

CONSUMERS GAS COMPANY
Cost of Capital Summary

ICC Docket 00-
 Section 285.4010
 Schedule D-1

Paul G. Neff, USDI Consultant
 618-943-3326

Short Term Debt

Month	Principal	Interest Rate	Interest
Jun 1999	256,000	8.00%	1,707
Jul 1999	246,000	8.00%	1,695
Aug 1999	236,000	8.25%	1,677
Sep 1999	226,000	8.25%	1,554
Oct 1999	216,000	8.25%	1,535
Nov 1999	206,000	8.50%	1,459
Dec 1999	196,000	8.50%	1,435
Jan 2000	186,000	8.50%	1,361
Feb 2000	176,000	8.75%	1,241
Mar 2000	166,000	9.00%	1,287
Apr 2000	0	9.00%	0
May 2000	0	9.50%	0
Jun 2000	0	9.50%	0
Total	2,110,000		14,951
Average	162,308	9.21%	1,150

Long Term Debt

Principal	Interest Rate	Interest
905,000	8.00%	6,033
905,000	8.00%	6,234
905,000	8.25%	6,429
905,000	8.25%	6,222
905,000	8.25%	6,429
905,000	8.50%	6,410
905,000	8.50%	6,624
905,000	8.50%	6,624
905,000	8.75%	6,379
905,000	9.00%	7,014
1,066,286	9.00%	7,997
1,066,286	9.50%	8,723
1,066,286	9.50%	8,441
12,248,858		89,559
942,220	9.50%	6,889

Stock/Retained Earnings

Year	Common Stock	Preferred Stock	Treasury Stock	Retained Earnings	Dividends	Total
1991	125,000	185,000		38,903	0	348,903
1992	125,000	185,000		98,893	0	408,893
1993	125,000	185,000		404,868	0	714,868
1994	125,000	185,000	(2,500)	638,897	(86,000)	860,397
1995	125,000	185,000	(2,500)	810,075	(42,200)	1,075,375
1996	125,000	185,000	(2,500)	1,014,969	(42,200)	1,280,269
1997	125,000	185,000	(2,500)	925,307	(48,450)	1,184,357
1998	125,000	185,000	(2,500)	959,410	(42,200)	1,224,710
1999	125,000	185,000	(2,500)	1,049,340	(42,200)	1,314,640
Totals	1,125,000	1,665,000	(15,000)	5,940,662	(303,250)	8,412,412
Average	125,000	185,000	(1,667)	660,074	(33,694)	934,712

12/31/99	Balance	1,007,140
	Est Additions	70,071
12/31/xx	Balance	1,077,211

Cost of Capital	Amount	% of Total	% Cost	Weighted Cost	Effective Tax Rate	After Tax Capital Cost
Short Term Debt	162,308	6.86%	9.21%	0.63%	38.73%	0.39%
Long Term Debt	942,220	39.81%	9.50%	3.78%	38.73%	2.32%
Common Equity	1,077,211	45.52%	13.00%	5.92%		5.92%
Preferred Equity	185,000	7.82%	6.00%	0.47%		0.47%
Total	2,366,739	100.00%		10.80%		9.10%

CONSUMERS GAS COMPANY
Cost of Long Term Debt

ICC Docket 00-
Section 285.4020
Schedule D-3

Paul G. Neff, USDI Consultant
18-943-3326

Long Term Debt

Principal	Interest Rate	Interest
905,000	8.00%	6,033
905,000	8.00%	6,234
905,000	8.25%	6,429
905,000	8.25%	6,222
905,000	8.25%	6,429
905,000	8.50%	6,410
905,000	8.50%	6,624
905,000	8.50%	6,624
905,000	8.75%	6,379
905,000	9.00%	7,014
1,066,286	9.00%	7,997
1,066,286	9.50%	8,723
1,066,286	9.50%	8,441
12,248,858		89,559
942,220	9.50%	6,889

