

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)	
MICHIGAN GAS UTILITIES CORPORATION)	
for authority to implement a gas cost recovery plan)	Case No. U-15700
and factors for the 12-month period ending)	
March 31, 2010.)	
_____)	

At the September 29, 2009 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman
Hon. Monica Martinez, Commissioner
Hon. Steven A. Transeth, Commissioner

ORDER APPROVING SETTLEMENT AGREEMENT

On December 30, 2008, pursuant to 1982 PA 304, MCL 460.6h *et seq.*, Michigan Gas Utilities Corporation (MGUC) filed an application along with testimony and exhibits requesting approval of its gas cost recovery (GCR) plan and factors for the 12-month period ending March 31, 2010. On May 22, 2009, MGUC supplemented its testimony and exhibits.

At a prehearing conference held on February 18, 2009, Administrative Law Judge James N. Rigas granted leave to intervene to Attorney General Michael A. Cox and the Residential Ratepayer Consortium. The Commission Staff also participated in the proceeding. Subsequently, the parties filed a settlement agreement resolving all issues in the case.

According to the terms of the settlement agreement, attached as Exhibit A, the parties agree that MGUC's 2009-2010 GCR plan as reflected in its direct, supplemental, and rebuttal case

filings, and as modified by the settlement agreement, is reasonable and prudent and should be approved.

The parties agree that MGUC's peak day forecast should be set at 219,345 thousand cubic feet (Mcf) for the 2009-2010 winter period. The parties further agree that the Commission should approve a base GCR factor of \$7.3231 per Mcf as set forth in Attachment 1 to the settlement agreement for the 2009-2010 GCR period. The parties agree that the GCR factor is subject to adjustment and will be recalculated with symmetry in accordance with the contingency matrix set forth in Attachment 2 to the settlement agreement. The New York Mercantile Exchange increase used to calculate the quarterly adjustments is capped at \$3.00 per million British thermal units (MMBtu). Any new GCR factor ceiling calculated under the matrix will not decrease below the base GCR factor of \$7.3231 per Mcf; however, the Commission observes that if the price of natural gas declines, MGUC may elect to bill a lower factor under MCL 460.6h(9). Thus, if gas prices decline, voluntary GCR factor reductions may be appropriate.

The parties also agree that a collaborative will be convened to review the Fixed Price Purchasing program and that MGUC will include in its 2010-2011 GCR plan filing a schedule and deadline to complete its proposed interconnection with Michigan Consolidated Gas Company to foster effective utilization of the Washington 10 gas storage service.

The Commission finds that the settlement agreement is reasonable and in the public interest, and should be approved.

THEREFORE, IT IS ORDERED that:

A. The settlement agreement, attached as Exhibit A, is approved.

B. The 2009-2010 gas cost recovery plan as filed, amended, and as modified by the settlement agreement, is approved.

C. Michigan Gas Utilities Corporation is authorized for the 2009-2010 plan year to incorporate into its rates a base gas cost recovery factor of \$7.3231 per thousand cubic feet.

D. Michigan Gas Utilities Corporation is authorized to implement maximum gas cost recovery factors for the 2009-2010 plan year as set forth in the settlement agreement and pursuant to the contingency mechanism set forth in Attachment 2 of the settlement agreement.

E. Michigan Gas Utilities Corporation shall file, within 30 days, tariff sheets reflective of the approvals granted herein and substantially similar to Attachments 1 and 2 to the settlement agreement.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, under MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

Orjiakor N. Isiogu, Chairman

By its action of September 29, 2009.

Monica Martinez, Commissioner

Mary Jo Kunkle, Executive Secretary

Steven A. Transeth, Commissioner

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * *

In the matter of the application of)	
MICHIGAN GAS UTILITIES CORPORATION)	Case No. U-15700
for authority to implement a gas cost recovery plan and)	
factors for the 12-month period ending March 31, 2010.)	
_____)	

SETTLEMENT AGREEMENT

Pursuant to MCL 24.278 and Rule 333 of the Rules of Practice and Procedure before the Michigan Public Service Commission (“Commission”), R 460.17333, Michigan Gas Utilities Corporation (“MGUC” or the “Company”), Residential Ratepayer Consortium (“RRC”), Attorney General Michael A. Cox (“Attorney General”) and the Commission Staff (“Staff”) agree as follows:

