS SUPPLY EXPENSES (Account 813)				
Report other gas supply expenses by descriptive titles which clearly indicate the nature of such expenses. Show maintenance expenses separately. Indicate the functional classification and purpose of property to which any expenses relate.				
Line No.	Description (a)			Amount (in dollars) (b)
1	NONE			
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50	TOTAL			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)				
1	Industry association dues			
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 (List items of \$5,000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Group amounts of less than \$5,000 by classes if the number of items so grouped is shown.)			0
5	Discounts taken on vendor payments			(1,758)
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49	TOTAL			(1,758)

Name of Respondent	This Report Is:	Date of Report	Year of Report
SEMCO ENERGY GAS CO	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	4/30/2024	12/31/2023

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accts 403, 404.1, 404.2, 404.3, 405)
(Except Amortization of Acquisition Adjustments)

- | | |
|--|---|
| <p>1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.</p> <p>2. Report all available information called for in Section B for the report year 1971, 1974 and every fifth year thereafter. Report only annual changes in the intervals</p> | <p>between the report years (1971, 1974 and every fifth year thereafter).</p> <p>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</p> |
|--|---|

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

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (c)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (d)
1	Intangible plant			
2	Production plant, manufactured gas			
3	Production and gathering plant, natural gas			
4	Products extraction plant			
5	Underground gas storage plant			
6	Other storage plant			
7	Base load LNG terminating and processing plant			
8	Transmission plant			
9	Distribution plant			
10	General plant (See Note)			
11	Common plant - gas			
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25	TOTAL			

SEE PAGE 336N

Name of Respondent SEMCO ENERGY GAS CO	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023		
<p align="center">DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (NONMAJOR) (Accounts 403.1, 404, 405) (Except Amortization of Acquisition Adjustments)</p>					
<p>1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.</p> <p>2. Report all available information called for in Section B for the report year 1971, 1974 and every fifth year thereafter. Report only annual charges in the intervals between the report years (1971, 1974 and every fifth year thereafter).</p> <p>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 classification other than those pre-printed in column (a). Indicate at the bottom of Section B the manner in which column (b) balances</p> <p>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.</p> <p>3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section B the amounts and nature of the provisions and the plant items to which related.</p>					
Section A. Summary of Depreciation, Depletion, and Amortization Charges					
Line No.	Functional Classification (a)	Depreciation and Depletion Expense (Account 403.1) (b)	Amortization of Limited-Term Gas Plant (Account 404) (c)	Amortization of Other Gas Plant (Account 405) (d)	TOTAL (b+c+d) (e)
1	Intangible plant (See Note)	915,243	1,072,631		1,987,874
2	Production plant, manufactured gas				
3	Production & gathering plant, natural gas				
4	Products extraction plant				
5	Underground gas storage plant	544,236			544,236
6	Other storage plant				
7	Base load LNG terminating & processing plant				
8	Transmission plant	3,688,203			3,688,203
9	Distribution plant	25,856,225			25,856,225
10	General plant (See Note)	2,774,687			2,774,687
11	Common plant - gas				
12					
13	Note: Line 1 includes amortization expense taken on Peninsula Gas Intangible Assets of \$3,280 & MGP Cleanup of \$897,149				
14	that were not run through the reserve for accumulated depreciation.				
15				Under 403	
16	Note: Line 10 includes \$417,386 of indirect allocation of depreciation expense from our Parent company that was not run through the				
17	reserve for accumulated depreciation.				
18			under 403		
19	Note: Resv for A/Depr includes \$1,704,682 in exp for Depr of Financed Leases NOT run thru Dep Exp, but booked				
20	as an Operating Exp				
21	TOTAL	33,778,594	1,072,631	-	34,851,225

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023	
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (Continued)				
manner in which column (b) balances are obtained. If average balances, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine		depreciation charges, show at the bottom of Section B any revisions made to estimated gas reserves. 3. If provisions for depreciation provided by application of reported rates, state at the bottom of Section B the amounts and nature of the provisions and the plant items to which related.		
Section A. Summary of Depreciation, Depletion, and Amortization Charges				
Amortization of Other Limited-term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405) (f)	Total (b to f) (g)	Functional Classification (a)	Line No.
			Intangible plant	1
			Production plant, manufactures gas	2
			Production and gathering plant, natural gas	3
			Production extraction plant	4
			Underground gas storage plant	5
			Other storage plant	6
			Base load LNG terminating and processing plant	7
			Transmission plant	8
			Distribution plant	9
			General plant	10
			Common plant - gas	11
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			TOTAL	25
SEE PAGE 336N				

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)				
Section B. Factors Used in Estimating Depreciation Charges				
Line No.	Functional Classification (a)	Depreciation Plant Base (Thousands) (b)	Applied Depr. Rate(s) (Percent) (c)	
1	Production and Gathering Plant			
2	Offshore			
3	Onshore	0	0.00	
4	Underground Gas Storage Plant	27,684	1.97	
5	Transmission Plant			
6	Offshore			
7	Onshore	194,510	1.90	
8	General Plant	51,437	4.57	
9	Distribution Plant	883,356	2.93	
10	Amortized Plant	9,457	11.50	
<p align="center">Notes to Depreciation, Depletion, and Amortization of Gas Plant</p> <p>Column b includes all depreciable or amortized mean plant balances to which a rate is applied.</p>				

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
INCOME FROM UTILITY PLANT LEASED TO OTHERS (Account 412 and 413)				
<p>1. Report below the following information with respect to utility property leased to others constituting an operating unit or system.</p> <p>2. For each lease show: (1) name of lessee and description and location of the leased property; (2) revenues; (3) operating expenses classified as to operation, maintenance, depreciation, rents, amortization; and (4) net income from lease for year. Arrange amounts so that deductions appear as a subtraction from revenues, and income as the remainder.</p> <p>3. Provide a subheading and total for each utility department in addition to a total for all utility departments.</p> <p>4. Furnish particulars (details) of the method of determining the annual rental for the property.</p> <p>5. Designate with an asterisk associated companies.</p>				
Line No.	Lessee, Description and Location of Property (a)	Revenues (b)	Operating Expenses (c)	Net Income (d)
1	Parking Lessees:			
2	Structure and Surface Lot is located at:			
	1411 Third St.			
	Port Huron, MI 48060			
3				
4	Young Men's Christian Association of the Blue Water Area	16,236		16,236
	Parking Structure- Approximately 507 Parking Spaces			
	Surface Parking Lot- Approximately 16 Parking Spaces			
5				
6				
7	Building Lessees:			
	Harborside Office Center is located at:			
8	1411 Third St.			
	Port Huron, MI 48060			
9	AFX Industries, LLC	40,250		40,250
	2300 square feet, known as Suite G and use of all common areas			
10				
11	Fletcher Fealko Shoudy & Francis, P.C.	122,243		122,243
	6448 square feet, known as Suite F and use of all common areas			
12				
13	Garan Lucow Miller, P.C.	67,490		67,490
	4530 square feet, known as Suite H and use of all common areas			
14				
15	McLaren Home Care Group	77,326		77,326
	4623 square feet, known as Suite C and use of all common areas			
16				
17	The Times Herald Company	49,230		49,230
	2735 square feet, known as Suite E and the use of all common areas			
18				
21	Total Operating Expenses relating to leased property		-270,430	-270,430
22				
23				
24				
25	Annual rental amounts for the leased property are based on contracts, some that were in place with the lessees, at time of the building's acquisition.			
26				
27				
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29				
30	TOTAL			102,345