CONSUMERS GAS COMPANY
Statement of Cash Flows
Period Ended December 31, 1996

ICC Docket 00-
Section 285.4035
Schedule D-6

Constance D. Warren - Accounting
2-4779030

	Description	Amount
1	Net Cash Flow from Operation Activities	
2	Net Income	132,125
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	192,790
5	Amortization of (Specify)	2,604
6	Def Rate Case Expense/Def Pension Exp	
7	Long Term Debt Expense	
8	Deferred Income Taxes (Net)	(3,195)
9	Investment Tax Credit Adjustments (Net)	(1,958)
10	Net (Increase) Decrease in Receivables	(9,951)
11	Net (Increase) Decrease in Inventory	(27,657)
12	Net Increase (Decrease) in Payables and Accrued Expenses	129,337
13	(Less) Allowance for Other Funds Used During Construction	
14	(Less) Undistributed Earnings from Subsidiary Companies	
15	Other:	39,160
16	Net Increase (Decrease) Cust Adv Const	
17	Net Cash Provided by (Used In) Operating Activities	374,935
18		
19	Cash Flows from Investment Activities:	
20	Construction and Acquisition of Plant (including land):	
21	Gross Additions to Utility Plant (Less nuclear fuel)	(128,614)
22	(Less) Allowance for Other Funds Used During Construction	
23	Other:	
24		
25		
26	Cash Outflows for Plant	(128,614)
27		
28	Net Increase (Decrease) in Payables and Accrued Expenses	0
29	Other:	
30		
31	Net Cash Provided by (Used In) Investing Activities	(128,614)
32		
33		
34	Cash Flows from Financing Activities:	
35	Proceeds from Issuance of:	
36	Long Term Debt	
37		
38	Net Increase in Short-Term Debt	
39	Other:	
40		
41	Cash Provided by Outside Sources	0
42		
43	Payments for Retirement of:	
44	Long Term Debt	0
45	Preferred Stock	
46	Common Stock	
47	Other:	
48	Net Decrease in Short-Term Debt (c)	188,000
49		
50		
51	Dividends on Preferred Stock	10,950
52	Dividends on Common Stock	31,250
53	Net Cash Provided by (Used in) Financing Activities	
54	(Total of lines 70 thru 81)	230,200
55		
56	Net Increase (Decrease) in Cash and Cash Equivalents	
57	(Total of lines 22, 57 and 83)	16,121
58		
59	Cash and Cash Equivalents at Beginning of Year	279,693
60		
61	Cash and Cash Equivalents at End of Year	295,814

Data not available for Test Year

CONSUMER GAS COMPANY
BALANCE SHEETS
DECEMBER 31,

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	1999	1998
ASSETS		
UTILITY PLANT (at original cost):		
Gas Plant	\$ 6,056,091	\$ 5,935,247
Less: Accumulated Depreciation	(3,915,628)	(3,729,634)
Utility Plant in Service	<u>2,140,463</u>	<u>2,205,613</u>
CURRENT ASSETS:		
Cash and equivalents	295,821	279,693
Accounts receivable (less allowance for doubtful accounts of \$73,508 and \$54,069)	551,018	548,742
Accrued utility revenue	34,360	26,685
Materials and supplies	24,590	23,218
Stored gas	341,326	315,041
Deffered income taxes	28,668	21,087
Prepayments	5,685	4,960
Total Current Assets	<u>1,281,468</u>	<u>1,219,426</u>
DEFERRED CHARGES		
Unamortized debt expense	10,395	12,999
TOTAL ASSETS	<u>\$ 3,432,326</u>	<u>\$ 3,438,038</u>
CAPITAL AND LIABILITIES		
CAPITALIZATION:		
Common stock (par value \$1 per share, 700,000 shares authorized, 125,000 shares issued and outstanding)	\$ 125,000	\$ 125,000
Premium on capital stock	287,186	287,186
Retained earnings	1,007,141	917,209
Total Common Equity	<u>1,419,327</u>	<u>1,329,395</u>
Preferred stock (6% cumulative, par value \$100 per share, 2000 shares authorized, 1825 shares issued and outstanding)	182,500	182,500
LONG-TERM DEBT, net of current maturities	0	785,000
TOTAL CAPITALIZATION	<u>1,601,827</u>	<u>2,296,895</u>
CURRENT LIABILITIES:		
Current maturities of long-term debt	0	120,000
Notes payable	1,101,000	384,000
Accounts payable	346,222	263,259
Taxes accrued	73,125	12,178
Interest payable	3,772	18,345
Refunds due customers	70,003	93,069
Other	1,700	18,043
Total Current Liabilities	<u>1,595,822</u>	<u>908,894</u>
DEFERRED CREDITS		
Deferred income tax	218,163	213,777
Dererred investment tax credits	16,515	18,473
Total Deferred Credits	<u>234,678</u>	<u>232,250</u>
TOTAL CAPITAL AND LIABILITIES	<u>\$ 3,432,327</u>	<u>\$ 3,438,039</u>

See accompanying notes and accountant's report.