1. On December 30, 2008, MGUC filed its (i) application, (ii) testimony and exhibits of David J. Tyler, Kent E. Huzzey and John P. Wirick, and (iii) 5-year forecast.
2. On January 20, 2009, the Commission’s Executive Secretary issued the Notice of Hearing in this proceeding directing MGUC to mail a copy of the Notice of Hearing to all cities, incorporated villages, townships and counties in its service area and to intervenors of record in MGUC's last GCR Plan case in Case No. U-15450. Further, MGUC was directed to publish the Notice of Hearing in daily newspapers of general circulation throughout its service area. On February 13, 2009, MGUC electronically filed its affidavit of mailing and proofs of publication.

3. On February 18, 2009, Administrative Law Judge (“ALJ”) James N. Rigas conducted a prehearing conference. MGUC and Staff participated in the proceedings. The ALJ granted intervenor status to the RRC and the Attorney General.

4. On May 22, 2009, MGUC filed the supplemental testimony and revised exhibits of Mr. Tyler and Mr. Huzzey.

5. On June 19, 2009, the RRC filed the direct testimony and exhibits of Frank J. Hollewa, and on June 22, 2009, the Attorney General filed the direct testimony and exhibits of Sebastian Coppola.

6. At a hearing held on August 6, 2009, MGUC’s, RRC’s and the Attorney General’s prefiled testimony and exhibits were admitted, and bound, into the record by agreement of the parties. There was no cross-examination.

7. The parties have participated in settlement discussions and agree as follows:

a. MGUC’s 2009-2010 GCR plan as supplemented and amended in rebuttal, and as modified by this settlement agreement, is reasonable and should be approved by the Commission. The parties further agree that there have been significant decreases to planned GCR requirements since MGUC filed its GCR Plan in December 2008. This has been caused by both increased GCC participation and reduced demand resulting from current economic conditions. The Company agrees to closely monitor such decreases and as necessary, implement changes to its GCR plan depending upon new circumstances or expectations. Any significant changes to filed Plan purchases and storage operations will be addressed in the GCR Reconciliation case wherein MGUC will explain when, how and why the Company made changes to its MPSC-approved plan for 2009-2010.

b. The parties agree that the Peak Day forecast should be set at 219,345 Mcf for the 2009-2010 winter period. This reflects a downward adjustment from the initial filed plan to account for lower than expected economic activity resulting in lower natural gas use.

c. The parties, request the Commission to approve the agreed upon 2009-2010 base GCR factor of \$7.3231 per Mcf as reflected in the tariff sheet set forth on Attachment 1. The parties further agree that the GCR factor is subject to the contingency matrix adjustment calculated pursuant to Attachment 2 hereto and that MGUC will recalculate the 2009-2010 maximum authorized GCR factor with symmetry in accordance with the contingency matrix set forth in Attachment 2. The NYMEX increase used to calculate the quarterly adjustment is capped at \$3.00 per MMBtu, and any new GCR factor ceiling calculated pursuant to the matrix will not decrease below the base GCR factor of \$7.3231 per Mcf. The RRC does not agree that the contingency matrix is necessary in this gas supply and cost review, but for settlement purposes, the RRC does not object to its inclusion as reflected in this agreement.

d. The parties agree that a collaborative will be convened by Staff and attended by the parties to review and discuss the Fixed Price Purchasing program as relating to future purchases. The parties further agree that any fixed price purchases which the Company has made pursuant to the current Fixed Price Purchasing program will be subject to review pursuant to the terms and conditions of that program.

e. MGUC agrees to include in its 2010-2011 GCR plan filing a schedule and deadline to complete its proposed interconnection with Michigan Consolidated Gas Company to foster effective utilization of the Washington 10 gas storage service.

f. The parties agree that MGUC's five-year forecast complies with the filing requirements established by MCL 460.6h(4).

8. This settlement agreement is entered into for the sole and express purpose of reaching a compromise among the parties. All offers of settlement and discussions relating to this settlement are considered privileged under MRE 408. If the Commission approves this settlement agreement without modification, neither the parties to the settlement nor the Commission shall make any reference to, or use this settlement agreement or the order approving it, as a reason, authority, rationale or example for taking any action or position or making any subsequent decision in any other case or proceeding; provided however, such references may be made to enforce or implement the provisions of this settlement agreement and the order approving it.