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS			
<p>Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.</p> <p>(a) <i>Miscellaneous Amortization</i> (Account 425) -- Describe the nature of items included in the account, the contra account charged, the total of amortizations charges for the year, and the period of amortization.</p> <p>(b) <i>Miscellaneous Income Deductions</i> -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, <i>Donations</i>; 426.2, <i>Life Insurance</i>; 426.3, <i>Penalties</i>; 426.4, <i>Expenditures for Certain Civic, Political and Related Activities</i>; and 426.5, <i>Other</i></p>		<p><i>Deductions, of the Uniform System of Accounts</i>. Amounts of less than \$10,000 may be grouped by classes within the above accounts.</p> <p>(c) <i>Interest on Debt to Associated Companies</i> (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.</p> <p>(d) <i>Other Interest Expense</i> (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.</p>	
Line No.	Item (a)	Amount (b)	
1	Account 426 - Miscellaneous Income Deductions		
2			
3	Donations	207,099	
4	THAW	17,448	
5	United Way	27,683	
6	Total Donations	252,230	
7			
8	Other Governmental Affairs	89,586	
9			
10			
11		341,816	
12			
13	Account 430		
14	Interest on LT Note to Parent (430.00)	17,133,840	
15			
16	Total Account 430	17,133,840	
17			
18			
19			
20	Account 431		
21	Other Interest Expense	643,454	
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Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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PARTICULARS CONCERNING CERTAIN INCOME ACCOUNTS

1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.
2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416) -- Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.
3. Nonutility Operations (Accounts 417 and 417.1) -- Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the operation. Give the basis of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.
4. Nonoperating Rental Income (Account 418) -- For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.
5. 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.
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.
7. Miscellaneous Nonoperation 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.

Line No.	Item (a)	Amount (b)
1	MERCHANDISING, JOBBING & CONTRACT WORK	
2	Appliance Sales & Installations	2,375
3	Cost of Appliances Sold & Installation Cost	0
4		
5	TOTAL Merchandising, Jobbing & Contract Work	2,375
6		
7	NON-UTILITY OPERATION	
8	Non Utility Oper Revenue	6,300
9	Non Utility Oper Expense	0
10		
11		
12		
13		
14	TOTAL Non-Utility Operation	6,300
15		
16	INTEREST INCOME	1,147,989
17		
18	MISC NON-OPERATING INCOME	
19	Misc Non-operating Income	0
20		
21		0
22		
23	Total	1,156,664

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2)

1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type: Leased, Held for Future Use, or Nonutility.
2. Individual gains for losses relating to property with an original cost of less than \$100,000 may be grouped

with the number of such transactions disclosed in column (a).
3. Give the date of Commission approval of journal entries in columns (b), when approval is required. Where approval is required but has not been received, give explanation following item in column (a). (See account 102, Utility Plant Purchased or Sold.)

Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	Gain on disposition of property:				
2					
3	Parcels: 52-3140-00-041-0, 52-0612-28-651-0, 52-3140-00-037-0 in the City of Battle Creek MI	63,741	n/a	23,303	
4					
5	Property Type: Utility Land				
6	wire rec'd 8/1/2023				
7					
8					
9					
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16					
17	Total Gain	63,741		23,303	

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GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2)					
Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
18	Loss on disposition of property:				
19					
20	None				
21					
22					
23					
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33					
34	Total Loss	-			0

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
<p align="center">EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES (Account 426.4)</p>			
<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</p>		<p>reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.</p> <p>3. Expenditures within the definition of paragraph (1), other than advertising shall be reported according to captions or descriptions clearly indicating the nature and purpose of the activity.</p> <p>4. If respondent has not incurred any expenditures contemplated by the instructions of Account 426.4, so state.</p> <p>5. For reporting years which begin during the calendar year 1963 only, minor amounts may be grouped by classes if the number of items so grouped is shown.</p> <p>NOTE: The classification of expenses as nonoperating and their inclusion in this 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	Governmental Affairs Activity	89,586	
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
REGULATORY COMMISSION EXPENSES					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which			such a body was a party. 2. In columns (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.		
Line No.	Description (Furnish name of regulatory commission or body the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e)
1	Michigan Department of Commerce -				
2	Public Utility Assessment	602,981		602,981	
3	Rate Case Costs	2,926		2,926	
4					
5	Legal Fees, Consulting Services		128,208	128,208	
6					
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46	TOTAL	605,907	128,208	734,115	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES				
1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) projects initiated, continued, or concluded during the year. Report also support given to others during the year for jointly-supported projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts). 2. Indicate in column (a) the applicable classification, as shown below. Classifications: A. Gas R, D & D Performed Internally (1) Pipeline a. Design b. Efficiency		(2) Compressor Station a. Design b. Efficiency (3) System Planning, Engineering, and Operation (4) Transmission Control and Dispatching (5) LNG Storage and Transportation (6) Underground Storage (7) Other Storage (8) New Appliances and New Uses (9) Gas Exploration, Drilling, Production, and Recovery (10) Coal Gasification (11) Synthetic Gas (12) Environmental Research (13) Other (<i>Classify and Include Items in Excess of \$5,000.</i>) (14) Total Cost Incurred		
Line No.	Classification (a)	Description (b)		
1	NONE			
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Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023		
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)					
<p>B. Gas, R, D & D Performed Externally</p> <p>(1) Research Support to American Gas Association</p> <p>(2) Research Support to Others (<i>Classify</i>)</p> <p>(3) Total Cost Incurred</p> <p>3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A.(13) and B.(2) classify items by type of R, D&D activity.</p>		<p>4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107 (Construction Work in Progress) first. Show in column (f) the amounts related to the account charged in column (e).</p> <p>5. Show in column (g) the total unamortized accumulation of costs of projects. This total must equal the balance in Account 188 <i>Research, Development, and Demonstration Expenditures</i> outstanding at the end of the year.</p> <p>6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d) and (f) with such amounts identified by "Est."</p> <p>7. Report separately research and related testing facilities operated by the respondent.</p>			
Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
Account (e)	Amount (f)				
NONE					1
					2
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 <i>Utility Departments, Construction, Plant Removals, and Other Accounts</i> , and enter such amounts		in the appropriate lines and columns provided. In determining the 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 (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 (Total of lines 3 and 12)	0		
19	Transmission (Total of lines 4 and 13)	0		
20	Distribution (Total of lines 5 and 14)	0		
21	Customer Accounts (Line 6)	0		
22	Customer Service and Informational (Line 7)	0		
23	Sales (Line 8)	0		
24	Administrative and General (Total of lines 9 and 15)	0		
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)	0		
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Nat. Gas (Including Expl. and Dev.)	193,933		
30	Other Gas Supply	0		
31	Storage, LNG Terminating and Processing	3,154		
32	Transmission	26,610		
33	Distribution	8,110,099		
34	Customer Accounts	4,337,752		
35	Customer Service and Informational	0		
36	Sales	0		
37	Administrative and General	7,673,206		
38	TOTAL Operation (Total of lines 28 thru 37)	20,344,754		
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas	211		
42	Other Gas Supply	0		
43	Storage, LNG Terminating and Processing	4,605		
44	Transmission	37,089		
45	Distribution	2,369,119		
46	Administrative and General	0		
47	TOTAL Maint. (Total of lines 40 thru 46)	2,411,024		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	Gas (Continued)			
48	Total Operation and Maintenance			
49	Production - Manufactured Gas (Lines 28 and 40)	0		
50	Production - Natural Gas (Including Expl. and Dev.) (Lines 29 and 41)	194,144		
51	Other Gas Supply (Lines 30 and 42)	0		
52	Storage, LNG Terminating and Processing (Lines 31 and 43)	7,759		
53	Transmission (Lines 32 and 44)	63,699		
54	Distribution (Lines 33 and 45)	10,479,218		
55	Customer Accounts (Line 34)	4,337,752		
56	Customer Service and Informational (Line 35)	0		
57	Sales (Line 36)	0		
58	Administrative and General (Lines 37 and 46)	7,673,206		
59	TOTAL Oper. and Maint. (Total of lines 49 thru 58)	22,755,778	364,240	23,120,018
60	Other Utility Departments			
61	Operation and Maintenance			0
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	22,755,778	364,240	23,120,018
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant			
66	Gas Plant	10,441,157	167,127	10,608,284
67	Other			
68	TOTAL Construction (Total of lines 65 thru 67)	10,441,157	167,127	10,608,284
69	Plant Removal (By Utility Departments)			
70	Electric Plant			
71	Gas Plant	1,386,227	22,189	1,408,416
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	1,386,227	22,189	1,408,416
74	Other Accounts (Specify):			
75				
76	Merchandise			
77	Jobbing			
78	Other	5,246		5,246
79				
80				
81				
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83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	5,246	-	5,246
96	TOTAL SALARIES AND WAGES	34,588,408	553,556	35,141,964