CONSUMER GAS COMPANY
INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31,

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	<u>1999</u>	<u>1998</u>
OPERATING REVENUES:		
Gas operating revenues	\$ 3,985,042	\$ 3,775,783
OPERATING EXPENSES:		
Gas purchases	2,403,964	2,304,048
Other operations	471,914	483,565
Maintenance	361,285	328,362
Depreciation	192,790	188,561
Income Taxes	66,834	34,162
Taxes other than income	290,930	293,387
Total Operating Expenses	<u>3,787,717</u>	<u>3,632,085</u>
OPERATING INCOME	<u>197,325</u>	<u>143,698</u>
OTHER INCOME AND (DEDUCTIONS):		
Merchandising (net)	1,725	9,413
Other nonutility operations (net)	33,620	40,233
Total Other Income and (Deductions)	<u>35,345</u>	<u>49,646</u>
INCOME BEFORE INTEREST CHARGES	<u>232,670</u>	<u>193,344</u>
INTEREST CHARGES:		
Long-term debt	0	79,960
Short-term debt	95,948	22,920
Amortization of debt expense	2,604	2,604
Other	1,986	5,308
Total Interest Charges	<u>100,538</u>	<u>110,792</u>
NET INCOME	<u>\$ 132,132</u>	<u>\$ 82,552</u>

See accompanying notes and accountant's report.

CONSUMERS GAS COMPANY
INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
OPERATING REVENUES:		
Gas operating revenue	\$ 4,792,663	\$ 5,296,123
OPERATING EXPENSES:		
Gas purchases	3,241,032	3,577,740
Other operations	489,185	506,850
Maintenance	339,036	343,590
Depreciation	192,950	172,655
Income taxes	46,125	55,206
Taxes other than income	240,376	260,525
Total Operating Expenses	<u>4,548,704</u>	<u>4,916,566</u>
OPERATING INCOME	<u>243,959</u>	<u>379,557</u>
OTHER INCOME AND (DEDUCTIONS):		
Merchandising (net)	(7,509)	2,019
Other nonutility operations (net)	38,570	30,201
Total Other Income and (Deductions)	<u>31,061</u>	<u>32,220</u>
INCOME BEFORE INTEREST CHARGES	<u>275,020</u>	<u>411,777</u>
INTEREST CHARGES:		
Long-term debt	91,583	98,406
Short-term debt	28,991	62,577
Amortization of debt expense	2,604	2,604
Other	872	1,096
Total Interest Charges	<u>124,050</u>	<u>164,683</u>
NET INCOME	<u>\$ 150,970</u>	<u>\$ 247,094</u>

See accountant's report and notes to financial statements.

CONSUMERS GAS COMPANY
BALANCE SHEETS
DECEMBER 31, 1997 AND 1996

ICC Docket 00-
Section 285.4050
Schedule D-9

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1996

ASSETS	1997	1996
UTILITY PLANT (at original cost):		
Gas plant	\$ 5,782,341	\$ 5,617,272
Less: Accumulated depreciation	<u>(3,575,319)</u>	<u>(3,417,803)</u>
Utility Plant in Service	<u>2,207,022</u>	<u>2,199,469</u>
 CURRENT ASSETS:		
Cash and equivalents	165,575	200,443
Accounts receivable (less allowance for doubtful accounts of \$44,604 and \$43,445)	853,640	742,908
Accrued utility revenue	32,789	14,073
Materials and supplies	11,958	18,714
Stored gas	345,251	306,841
Deferred income taxes	17,396	16,944
Prepayments	<u>12,317</u>	<u>6,433</u>
Total Current Assets	<u>1,438,926</u>	<u>1,306,356</u>
 DEFERRED CHARGES:		
Unamortized debt expense	<u>15,603</u>	<u>18,207</u>
 TOTAL ASSETS	<u>\$ 3,661,551</u>	<u>\$ 3,524,032</u>
 CAPITAL AND LIABILITIES		
CAPITALIZATION:		
Common stock (par value \$1 per share, 700,000 shares authorized, 125,000 shares issued and outstanding)	\$ 125,000	\$ 125,000
Premium on capital stock	287,185	287,185
Retained earnings	<u>816,461</u>	<u>713,941</u>
Total Common Equity	1,228,646	1,126,126
 Preferred stock (6% cumulative, par value \$100 per share, 2,000 shares authorized, 1,825 shares issued and outstanding)	182,500	182,500
 LONG-TERM DEBT, net of current maturities	<u>905,000</u>	<u>1,030,000</u>
 TOTAL CAPITALIZATION	<u>2,316,146</u>	<u>2,338,626</u>
CURRENT LIABILITIES:		
Current maturities of long-term debt	110,000	85,000
Notes payable	383,000	340,000
Accounts payable	402,932	465,867
Taxes accrued	48,280	50,911
Interest payable	22,697	24,220
Refunds due customers	144,214	6,346
Other	<u>10,928</u>	<u>9,720</u>
Total Current Liabilities	<u>1,122,051</u>	<u>982,064</u>
 DEFERRED CREDITS:		
Deferred income tax	202,834	180,782
Deferred investment tax credits	<u>20,520</u>	<u>22,560</u>
Total Deferred Credits	<u>223,354</u>	<u>203,342</u>
 TOTAL CAPITAL AND LIABILITIES	<u>\$ 3,661,551</u>	<u>\$ 3,524,032</u>