9. This settlement agreement is based on the facts and circumstances of this case and is intended as the final disposition of Case No. U-15700 only. If the Commission approves this settlement agreement, without modification, the undersigned parties agree not to appeal, challenge or otherwise contest the Commission order approving this settlement agreement only. Except as otherwise stated in this settlement agreement the parties agree and understand that this settlement agreement does not limit any party's right to take new and/or different positions on similar issues in other administrative proceedings, or appeals related thereto.

10. This settlement agreement is not severable. Each provision of this settlement agreement is dependent upon all other provisions of this settlement agreement. Failure to comply with any provision of this settlement agreement constitutes failure to comply with the entire settlement agreement. If the Commission rejects or modifies this settlement agreement or any provision of this settlement agreement, this settlement agreement shall be deemed to be withdrawn, shall not constitute any part of the record in this proceeding or be used for any other purpose, and shall not operate to prejudice the pre-negotiation positions of any party.

11. The Staff agrees that this settlement agreement is reasonable and in the public interest.

12. The parties agree to waive Section 81 of the Administrative Procedures Act of 1969 (MCL 24.281), as it applies to the issues in this proceeding, if the Commission approves this settlement agreement without modification.

MICHIGAN GAS UTILITIES CORPORATION

Dated: September 2, 2009

By: _____
One of its Attorneys
Harvey J. Messing (P23309)
Sherri A. Wellman (P38989)
MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.
One Michigan Avenue, Suite 900
Lansing, MI 48933

MICHIGAN PUBLIC SERVICE COMMISSION STAFF

Dated: September 2, 2009

By: _____
Vincent J. Leone (P24093)
Assistant Attorney General
6545 Mercantile Way, Suite 15
Lansing, MI 48911

RESIDENTIAL RATEPAYER CONSORTIUM

Dated: September 2, 2009

By: _____
Its Attorney
David L. Shaltz (P29330)
2379 Woodlake Drive, Suite 480B
Okemos, MI 48864

ATTORNEY GENERAL MICHAEL A. COX

Dated: September 2, 2009

By: _____

Donald Erickson (P13212)

Assistant Attorney General

Tobacco and Special Litigation Division

7th Floor, G. Mennen Williams Bldg.

525 W. Ottawa Street

Lansing, MI 48909

Attachment 1

Continued from Sheet No. D-1.00

D3. GAS COST RECOVERY FACTORS

The listed monthly Gas Cost Recovery Factors are authorized pursuant to Rule C9, Gas Cost Recovery Clause.

Billing Month	Authorized Base Factor \$/Mcf	Maximum GCR Factor Allowed	Actual Factor Billed \$/Mcf
April 2009	\$7.3231	\$7.3231	\$7.3231
May 2009	\$7.3231	\$7.3231	\$7.3231
June 2009	\$7.3231	\$7.3231	\$6.9100
July 2009	\$7.3231	\$7.3231	\$6.9100
August 2009	\$7.3231	\$7.3231	\$7.0200
September 2009	\$7.3231	\$7.3231	\$7.0200
October 2009	\$7.3231		
November 2009	\$7.3231		
December 2009	\$7.3231		
January 2010	\$7.3231		
February 2010	\$7.3231		
March 2010	\$7.3231		

The Maximum GCR Factor Allowed is based upon changes in the NYMEX and adjusted according to Sheets D3.00 or D4.00.

The Company will file a revised Sheet No. D-2.00 monthly or as necessary to reflect the factor to be billed the following month.

The Company will file by December 31, 2009 for maximum Gas Cost Recovery Factors for April 2010 through March 2011. The Gas Cost Recovery Factor to be charged beginning April 2010 is authorized pursuant to §6(h)(9) of 1982 PA 304, as amended, MCL 460.6h et seq.

In addition to the above Gas Cost Recovery Factors, rates are subject to the supplemental charges shown on Sheet No. D-1.00.