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
COMMON UTILITY PLANT AND EXPENSES				
<p>1. Furnish a schedule describing the property carried in the utility's accounts as common utility plant and showing the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 14, Common Utility Plant, of the Uniform System of Accounts. Such schedule also shall show the allocation of such plant costs to the respective departments using the common utility plant, explain the basis of allocation used, and give the allocation factors.</p> <p>2. Furnish a schedule of the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provision, and amounts allocated to utility departments using the common utility plant to which</p> <p>such accumulated provisions relate including explanation of basis of allocation and factors used.</p> <p>3. Furnish a schedule showing for the year the expenses of operation, maintenance, rents, depreciation and amortization of common utility plant classified by accounts as provided by the Uniform System of Accounts. Such schedule also shall show the allocation of such expenses to the departments using the common utility plant to which such expenses are related, explain the basis of allocation used, and give the factors of allocation.</p> <p>4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.</p>				
Line No.				
1	NONE			
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
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 or any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, 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 or 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	SEMCO ENERGY, INC. 1411 Third Street Port Huron, MI 48060	Management, Financial, Legal, and Accounting		923.00	13,765,293
2					
3					
4					
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In column (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	SEMCO ENERGY, INC.	Parent Company			
2			Payroll	VAR	6,065,559
3					
4			Facility Costs	880	222,664
5					
6					
7					
8					
9					
10	SEMCO Pipeline Company	Owned by same Parent Company	Pipeline Operations & Maintenance	495	327,615
11					
12					
13					
14					
15					
16					
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31					
TOTAL					6,615,838

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES						
5. In columns (f) and (g) report the 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.
			2,031,927	8,097,486	Cost	1
						2
						3
				222,664	Cost	4
						5
						6
						7
						8
						9
						10
				327,615	Contract	11
						12
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			2,031,927	8,647,765		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
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 column (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	SEMCO ENERGY, INC.	Parent Company			
2			Admin & General	VAR	14,371,554
3					
4			Dividends	216	
5					
6			Interest	419,430,431	
7					
8					
9					
10					
11					
12					
13					
14					
15					
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31					
TOTAL					14,371,554

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023			
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES						
5. In columns (f) and (g) report the classified to non-operating income and the account(s) in which reported.		reported.				
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which		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.
			0	14,371,554	Cost	1
						2
						3
			0		N/A	4
						5
	17,133,840			17,133,840	Interest Rates	6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
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	17,133,840		-	31,505,394		

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
NATURAL GAS RESERVES AND LAND ACREAGE						
<p>1. Report below particulars (details) concerning the remaining recoverable saleable gas reserves and natural gas land acreage at end of year. Designate gas reserves on acreage acquired before October 8, 1969, and reserves on acreage acquired after October 7, 1969.</p> <p>2. Classify the gas reserves and related land and land rights and costs under the sub-headings: (a) Producing Gas Lands, and (B) Non-producing Gas Lands. Provide a total for each classification.</p> <p>3. For producing gas lands, report the required information alphabetically by State, County, or offshore area, and field.</p>			<p>If the field name is not assigned, report as "unnamed." Identify offshore fields according to their location in State or Federal domains by using the letter "S" for State domain, and "F" for Federal domain in column (a). For column (b), enter the zone number if applicable. The land, leasehold, and gas rights costs so reported should agree with the amounts carried under Account 101, <i>Gas Plant in Service</i>, as a reported for Accounts 325.1, 325.2, and 325.3 on pages 204-205. In column (e) show for each field the year and remaining recoverable saleable gas reserves available to respondent from owned lands, leaseholds, and gas rights.</p>			
Line No.	OFFSHORE AREA		Name of Field or Block (c)	Name of State / County / Offshore Area (d)	Recoverable Gas Reserves (Thousands Mcf) (e)	OWNED LANDS
	Domain (a)	Zone (b)				Acres (f)
1			A. PRODUCING GAS LANDS			
2			B. NON-PRODUCING GAS LANDS			
3						
4			Cal Lee	Michigan/Calhoun	0	0
5						
6						
7						
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40	TOTAL				0	0

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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NATURAL GAS RESERVES AND LAND ACREAGE (Continued)

4. For non-producing gas lands, report the required information alphabetically by State, County, or offshore area by blocks. Report offshore lands in the same manner as producing gas lands. The land, leasehold, and gas rights costs reported should agree with the amounts carried under Accounts 105, *Gas Plant Held for Future Use*, and 105.1 *Production Properties Held for Future Use*, and reported in total on pages 214 and 215. Do not report estimates of gas reserves (column (e)) for unproven fields; however, if the company made estimates for such lands and normally includes such estimates in stating its reserve position in connecting with proposed financing and for managerial and other purposes, include such estimates on this page.

5. Report the cost of lands, leaseholds, and gas rights in accordance with the provisions of the Uniform System of Accounts for Natural Gas Companies.

6. For column (j) and (k), do not duplicate acreages reported for owned lands and leaseholds. Designate with an asterisk royalty interests separately owned.

7. Indicate by footnote whether acres reported are gross acres or net acres based on proportion of ownership in jointly owned tracts.

8. Do not include oil mineral interests in the cost of acreage reported.

9. Report volumes on a pressure base of 14.73 psia at 60°F.

OWNED LANDS (Cont.)	LEASEHOLDS		OWNED GAS RIGHTS		TOTAL		Line No.
Cost (g)	Acre (h)	Cost (i)	Acre (j)	Cost (k)	Acre (l)	Cost (m)	
0		3,000		292,000		295,000	1
							2
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0		3,000		292,000		295,000	40

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
CHANGES IN ESTIMATED HYDROCARBON RESERVES AND COSTS, AND NET REALIZABLE VALUE						
<p>1. Report changes during the year in recoverable saleable reserves of the respondent located on acreage acquired after October 7, 1969. Have the reported reserves attested to every three years by an Independent appraiser. File the attestation with the Commission along with this report. If the reserves, at the time the reserve determination is made, significantly differ from those reported on this page, file a reconciliation and explanation of such differences along with the attestation.</p> <p>2. For any important changes in the estimated reserves due to purchases, sales, or exchanges of lands, leaseholds, or rights, furnish on page 505 a brief explanation of the transactions and reserves involved. Also, explain the criteria used to estimate the net realizable value of reserves.</p> <p>3. For column (d), report the reserves and changes associated with lands, leaseholds, and rights included in Account 105.1 <i>Production Properties Held for Future Use</i>. (See Gas Plant Accounts Instruction 7G of the U.S. of A.)</p> <p>4. Report pressure base of gas volumes at 14.73 psia at 60°F.</p> <p>5. For line 16 base the net realizable value of hydrocarbon reserves on the current selling price of the hydrocarbon reserves less estimated costs of extraction, completion, and disposal.</p>						
Line No.	Items (a)	Total Reserves Gas (Thousands Mcf) (b)	Lands, Leaseholds, and Rights		Total Reserves Oil and Liquids (Barrels) (e)	Investment (Net Book Value) (f)
			In Service Gas (Thousands Mcf) (c)	Held for Future Use Gas (Thousands Mcf) (d)		
1	Estimated Recoverable Reserves at Beginning of Year					
2	ADDITIONS					
3	Purchases and Exchanges of Lands, Leaseholds, and Rights					
4	Transfers from Reserves Held for Future Use					
5	Upward Revision of Basic Reserve Estimates (Explain in a footnote)					
6	Other Increases (Explain in a footnote)					
7	TOTAL Additions (Line 3 thru 6)	0	0	0	0	
8	DEDUCTIONS					
9	Production During Year					
10	Sales and Exchanges of Lands, Leaseholds, and Rights					
11	Transfers of Reserves Held for Future Use to Reserves in Service					
12	Downward Revision of Estimates of Recoverable Reserves (Explain in a footnote)					
13	Other Decreases (Explain in a footnote)					
14	TOTAL Deductions (Lines 9 thru 13)	0	0	0	0	
15	Estimate Recoverable Reserves at End of Year (Enter total of lines 1, 7, and 14)	0	0	0	0	
16	Net Realizable Value at End of Reporting Year (Explain on page 505): \$					
<p>NOTES</p> <p>NONE</p>						