See accountant's report and notes to financial statements.

	Year Amount	12/31/95 Percent	Year Amount	12/31/94 Percent	Year Amount	12/31/93 Percent	Year Amount	12/31/92 Percent	Year Amount	12/31/91 Percent
ASSETS										
Intangible plant	\$6,895	0.19%	\$6,895	0.20%	\$6,895	0.18%	\$6,895	0.21%	\$6,893	0.22%
Transmission plant	1,116,565	31.42%	1,116,565	31.93%	1,116,565	29.53%	1,116,565	34.50%	1,116,565	36.05%
Distribution plant	3,689,502	103.83%	3,556,715	101.71%	3,398,207	89.87%	3,224,265	99.61%	3,055,656	98.65%
General plant	606,141	17.06%	631,544	18.06%	604,504	15.99%	604,279	18.67%	371,628	12.00%
Utility plant in service	5,419,103	152.51%	5,311,719	151.90%	5,126,171	135.57%	4,952,004	152.99%	4,550,742	146.91%
Less allowance for depreci	3,249,771	91.46%	3,106,288	88.83%	2,961,097	78.31%	2,801,185	86.54%	2,636,395	85.11%
Net utility plant in service	2,169,332	61.05%	2,205,431	63.07%	2,165,074	57.26%	2,150,819	66.45%	1,914,347	61.80%
Other property and investments										
Other investments										
Current assets										
Cash on hand and in bank	261,725	7.37%	377,436	10.79%	203,268	5.38%	152,033	4.70%	297,247	9.60%
Accounts receivable, less	784,778	22.09%	529,299	15.14%	1,092,551	28.89%	667,104	20.61%	653,761	21.11%
Plant materials and supplie	24,091	0.68%	19,622	0.56%	20,283	0.54%	19,222	0.59%	19,756	0.64%
Gas stored underground	141,578	3.98%	201,156	5.75%	151,029	3.99%	159,798	4.94%	156,800	5.06%
Deferred tax benefit		0.00%		0.00%	9,490	0.25%		0.00%		0.00%
Accrued utility revenues		0.00%		0.00%		0.00%		0.00%		0.00%
Prepaid insurance	8,353	0.24%	7,815	0.22%	8,102	0.21%	6,771	0.21%	5,998	0.19%
Total current assets	1,220,525	34.35%	1,135,328	32.47%	1,484,723	39.26%	1,004,928	31.05%	1,133,562	36.60%
Deferred charges										
Unamortized costs of rate	0	0.00%	18,396	0.53%	36,792	0.97%	52,479	1.62%	18,440	0.60%
Unamortized debt expense	20,811	0.59%	23,415	0.67%	26,019	0.69%	28,622	0.88%	31,224	1.01%
Unamortized interest expe	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Deferred income taxes	142,623	4.01%	114,193	3.27%	68,715	1.82%				
Miscellaneous deferred charges		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
Total deferred charges	163,434	4.60%	156,004	4.46%	131,526	3.48%	81,101	2.51%	49,664	1.60%
TOTAL ASSETS	\$3,553,291	100.00%	\$3,496,763	100.00%	\$3,781,323	100.00%	\$3,236,848	100.00%	\$3,097,573	100.00%
CAPITAL AND LIABILITIES										
Capital										