Continued on Sheet No. D-3.00

Attachment 2

Continued from Sheet No. D-2.00

D3.1 GCR Ceiling Price Contingency Matrix

		April-June		July-Sept		Oct-Dec		Jan-Mar	
		1st Qtr		2nd Qtr		3rd Qtr		4th Qtr	
		Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
		April-	Nov-	April-	Nov-	April-	Nov-	April-	Nov-
		Oct	Mar	Oct	Mar	Oct	Mar	Oct	Mar
Fractional Multi (Fm)		0.459	0.308	0.404	0.314	0.379	0.258	0.334	0.314
Plan NYMEX (Xplan)		\$6.5375	\$7.6567	\$6.5375	\$7.6567	\$6.5375	\$7.6567	\$6.5375	\$7.8205
Base GCR Factor			\$7.3231		\$7.3231		\$7.3231		\$7.3231
NYMEX Increase									
Greater than	But less	Incremental Contingency GCR Factor (\$/Mcf)							
or Equal to	than								
\$0.00	\$0.05	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
\$0.05	\$0.10	\$0.0229	\$0.0154	\$0.0202	\$0.0157	\$0.0190	\$0.0129	\$0.0167	\$0.0157
\$0.10	\$0.15	\$0.0459	\$0.0308	\$0.0404	\$0.0314	\$0.0379	\$0.0258	\$0.0334	\$0.0314
\$0.15	\$0.20	\$0.0688	\$0.0462	\$0.0605	\$0.0471	\$0.0569	\$0.0387	\$0.0500	\$0.0472
\$0.20	\$0.25	\$0.0917	\$0.0617	\$0.0807	\$0.0628	\$0.0759	\$0.0516	\$0.0667	\$0.0629
\$0.25	\$0.30	\$0.1147	\$0.0771	\$0.1009	\$0.0786	\$0.0949	\$0.0644	\$0.0834	\$0.0786
\$0.30	\$0.35	\$0.1376	\$0.0925	\$0.1211	\$0.0943	\$0.1138	\$0.0773	\$0.1001	\$0.0943
\$0.35	\$0.40	\$0.1605	\$0.1079	\$0.1413	\$0.1100	\$0.1328	\$0.0902	\$0.1167	\$0.1101
\$0.40	\$0.45	\$0.1835	\$0.1233	\$0.1614	\$0.1257	\$0.1518	\$0.1031	\$0.1334	\$0.1258
\$0.45	\$0.50	\$0.2064	\$0.1387	\$0.1816	\$0.1414	\$0.1707	\$0.1160	\$0.1501	\$0.1415
\$0.50	\$0.55	\$0.2293	\$0.1541	\$0.2018	\$0.1571	\$0.1897	\$0.1289	\$0.1668	\$0.1572
\$0.55	\$0.60	\$0.2523	\$0.1696	\$0.2220	\$0.1728	\$0.2087	\$0.1418	\$0.1834	\$0.1730
\$0.60	\$0.65	\$0.2752	\$0.1850	\$0.2422	\$0.1885	\$0.2277	\$0.1547	\$0.2001	\$0.1887
\$0.65	\$0.70	\$0.2982	\$0.2004	\$0.2624	\$0.2042	\$0.2466	\$0.1675	\$0.2168	\$0.2044
\$0.70	\$0.75	\$0.3211	\$0.2158	\$0.2825	\$0.2200	\$0.2656	\$0.1804	\$0.2335	\$0.2201
\$0.75	\$0.80	\$0.3440	\$0.2312	\$0.3027	\$0.2357	\$0.2846	\$0.1933	\$0.2501	\$0.2359