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
HYDROCARBON RESERVES AND COSTS, AND NET REALIZABLE VALUE (Continued)			
Explain below items for which explanations are required on page 504, Changes in Estimated Hydrocarbon Reserves and Costs, and Net Realizable Value. For line 16 on page 504, explain the criteria used to estimate such value and provide an explanation of any significant revision in the value of the reserves, other than from addition of new reserves.			
<p>Not Applicable</p>			

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 the respondent's title, and percent of ownership.		
Line No.	Name of Station and Location (a)	Number of Employees (b)	Plant Cost (c)	
1	UNDERGROUND STORAGE Morton Well, Marysville, MI Collin Field, Cottrellville, MI Lacey Station, Barry County, MI Harris/Watson - O'Dell Station, Calhoun County, MI	n/a n/a n/a n/a	5,031,100	
2			1,640,251	
3			901,922	
4			2,104,920	
5			9,678,193	
6	TRANSMISSION North Ave Gas Stabilization, Calhoun County, MI	n/a	0	
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Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
COMPRESSOR STATIONS (Continued)						
If jointly owned. Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book costs are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote the size			of each such unit, and the date each such unit was placed in operation. 3. For column (d) include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.			
Expenses (Except depreciation and taxes)			Operation Data			
Fuel or Power (d)	Other (e)	Gas for Compressor Fuel Mcf (14.73 psia at 60 F) (f)	Total Compressor Hours of Operation During Year (g)	No. of Compressors Operated at Time of Station Peak (h)	Date of Station Peak (i)	Line No.
171,972		25,456	3,169	2	4/28/2023	1
90,011		13,438	2,665	2	5/26/2023	2
22,824		12,182	1,093	1	11/4/2023	3
0		0	0	0	N/A	4
						5
						6
						7
						8
						9
						10
						11
						12
						13
Operation (1)	127,234					14
Maintenance (1)	67,325					15
						16
						17
(1) Underground storage compressor station expenses are not separated.						18
						19
						20
						21
						22
						23
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						39
						40
						41

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024		Year of Report 12/31/2023				
GAS AND OIL WELLS										
<p>1. Report below the particulars (details) concerning gas and oil wells of the respondent which are either producing or capable of production.</p> <p>2. Report the required information alphabetically by states. List wells located offshore separately.</p> <p>3. For column (a), under separate headings, list gas wells first, oil wells second, and combination wells third. Combination wells are wells producing or capable of production from one or more oil reservoirs and also from one or more gas reservoirs. Enter totals for each of the headings</p>				<p>(gas wells, oil wells, combination wells). Designate any wells not operated during the past year, and in a footnote state whether the book cost of such wells, or any portion thereof, has been retired in the books of account, or what disposition of the wells and their book cost is contemplated.</p> <p>4. In column (f), report well reclassified during the year as oil wells, gas wells, or combination wells. Show additions in black and deductions enclosed in parentheses. The total additions equal the total deductions.</p>						
Line No.	Location of Wells (a)	Number of Wells Beginning of Year (b)	ADDITIONS DURING YEAR			Wells Reclassified (f)	REDUCTIONS DURING YEAR			Number of Wells at End of Year (j)
			Successful Wells Drilled (c)	Wells Purchased (d)	Total (c + d) (e)		Wells Abandoned (g)	Wells Sold (h)	Total (g + h) (i)	
1	NONE									
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
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24										

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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GAS STORAGE PROJECTS		
1. Report particulars (details) for total gas storage projects.		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.
2. Total storage plant (column b) should agree with amounts reported by the respondent in Acct's 350.1 to 364.8 inclusive (pages 204-205).		

Line No.	Item (a)	Total Amount (b)
1	Natural Gas Storage Plant	
2	Land and Land Rights	1,995,785
3	Structures and Improvements	2,763,522
4	Storage Wells and Holders	9,401,155
5	Storage Lines	2,165,388
6	Other Storage Equipment	20,106,768
7	TOTAL (Enter Total of Lines 2 thru 6)	36,432,619
8	Storage Expenses	
9	Operation	601,350
10	Maintenance	77,397
11	Rents	
12	TOTAL (Enter Total of Lines 9 thru 11)	678,747
13	Storage Operations (In Mcf)	
14	Gas Delivered to Storage	
15	January	26,574
16	February	34,188
17	March	48,445
18	April	1,202,624
19	May	1,602,296
20	June	2,275,369
21	July	2,407,661
22	August	1,633,600
23	September	1,652,909
24	October	1,702,586
25	November	162,512
26	December	124,414
27	TOTAL (Enter Total of Lines 15 thru 26)	12,873,178
28	Gas Withdrawn from Storage	
29	January	2,239,239
30	February	2,390,449
31	March	2,759,502
32	April	286,308
33	May	112,932
34	June	14,702
35	July	11,886
36	August	17,776
37	September	21,110
38	October	217,988
39	November	1,958,196
40	December	1,645,626
41	TOTAL (Enter Total of Lines 29 thru 40)	11,675,714

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
GAS STORAGE PROJECTS (Continued)				
Line No.	Item (a)			Total Amount (b)
	Storage Operations (In Mcf)			
42	Top or Working Gas End of Year			4,393,661
43	Cushion Gas (Including Native Gas)			3,159,419
44	Total Gas in Reservoir (Enter Total of Line 42 and 43)			7,553,080
45	Certified Storage Capacity			8,022,143
46	Number of Injection - Withdrawal Wells			12
47	Number of Observation Wells			7
48	Maximum Day's Withdrawal from Storage			50,708
49	Date of Maximum Day's Withdrawal			03/18/23
50	LNG Terminal Companies			NA
51	Number of Tanks			NA
52	Capacity of Tanks			NA
53	LNG Volumes			
54	a) Received at "Ship Rail"			NA
55	b) Transferred to Tanks			NA
56	c) Withdrawn from Tanks			NA
57	d) "Boil Off" Vaporization Loss			NA
58	e) Converted to Mcf at Tailgate of Terminal			NA