Common stock	\$125,000	3.52%	\$125,000	3.57%	\$125,000	3.31%	\$125,000	3.86%	\$100,000	3.23%
Capital in excess of par	287,185	8.08%	287,185	8.21%	287,185	7.59%	287,498	8.88%		0.00%
Retained earnings	767,875	21.61%	552,897	15.81%	404,868	10.71%	98,893	3.06%	38,903	1.26%
Total common equity	1,180,060	33.21%	965,082	27.60%	817,053	21.61%	511,391	15.80%	138,903	4.48%
Preferred stock	182,500	5.14%	182,500	5.22%	185,000	4.89%	185,000	5.72%	185,000	5.97%
Total Capital Stock & Retain	1,362,560	38.35%	1,147,582	32.82%	1,002,053	26.50%	696,391	21.51%	323,903	10.46%
Long-term debt										
Installment loans		0.00%		0.00%		0.00%		0.00%	0	0.00%
Bank loans	1,205,000	33.91%	1,285,000	36.75%	1,355,000	35.83%	1,420,000	43.87%	1,480,000	47.78%
	1,205,000	33.91%	1,285,000	36.75%	1,355,000	35.83%	1,420,000	43.87%	1,480,000	47.78%
Less current maturities	80,000	2.25%	75,000	2.14%	70,000	1.85%	65,000	2.01%	60,000	1.94%
Long-term debt, net of curr	1,125,000	31.66%	1,210,000	34.60%	1,285,000	33.98%	1,355,000	41.86%	1,420,000	45.84%
Total capitalization	2,487,560	70.01%	2,357,582	67.42%	2,287,053	60.48%	2,051,391	63.38%	1,743,903	56.30%
Current liabilities										
Notes payable-bank	350,000	9.85%	399,358	11.42%	650,000	17.19%	540,000	16.68%	700,000	22.60%
Accounts payable - trade	476,496	13.41%	325,893	9.32%	467,242	12.36%	396,565	12.25%	326,259	10.53%
Refunds due customers	74,635	2.10%	257,299	7.36%	199,239	5.27%	100,456	3.10%	150,868	4.87%
Current maturities	80,000	2.25%	75,000	2.14%	70,000	1.85%	65,000	2.01%	60,000	1.94%
Payroll taxes payable	1,320	0.04%	360	0.01%	2,313	0.06%	594	0.02%	1,049	0.03%
Other taxes payable	9,383	0.26%	10,942	0.31%	45,374	1.20%	41,482	1.28%	37,305	1.20%
WADJ prepaid income	248	0.01%	216	0.01%	(100)	-0.00%	554	0.02%	1,633	0.05%
Other employee withholdin	35	0.00%	50	0.00%	50	0.00%				
Accrued pension benefits	(3,668)	-0.10%	(5,007)	-0.14%	(733)	-0.02%	0	0.00%	9,821	0.32%
Accrued payroll	8,426	0.24%	8,811	0.25%	8,447	0.22%	7,944	0.25%	0	0.00%
Accrued interest expense	28,814	0.81%	29,542	0.84%	23,701	0.63%	1,463	0.05%	32,674	1.05%
Deferred tax liability	15,435	0.43%	10,065	0.29%	0	0.00%				
Total current liabilities	1,041,124	29.30%	1,112,529	31.82%	1,465,533	38.76%	1,154,058	35.65%	1,319,609	42.60%
Deferred credits										
Deferred investment credit	24,607	0.69%	26,652	0.76%	28,737	0.76%	31,399	0.97%	34,061	1.10%
TOTAL CAPITAL AND LIA	\$3,553,291	100.00%	\$3,496,763	100.00%	\$3,781,323	100.00%	\$3,236,848	100.00%	\$3,097,573	100.00%