\$0.80	\$0.85	\$0.3670	\$0.2466	\$0.3229	\$0.2514	\$0.3035	\$0.2062	\$0.2668	\$0.2516
\$0.85	\$0.90	\$0.3899	\$0.2620	\$0.3431	\$0.2671	\$0.3225	\$0.2191	\$0.2835	\$0.2673
\$0.90	\$0.95	\$0.4128	\$0.2775	\$0.3633	\$0.2828	\$0.3415	\$0.2320	\$0.3002	\$0.2830
\$0.95	\$1.00	\$0.4358	\$0.2929	\$0.3834	\$0.2985	\$0.3605	\$0.2449	\$0.3168	\$0.2988
\$1.00	\$1.05	\$0.4587	\$0.3083	\$0.4036	\$0.3142	\$0.3794	\$0.2578	\$0.3335	\$0.3145
\$1.05	\$1.10	\$0.4816	\$0.3237	\$0.4238	\$0.3299	\$0.3984	\$0.2707	\$0.3502	\$0.3302
\$1.10	\$1.15	\$0.5046	\$0.3391	\$0.4440	\$0.3456	\$0.4174	\$0.2835	\$0.3669	\$0.3459
\$1.15	\$1.20	\$0.5275	\$0.3545	\$0.4642	\$0.3614	\$0.4363	\$0.2964	\$0.3835	\$0.3617
\$1.20	\$1.25	\$0.5504	\$0.3699	\$0.4843	\$0.3771	\$0.4553	\$0.3093	\$0.4002	\$0.3774
\$1.25	\$1.30	\$0.5734	\$0.3853	\$0.5045	\$0.3928	\$0.4743	\$0.3222	\$0.4169	\$0.3931
\$1.30	\$1.35	\$0.5963	\$0.4008	\$0.5247	\$0.4085	\$0.4933	\$0.3351	\$0.4336	\$0.4088
\$1.35	\$1.40	\$0.6192	\$0.4162	\$0.5449	\$0.4242	\$0.5122	\$0.3480	\$0.4502	\$0.4246
\$1.40	\$1.45	\$0.6422	\$0.4316	\$0.5651	\$0.4399	\$0.5312	\$0.3609	\$0.4669	\$0.4403
\$1.45	\$1.50	\$0.6651	\$0.4470	\$0.5853	\$0.4556	\$0.5502	\$0.3738	\$0.4836	\$0.4560
\$1.50	\$1.55	\$0.6880	\$0.4624	\$0.6054	\$0.4713	\$0.5691	\$0.3866	\$0.5003	\$0.4717
\$1.55	\$1.60	\$0.7110	\$0.4778	\$0.6256	\$0.4871	\$0.5881	\$0.3995	\$0.5169	\$0.4875
\$1.60	\$1.65	\$0.7339	\$0.4932	\$0.6458	\$0.5028	\$0.6071	\$0.4124	\$0.5336	\$0.5032
\$1.65	\$1.70	\$0.7568	\$0.5087	\$0.6660	\$0.5185	\$0.6261	\$0.4253	\$0.5503	\$0.5189
\$1.70	\$1.75	\$0.7798	\$0.5241	\$0.6862	\$0.5342	\$0.6450	\$0.4382	\$0.5670	\$0.5346
\$1.75	\$1.80	\$0.8027	\$0.5395	\$0.7063	\$0.5499	\$0.6640	\$0.4511	\$0.5836	\$0.5504
\$1.80	\$1.85	\$0.8257	\$0.5549	\$0.7265	\$0.5656	\$0.6830	\$0.4640	\$0.6003	\$0.5661
\$1.85	\$1.90	\$0.8486	\$0.5703	\$0.7467	\$0.5813	\$0.7019	\$0.4769	\$0.6170	\$0.5818
\$1.90	\$1.95	\$0.8715	\$0.5857	\$0.7669	\$0.5970	\$0.7209	\$0.4898	\$0.6337	\$0.5975