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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 lines and its book costs 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	Michigan Transmission Lines:		
2	4" in UGS-Morton reported on USDOT	0.1	
3	4" Harris Compressor to Lee 2	1.1	
4	4" Lee 11 @ V Dr N & 22 1/2 Mile Rds	1.1	
5	6" in UGS-Morton reported on USDOT	0.2	
6	6" in UGS-Collin reported on USDOT	0.4	
7	6" BCG/Hayes Albion Line (Harris to ERPL)	1.7	
8	6" Cal-Lee Station to Harris Compressor	1.3	
9	8" in UGS-Morton reported on USDOT	0.6	
10	8" North Ave Stn to Cal-Lee Stn	16.6	
11	8" Lacey S1 & S2	0.1	
12	8" PEPL#2 Connector @ Watkins Rd	0.2	
13	8" Starville Road (Cottrellville & China Twps)	7.8	
14	8" New Haven Interchange btw 25 & 26 Mile Rd (Chesterfield Twp)	0.3	
15	8" Negaunee Twp from NNG to Kuester Pwr Plant	0.3	
16	8" Baraga Twp from NNG to MIHM Pwr Plant	4.1	
17	8" Ray Twp to Boyd Field in Casco Twp	11.6	
18	12" in UGS-Collin reported on USDOT	0.0	
19	12" Macomb Twp thru to St Clair Twp	20.3	
20	12" N Sales Stn on Puttygut Rd (Casco Twp) to Remer Rd Stn (China Twp)	9.8	
21	12" N Sales Stn on Puttygut Rd (Casco Twp) to Brandon Rd Stn (Kenokee Twp)	16.7	
22	16" Belle River Lateral (China Twp thru to E China Twp)	1.6	
23	16" Southern Energy Lateral (Zeeland City thru to Jamestown Twp)	7.4	
24			
25	MCP: 6" 575# NNG Backfeed Lateral (connect Marquette #1 CG TO DRS#8073)	0.3	
26	MCP: 10" Lateral (fr CR-480 site 10" MLV#1 to 10" MLV#2 @ DRS#8072)	6.5	
27	MCP: 20" Pipeline (fr 20" MLV#1 @ Arnold GLGT to 20" MLV#8 @ NNG M-35 Interct)	36.2	
28			
29	4" Payne & Dolan connecting CG with the MCP 20" Line	0.0	
30	6" Marq Board Light & Power Proj (reclassified from HP Dist to Trans in 2021)	0.6	
31			
32	TOTAL Transmission Lines	146.7	
33			
34			
35			
36			
37			
38	TOTAL Distribution Lines	6,623.1	
39			
40	TOTAL	6,769.8	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
LIQUEFIED PETROLEUM GAS OPERATION					
1. Report the information called for below concerning plants which produce gas from liquefied petroleum gas (LPG).		maintenance expenses of any liquefied petroleum gas installation which is only adjunct of a manufactured gas plant, may include or exclude (as appropriate) the plant cost and expenses of any plant used jointly with the manufactured gas facilities on the basis of predominant use, indicate in a footnote how the plant cost and expenses for the liquefied petroleum plant described above are reported.			
2. For column (a), give city and State or such other designation necessary to locate plant on a map of the respondent's system.					
3. For column (b) and (c), the plant cost and operation and					
Line No.	Location of Plant and Year Installed (City, state. etc.) (a)	Cost of Plant (Land struct. equip.) (b)	Expenses		
			Oper. Maintenance, Rents, etc. (c)	Cost of LPG Used (d)	
1	Not Applicable				
2					
3					
4					
5					
6					
7					
8					
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39					
40	TOTAL				

Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023		
LIQUEFIED PETROLEUM GAS OPERATIONS (Continued)					
Designate any plant held under a title other than full ownership and in a footnote state name of owner or co-owner, nature of respondent's title, and percent ownership if jointly owned. 4. For column (g) report the Mcf that is mixed with natural gas or which is substituted for deliveries normally made from natural gas. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas or mixture of natural gas and gasified LPG.		5. If any plant was not operated during the past year, give particulars (details) in a footnote, and state whether the book cost of such plant, or any portion thereof, has been retired in the books of account, or what disposition of the plant and its book cost is contemplated. 6. Report pressure base of gas at 14.73 psia at 60 °F. Indicate the Btu content in a footnote.			
Gallons of LPG Used (e)	Gas Produced		LPG Storage Cap. Gallons (h)	Function of Plant (Base load, peaking, etc.) (i)	Line No.
Amount of Mcf (f)	Amount of Mcf Mixed with Natural Gas (g)				
Not Applicable					1
					2
					3
					4
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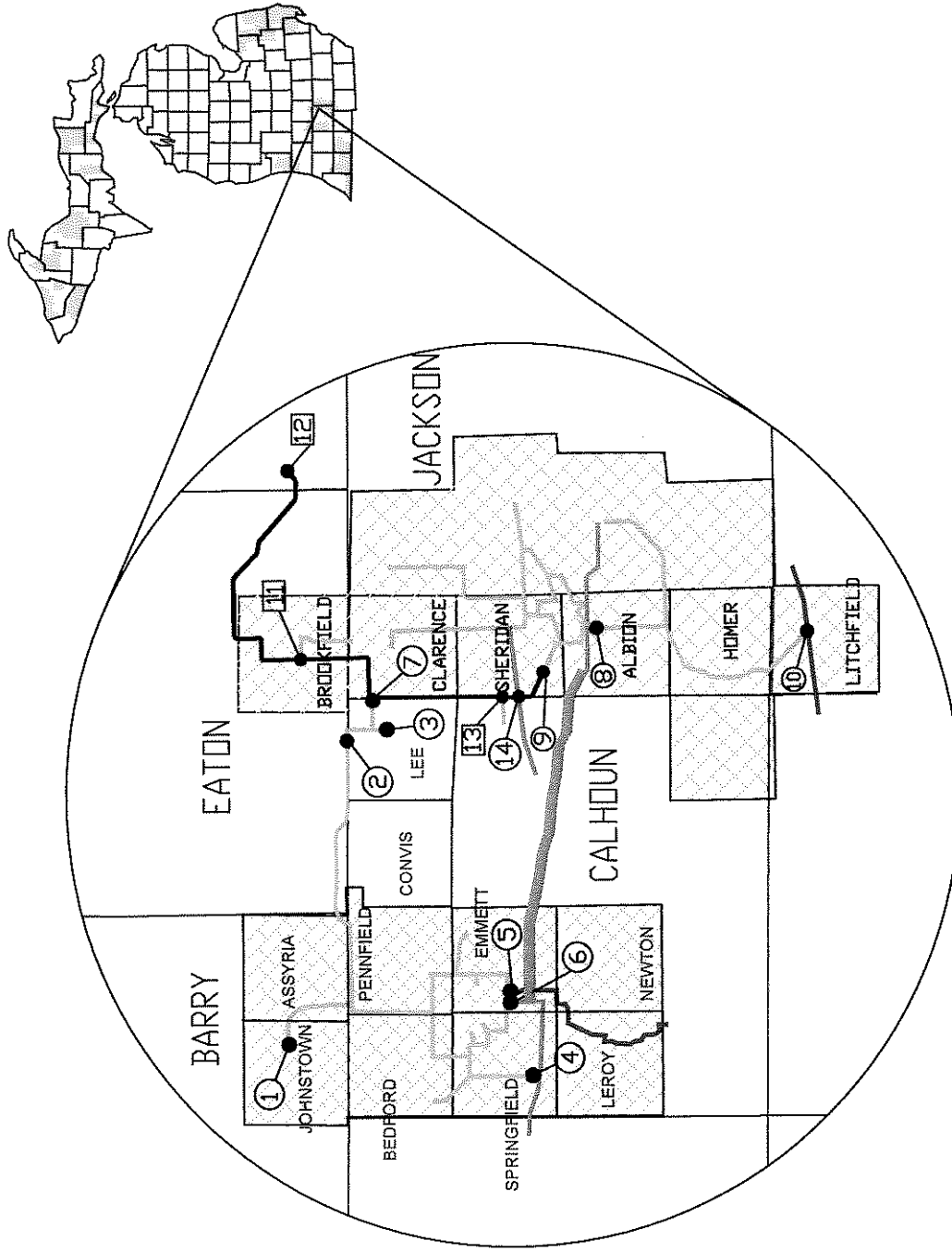
Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
DISTRIBUTION SYSTEM PEAK DELIVERIES				
1. Report below the total distribution system deliveries of gas, excluding deliveries to storage, for the periods of system peak deliveries indicated below during the calendar year.		2. Report Mcf on press 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	2/3/2023		
2	Deliveries to Customers Subject to MPSC Rate Schedules		411,079	
3	Deliveries to Others		0	
4	TOTAL		411,079	
5	Date of Second Highest Day's Deliveries	1/31/2023		
6	Deliveries to Customers Subject to MPSC Rate Schedules		403,278	
7	Deliveries to Others		0	
8	TOTAL		403,278	
9	Date of Third Highest Day's Deliveries	1/30/2023		
10	Deliveries to Customers Subject to MPSC Rate Schedules		396,403	
11	Deliveries to Others		0	
12	TOTAL		396,403	
	Section B. Highest Consecutive 3-Day System Peak Deliveries (and Supplies)			
13	Dates of Three Consecutive Days Highest System Peak Deliveries	1/30/2023 1/31/2023 2/1/2023		
14	Deliveries to Customers Subject to MPSC Rate Schedules		1,160,856	
15	Deliveries to Others		0	
16	TOTAL		1,160,856	
17	Supplies from Line Pack		0	
18	Supplies from Underground Storage		94,000	
19	Supplies from Other Peaking Facilities		0	
	Section C. Highest Month's System Deliveries			
20	Month of Highest Month's System Deliveries	January		
21	Deliveries to Customers Subject to MPSC Rate Schedules		8,659,349	
22	Deliveries to Others			
23	TOTAL		8,659,349	

Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023	
AUXILIARY PEAKING FACILITIES						
<p>1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.</p> <p>2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.</p> <p>3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.</p>						
Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility, Mcf at 14.73 psia at 60 F (c)	Cost of Facility (In dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?	
					Yes (e)	No (f)
1	Morton Field	Underground Storage Cavern	60,000	16,220,914	X	
2	Marysville, MI					
3						
4	Collin Field	Underground Storage Cavern	21,000	10,869,489	X	
5	Cottrellville, MI					
6						
7	Johnstown Twp. MI	Underground Salt Cavern				
8	Barry County	Storage - Lacey	25,000	3,611,693		X
9						
10	Lee Twp., MI	Underground Gas Well				
11	Calhoun County	Storage - Lee 2, Lee II, Harris	18,000	5,578,799		X
12						
13						
14				36,280,895		
15						
16						
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Name of Respondent SEMCO ENERGY GAS CO	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 4/30/2024	Year of Report 12/31/2023
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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> <ul style="list-style-type: none"> (a) Transmission lines--colored in red, if they are not otherwise clearly indicated. (b) Principal pipeline arteries of gathering systems. (c) Sizes of pipe in principal pipelines shown on map. (d) Normal directions of gas flow--indicated by arrows. (e) Location of natural gas fields or pools in which the respondent produces or purchases natural gas. 	<ul style="list-style-type: none"> (f) Locations of compressor stations, product extraction plants, stabilization plants, important purification plants, underground storage areas, recycling areas, etc. (g) Important main line interconnections with other natural gas is received or delivered and name of connecting company. (h) Principal communities in which respondent renders local distribution service. <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, and 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 size not larger than this report. Bind the maps to the report.</p>
<p>See Attached Map(s)</p>	

SYSTEM GATE STATIONS CENTRAL AREA



1. Lacey (Storage Field) (F) (I)
2. Lee 02 (Storage Field) (F) (I)
3. Lee 11 (Storage Field) (F) (I)
4. PEPL #2 (F)
5. ANR Main St (F)
6. PEPL #1 (F)
7. SEMCO Interconnect (F)
8. Albion Town Border Station (F) (I)
9. Eaton Rapids Interchange (F) (I)
10. Litchfield Interchange (I)
11. Brookfield Interchange
12. Eaton Rapids Storage
13. Kilbourn Interchange
14. Marengo-Vector Interchange

☐ Control - NO
☒ Control - YES

— ANR Pipeline
 — Parhandle Eastern Pipeline Co.
 — Eaton Rapids Pipeline
 — SEMCO Gas
 — Vector Pipeline

(I) - Remote Isolation Valve
 (F) - Remote Flow Valve

TITLE: SYSTEM GATE STATIONS

SEMCO ENERGY GAS COMPANY

HARBORSIDE OFFICE CENTER

1411 THIRD STREET - SUITE A PORT HURON, MICHIGAN

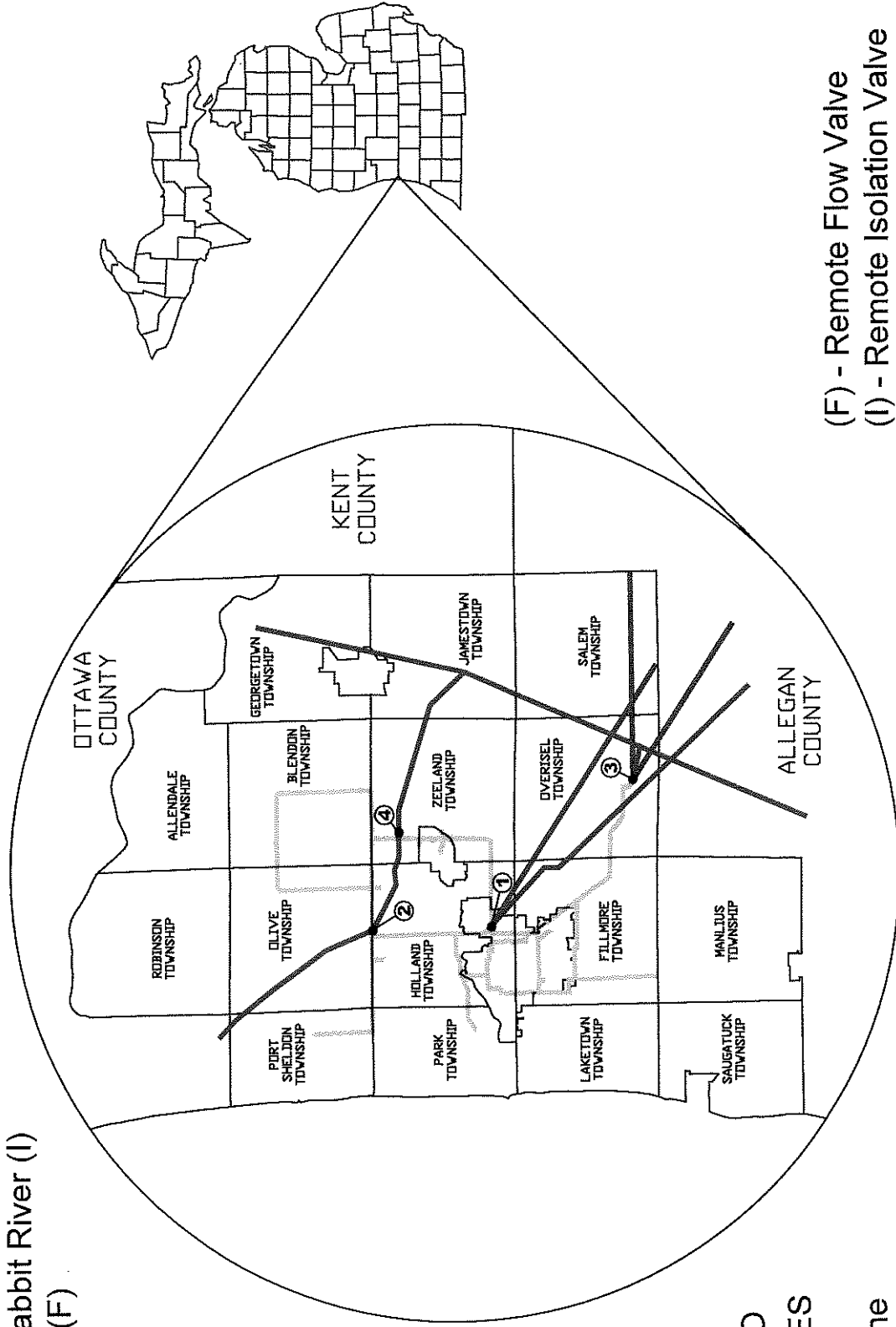
TELEPHONE: (810) 987-7900 FAX: (810) 887-4507