	Year Amount	12/31/95 Percent	Year Amount	12/31/94 Percent	Year Amount	12/31/93 Percent	Year Amount	12/31/92 Percent	Year Amount	12/31/91 Percent
Operating revenue	\$3,821,875	100.00%	\$4,118,700	100.00%	\$4,210,698	100.00%	\$3,307,607	100.00%	\$3,333,263	100.00%
Operating Expenses:										
Gas purchases	2,021,563	52.89%	2,380,681	57.80%	2,546,309	60.47%	1,881,846	56.89%	2,016,460	60.50%
Gas withdrawn from storage	152,640	3.99%	93,723	2.28%	66,912	1.59%	54,502	1.65%	0	0.00%
Underground gas storage r	86,937	2.27%	84,604	2.05%	80,531	1.91%	80,038	2.42%	75,600	2.27%
Transmission expenses	41,225	1.08%	38,365	0.93%	38,347	0.91%	31,263	0.95%	28,596	0.86%
Distribution expenses	275,818	7.22%	284,307	6.90%	267,449	6.35%	238,102	7.20%	204,555	6.14%
Supervision	30,027	0.79%	34,726	0.84%	33,255	0.79%	31,959	0.97%	29,108	0.87%
Customer records and coll	104,222	2.73%	99,672	2.42%	102,999	2.45%	100,190	3.03%	78,075	2.34%
Meter reading expenses	36,976	0.97%	38,502	0.93%	35,242	0.84%	35,814	1.08%	30,872	0.93%
Total Operating Expenses	2,749,408	71.94%	3,054,580	74.16%	3,171,044	75.31%	2,453,714	74.18%	2,463,266	73.90%
Net Operating Income	1,072,467	28.06%	1,064,120	25.84%	1,039,654	24.69%	853,893	25.82%	869,997	26.10%
Selling and Administrative										
Advertising	5,406	0.14%	4,387	0.11%	3,707	0.09%	5,584	0.17%	5,907	0.18%
Amortization of debt expen	2,604	0.07%	2,604	0.06%	2,602	0.06%	2,602	0.08%	2,602	0.08%
Amortization of rate case c	18,396	0.48%	18,396	0.45%	18,396	0.44%	18,440	0.56%	18,460	0.55%
Auto leasing	7,084	0.19%	6,366	0.15%	6,124	0.15%	6,124	0.19%	7,439	0.22%
Bad debt expense	28,755	0.75%	34,249	0.83%	6,888	0.16%	23,939	0.72%	37,227	1.12%
Demonstration and selling	2,423	0.06%	5,998	0.15%	6,564	0.16%	10,992	0.33%	5,088	0.15%
Depreciation	174,329	4.56%	172,017	4.18%	170,529	4.05%	165,736	5.01%	159,224	4.78%
Employee benefits	100,579	2.63%	96,616	2.35%	101,125	2.40%	77,610	2.35%	71,254	2.14%
Entertainment and meals	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
General miscellaneous exp	30,219	0.79%	26,214	0.64%	25,395	0.60%	23,759	0.72%	18,296	0.55%
Insurance - life	17,063	0.45%	10,626	0.26%	10,650	0.25%	10,650	0.32%	10,650	0.32%
Insurance - property	19,610	0.51%	21,734	0.53%	25,743	0.61%	20,267	0.61%	18,367	0.55%
Insurance - workmen's co	17,417	0.46%	20,462	0.50%	12,662	0.30%	17,594	0.53%	11,553	0.35%
Labor - general office	470	0.01%	2,338	0.06%	2,357	0.06%	2,320	0.07%	3,452	0.10%
Officers salaries	35,438	0.93%	31,190	0.76%	33,225	0.79%	32,307	0.98%	31,486	0.94%
Office salaries	11,511	0.30%	12,580	0.31%	11,731	0.28%	11,168	0.34%	11,500	0.35%