Continued on Sheet No. D-4.00

Continued from Sheet No. D-3.00

D3.1 GCR Ceiling Price Contingency Matrix (Contd)

			April-June		July-Sept		Oct-Dec		Jan-Mar	
			1st Qtr		2nd Qtr		3rd Qtr		4th Qtr	
			Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
			April- Oct	Nov- Mar	April- Oct	Nov- Mar	April- Oct	Nov- Mar	April- Oct	Nov- Mar
Fractional Multi (Fm)		0.459	0.308	0.404	0.314	0.379	0.258	0.334	0.314	
Plan NYMEX (Xplan)		\$6.5375	\$7.6567	\$6.5375	\$7.6567	\$6.5375	\$7.6567	\$6.5375	\$7.8205	
Base GCR Factor			\$7.3231		\$7.3231		\$7.3231		\$7.3231	
NYMEX Increase										
Greater than	But less	Incremental Contingency GCR Factor (\$/Mcf)								
or Equal to	than									
\$1.95	\$2.00	\$0.8945	\$0.6011	\$0.7871	\$0.6127	\$0.7399	\$0.5026	\$0.6503	\$0.6133	
\$2.00	\$2.05	\$0.9174	\$0.6166	\$0.8072	\$0.6285	\$0.7589	\$0.5155	\$0.6670	\$0.6290	
\$2.05	\$2.10	\$0.9403	\$0.6320	\$0.8274	\$0.6442	\$0.7778	\$0.5284	\$0.6837	\$0.6447	
\$2.10	\$2.15	\$0.9633	\$0.6474	\$0.8476	\$0.6599	\$0.7968	\$0.5413	\$0.7004	\$0.6604	
\$2.15	\$2.20	\$0.9862	\$0.6628	\$0.8678	\$0.6756	\$0.8158	\$0.5542	\$0.7170	\$0.6761	
\$2.20	\$2.25	\$1.0091	\$0.6782	\$0.8880	\$0.6913	\$0.8347	\$0.5671	\$0.7337	\$0.6919	
\$2.25	\$2.30	\$1.0321	\$0.6936	\$0.9082	\$0.7070	\$0.8537	\$0.5800	\$0.7504	\$0.7076	
\$2.30	\$2.35	\$1.0550	\$0.7090	\$0.9283	\$0.7227	\$0.8727	\$0.5929	\$0.7671	\$0.7233	
\$2.35	\$2.40	\$1.0779	\$0.7245	\$0.9485	\$0.7384	\$0.8916	\$0.6058	\$0.7837	\$0.7390	
\$2.40	\$2.45	\$1.1009	\$0.7399	\$0.9687	\$0.7541	\$0.9106	\$0.6186	\$0.8004	\$0.7548	
\$2.45	\$2.50	\$1.1238	\$0.7553	\$0.9889	\$0.7699	\$0.9296	\$0.6315	\$0.8171	\$0.7705	
\$2.50	\$2.55	\$1.1467	\$0.7707	\$1.0091	\$0.7856	\$0.9486	\$0.6444	\$0.8338	\$0.7862	
\$2.55	\$2.60	\$1.1697	\$0.7861	\$1.0292	\$0.8013	\$0.9675	\$0.6573	\$0.8504	\$0.8019	
\$2.60	\$2.65	\$1.1926	\$0.8015	\$1.0494	\$0.8170	\$0.9865	\$0.6702	\$0.8671	\$0.8177	
\$2.65	\$2.70	\$1.2155	\$0.8169	\$1.0696	\$0.8327	\$1.0055	\$0.6831	\$0.8838	\$0.8334	
\$2.70	\$2.75	\$1.2385	\$0.8324	\$1.0898	\$0.8484	\$1.0244	\$0.6960	\$0.9005	\$0.8491	
\$2.75	\$2.80	\$1.2614	\$0.8478	\$1.1100	\$0.8641	\$1.0434	\$0.7089	\$0.9171	\$0.8648	
\$2.80	\$2.85	\$1.2843	\$0.8632	\$1.1301	\$0.8798	\$1.0624	\$0.7217	\$0.9338	\$0.8806	
\$2.85	\$2.90	\$1.3073	\$0.8786	\$1.1503	\$0.8955	\$1.0814	\$0.7346	\$0.9505	\$0.8963	
\$2.90	\$2.95	\$1.3302	\$0.8940	\$1.1705	\$0.9113	\$1.1003	\$0.7475	\$0.9672	\$0.9120	
\$2.95	\$3.00	\$1.3532	\$0.9094	\$1.1907	\$0.9270	\$1.1193	\$0.7604	\$0.9838	\$0.9277	

NYMEX Increase = (X – Xplan)

X = the simple average of the actual NYMEX monthly natural gas futures contract prices, (\$/MMBtu), for the entire summer (Apr-Oct), closing prices should be used for summer months that are no longer trading, and remaining winter (Nov-Mar) months of the GCR period, (averaged over the first five trading days of the month prior to implementation).

Xplan = the NYMEX average summer and winter strips incorporated in the calculation of the base GCR factor, as delineated in the above chart.

At least fifteen days before the beginning of each quarter, the company shall file with the Michigan Public Service Commission an updated Tariff Sheet No. D-2.00, if NYMEX futures prices increase to a level allowing for the implementation of a higher contingent GCR price ceiling. The information filing shall include all supporting documents necessary to verify the new price ceiling, including a copy of the calculation of the five-day average of the NYMEX strip for the remaining months of the GCR period, and a copy of the NYMEX futures prices sheets for the first five trading days of the month, such sheets being an authoritative source used by the gas industry. The filing shall be incorporated into the GCR Plan Docket U-15450 with notice of filing provided to all interveners.