ENGINEERING AND PLANNING

SYSTEM GATE STATIONS HOLLAND AREA

1. South Holland (F)
2. North Holland (F)
3. Overisel and Rabbit River (I)
4. North Zeeland (F)



■ Control - NO

● Control - YES

— ANR Pipeline

- - - Consumers Energy

... SEMCO Gas

(F) - Remote Flow Valve
(I) - Remote Isolation Valve

TITLE: SYSTEM GATE STATIONS

SEMCO ENERGY GAS COMPANY

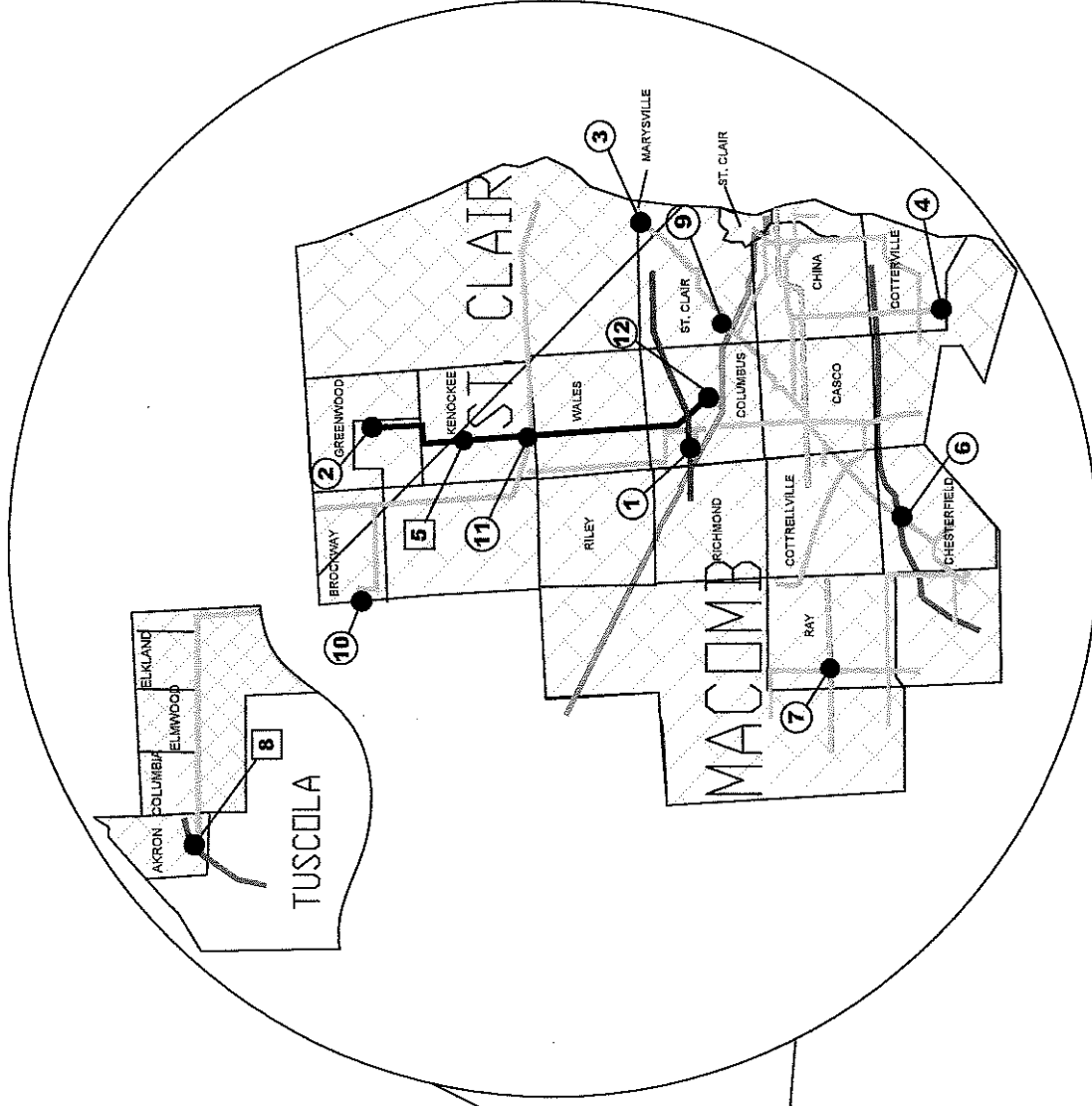
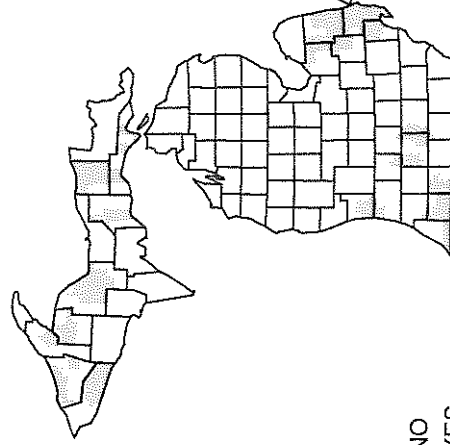


HARBORSIDE OFFICE CENTER
1411 THIRD STREET - SUITE A PORT HURON, MICHIGAN
TELEPHONE: (810) 987-7900 FAX: (810) 887-4507

ENGINEERING AND PLANNING

SYSTEM GATE STATIONS PORT HURON AREA

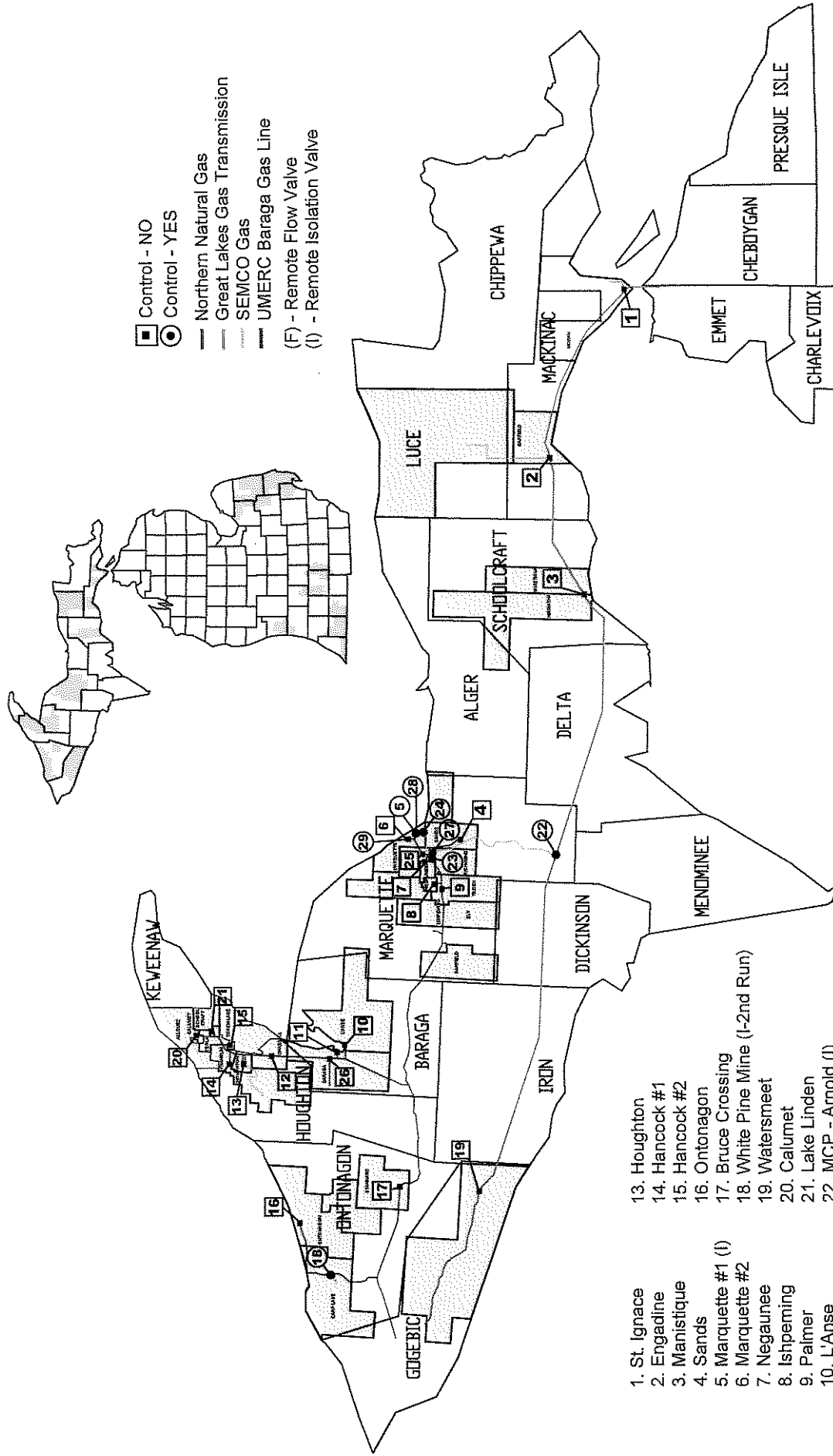
1. ANR Interchange (F)
2. Kilgore Road (F)
3. Morton Wells (F) (I)
4. Collin Field (F) (I)
5. Avoca
6. New Haven Interchange (F) (I)
7. Ray #17 (F) (I)
8. Akron Interchange
9. GLGTC Interchange Trumble Rd (F)
10. Rapley Well (F)
11. Greenwood and Brandon Rd (F)
12. South Greenwood