Office supplies and expen	27,020	0.71%	29,985	0.73%	23,975	0.57%	22,551	0.68%	22,584	0.68%
Outside services employed	6,779	0.18%	7,511	0.18%	5,060	0.12%	5,654	0.17%	5,737	0.17%
Regulatory commission ex	6,504	0.17%	6,601	0.16%	7,924	0.19%	12,553	0.38%	9,702	0.29%
Rent	19,956	0.52%	19,041	0.46%	18,576	0.44%	26,587	0.80%	23,033	0.69%
Tax - franchise	615	0.02%	705	0.02%	1,001	0.02%	501	0.02%	154	0.00%
Tax - gas revenue	147,184	3.85%	162,834	3.95%	149,496	3.55%	134,145	4.06%	146,348	4.39%
Tax - invested capital	17,030	0.45%	20,157	0.49%	15,240	0.36%	14,796	0.45%	11,217	0.34%
Tax - property	6,310	0.17%	6,173	0.15%	6,237	0.15%				
Payroll	33,254	0.87%	31,963	0.78%	30,565	0.73%	29,748	0.90%	25,991	0.78%
Tax - public utility gross r	3,591	0.09%	3,660	0.09%	4,450	0.11%	2,462	0.07%	6,208	0.19%
Tax - sales and use tax	0	0.00%	0	0.00%	0	0.00%	133	0.00%	496	0.01%
Profit from Operations	739,547	19.35%	754,407	18.32%	700,222	16.63%	678,222	20.50%	663,975	19.92%
Other income and (Expenses)	332,920	8.71%	309,713	7.52%	339,432	8.06%	175,671	5.31%	206,022	6.18%
Interest income	23,356	0.61%	14,153	0.34%	3,923	0.09%	10,635	0.32%	18,935	0.57%
Interest expense	(160,747)	-4.21%	(149,699)	-3.63%	(133,940)	-3.18%	(150,227)	-4.54%	(213,482)	-6.40%
Income - non-util & Equalit	35,506	0.93%	32,512	0.79%	26,175	0.62%	18,334	0.55%	18,580	0.56%
Net income - merchandisin	1,037	0.03%	(659)	-0.02%	619	0.01%	2,914	0.09%	1,177	0.04%
	(100,848)	-2.64%	(103,693)	-2.52%	(103,223)	-2.45%	(118,344)	-3.58%	(174,790)	-5.24%
Income Before Taxes	232,072	6.07%	206,020	5.00%	236,209	5.61%	57,327	1.73%	31,232	0.94%
Income Taxes	(25,106)	-0.66%	(28,008)	-0.68%	(26,296)	-0.62%	(2,662)	-0.08%	2,385	0.07%
Income before extraordinary i	257,178	6.11%	234,028	5.56%	262,505	6.23%	59,989	1.42%	28,847	0.69%
Cumulative Effect Adjustment, for the Change in income tax accounting		0.00%		0.00%	(54,571)	-1.30%				
Income before extraordinar	257,178	6.11%	234,028	5.68%	317,076	7.53%				
Extraordinary items:										
Extraordinary income		0.00%		0.00%	0	0.00%		0.00%	5,047	0.12%
Extraordinary deductions		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
Total extraordinary items	0	0.00%	0	0.00%	0	0.00%	0	0.00%	5,047	0.12%
Net Income	257,178	6.11%	234,028	5.56%	317,076	7.53%	59,989	1.42%	33,894	0.80%
Less Dividends	(42,200)		(86,000)		(11,100)					
Percentage Depletion Add Back							38,904		5,009	
Retained Earnings-Beginnin	552,897		404,869		98,892		38,904		5,009	
Ending Retained Earnings	\$767,875		\$552,897		\$404,868		\$98,893		\$38,903	

Consumers Gas Company Five Year Financial Comparison

Investor-Owned Transmissio	Year: 12/31/95		Year: 12/31/94		Year: 12/31/93		Year: 12/31/92		Year: 12/31/91	
	Company	AGA								
ASSETS										
Total Gas Utility Plant	152.51%	81.39%	151.90%	81.39%	135.57%	81.39%	152.99%	81.39%	146.91%	106.60%
Less allowance depreciation	91.46%	47.07%	88.83%	47.07%	78.31%	47.07%	86.54%	47.07%	85.11%	34.79%
Net utility plant	61.05%	34.32%	63.07%	34.32%	57.26%	34.32%	66.45%	34.32%	61.80%	71.81%
Gas stored underground	3.98%	1.59%	5.75%	1.59%	3.99%	1.59%	4.94%	1.59%	5.06%	0.67%
Investment & fund accounts	0.00%	33.25%	0.00%	33.25%	0.00%	33.25%	0.00%	33.25%	0.00%	4.72%
Current assets	30.36%	21.38%	26.72%	21.38%	35.27%	21.38%	26.11%	21.38%	31.53%	18.97%
Deferred debits	4.60%	9.44%	4.46%	9.44%	3.48%	9.44%	2.51%	9.44%	1.60%	3.79%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

LIABILITIES										
Common stock	3.52%	2.05%	3.57%	2.05%	3.31%	2.05%	3.86%	2.05%	3.23%	8.60%
Retained earnings	21.61%	17.18%	15.81%	17.18%	10.71%	17.18%	3.06%	17.18%	1.26%	15.35%
Other paid in capital	8.08%	18.09%	8.21%	18.09%	7.59%	18.09%	8.88%	18.09%	0.00%	10.05%
Total common equity	33.21%	37.32%	27.60%	37.32%	21.61%	37.32%	15.80%	37.32%	4.48%	34.00%
Preferred stock	5.14%	0.34%	5.22%	0.34%	4.89%	0.34%	5.72%	0.34%	5.97%	1.95%
Total capital stock	38.35%	37.66%	32.82%	37.66%	26.50%	37.66%	21.51%	37.66%	10.46%	35.95%
Long Term Debt	31.66%	19.99%	34.60%	19.99%	33.98%	19.99%	41.86%	19.99%	45.84%	28.02%
Total capitalization	70.01%	57.67%	67.42%	57.67%	60.48%	57.67%	63.38%	57.67%	56.30%	63.97%
Current liabilities	29.30%	28.88%	31.82%	28.88%	38.76%	28.88%	35.65%	28.88%	42.60%	22.48%
Deferred credits	0.69%	2.16%	0.76%	2.16%	0.76%	2.16%	0.97%	2.16%	1.10%	4.45%
Other liabilities	0.00%	11.29%	0.00%	11.29%	0.00%	11.29%	0.00%	11.29%	0.00%	13.51%
Total liabilities	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

ANALYTICAL RATIOS

EARNINGS										
Operating income as % total	6.14%	5.00%	5.83%	5.00%	6.62%	5.00%	3.55%	5.00%	4.53%	4.70%
Operating income as % of n	15.35%	11.90%	14.04%	11.90%	15.68%	11.90%	8.17%	11.90%	10.76%	8.00%
Operating revenue as % total	70.53%	48.10%	77.54%	48.10%	82.14%	48.10%	66.79%	48.10%	73.25%	54.60%
Return on Net Plant	11.86%	12.80%	10.61%	12.80%	14.65%	12.80%	2.79%	12.80%	1.77%	4.60%
Pretax coverage of interest e	0.7	3.30	0.7	3.30	0.6	3.30	2.6	3.3	6.8	2

EXPENSES										
Operating expenses % oper	71.94%	75.50%	74.16%	75.50%	75.31%	75.50%	74.18%	75.50%	73.90%	91.60%
Depreciation expenses % tot	3.22%	2.60%	3.24%	2.60%	3.33%	2.60%	3.35%	2.60%	3.50%	3.30%
Total taxes as % of total plan	3.26%	2.70%	3.60%	2.70%	3.40%	2.70%	3.62%	2.70%	4.24%	4.40%
Total taxes as % of net plant	55.21%	6.50%	54.73%	6.50%	53.69%	6.50%	42.75%	6.50%	46.13%	7.50%
Taxes % of net income	81.41%	33.60%	82.71%	33.60%	77.46%	33.60%	93.76%	33.60%	96.42%	60.40%
Tax as % net income	-10.82%	18.30%	-13.59%	18.30%	-9.04%	18.30%	-4.64%	18.30%	6.57%	9.30%

PLANT										
Total plant % total operating	141.79%	207.90%	128.97%	207.90%	121.74%	207.90%	149.72%	207.90%	136.53%	183.20%
Net plant % total operating re	56.76%	87.70%	53.55%	87.70%	51.42%	87.70%	65.03%	87.70%	57.43%	108.80%
Depreciation reserve % total	59.97%	57.80%	58.48%	57.80%	57.76%	57.80%	56.57%	57.80%	57.93%	40.60%
Depreciation reserve % depr	149.81%	59.90%	140.85%	59.90%	136.77%	59.90%	130.24%	59.90%	137.72%	42.70%

CAPITALIZATION										
Long-term debt as % of net	51.86%	51.70%	54.86%	51.70%	59.35%	51.70%	63.00%	51.70%	74.18%	50.80%
% total capitalization represented by:										
Long-term debt	45.23%	30.70%	51.32%	30.70%	56.19%	30.70%	66.05%	30.70%	81.43%	47.10%
Preferred stock	8.41%	0.60%	8.28%	0.60%	8.54%	0.60%	8.60%	0.60%	9.66%	3.00%
Common equity	54.40%	64.70%	43.76%	64.70%	37.74%	64.70%	23.78%	64.70%	7.26%	49.80%

OPERATING										
Therms sold	8,047,300		8,047,300		8,047,300		8,047,300		8,047,300	
Average number of custome	5705		5705		5705		5705		5705	
Average residential price per										
\$/MMBtu for Indiana	5.06		5.06		5.06		5.06		5.06	5.40
Average industry prices per										
\$/MMBtu for United States										4.56