- Control - NO
- Control - YES
- Greenwood Pipeline
- DTE
- SEMCO ENERGY Gas
- Consumers Energy
- Great Lakes Gas Transmission
- ANR Pipeline

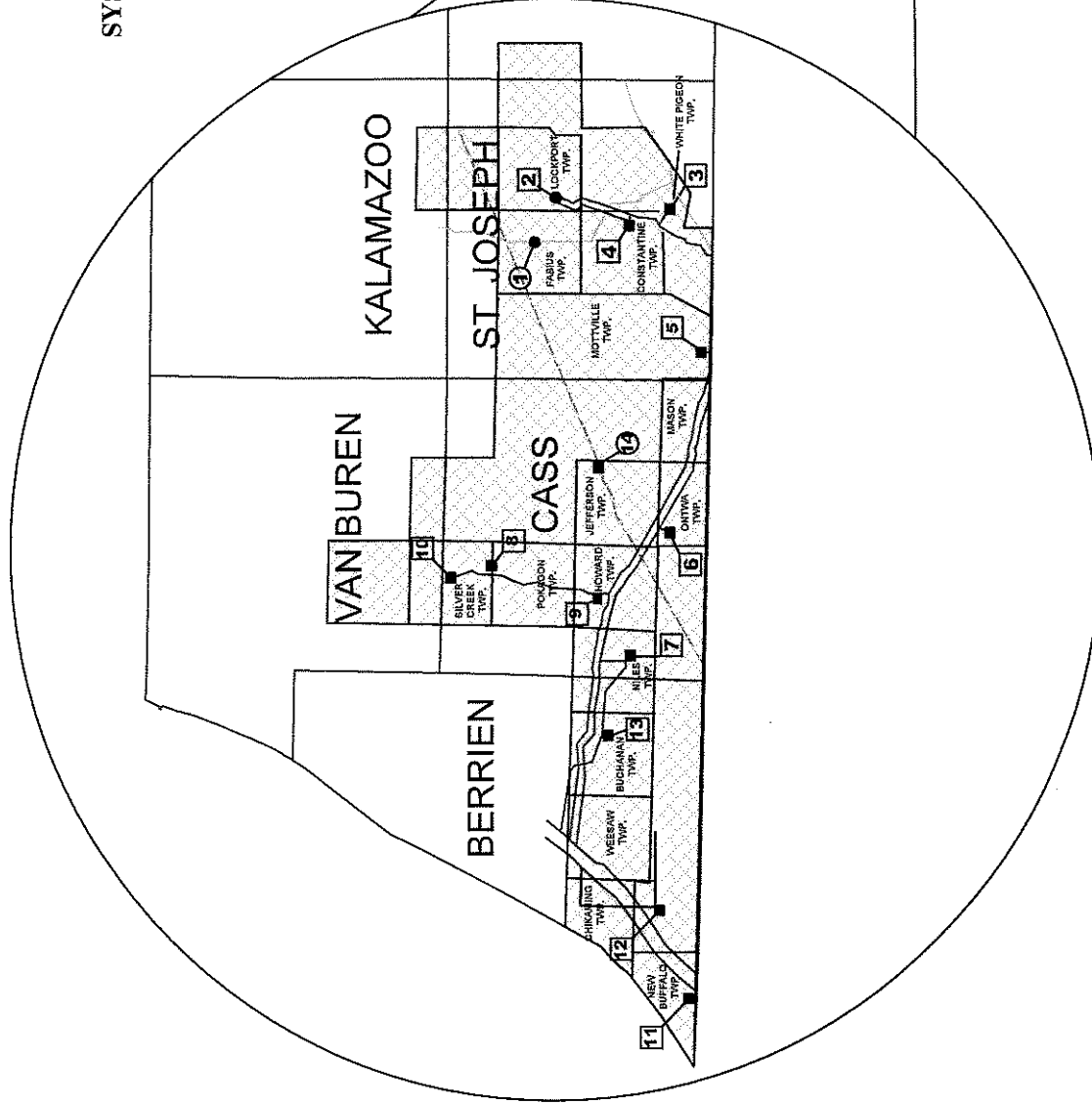
(F) - Remote Flow Valve
(I) - Remote Isolation Valve

SYSTEM GATE STATIONS U.P. EAST AND WEST AREAS



- | | |
|---------------------|---------------------------------|
| 1. St. Ignace | 13. Houghton |
| 2. Engadine | 14. Hancock #1 |
| 3. Manistique | 15. Hancock #2 |
| 4. Sands | 16. Ontonagon |
| 5. Marquette #1 (I) | 17. Bruce Crossing |
| 6. Marquette #2 | 18. White Pine Mine (I-2nd Run) |
| 7. Negaunee | 19. Watersmeet |
| 8. Ishpeming | 20. Calumet |
| 9. Palmer | 21. Lake Linden |
| 10. L'Anse | 22. MCP - Arnold (I) |
| 11. Baraga | 23. MCP - M-35 (F, I) |
| 12. Chassel | 24. MCP - Division St. (F, I) |
| | 25. Negaunee #2 |
| | 26. Baraga #2 |
| | 27. CR-480 Gate Station |
| | 28. Marquette #2 NNG Back Feed |
| | 29. Marquette Energy Center |

SYSTEM GATE STATIONS NILES AREA



TITLE: SYSTEM GATE STATIONS

SEMCO ENERGY GAS COMPANY

HARBORSIDE OFFICE CENTER
1411 THIRD STREET - SUITE A PORT HURON, MICHIGAN
TELEPHONE: (810) 987-7900 FAX: (810) 887-4507



Name of Respondent SEMCO ENERGY GAS CO		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 4/30/2024	Year of Report 12/31/2023
FOOTNOTE DATA					
Page No. (a)	Line No. (b)	Column No. (c)	Comments (d)		
			Footnote data is included on Page 123.		

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