

FILED
NOVEMBER 15, 2016
INDIANA UTILITY
REGULATORY COMMISSION

MIDWEST NATURAL GAS CORPORATION

CAUSE # 44880

ACCOUNTING WORKPAPERS

TRIAL BALANCE

	A	B	C	D	E
1	MIDWEST NATURAL GAS				
2	TRIAL BALANCE				
3					
4			3/31/2016		3/31/2015
5					
6					
7	0108-00	RESERVE FOR DEPRECIATION	(21,977,456.62)		(21,045,767.60)
8	0121-00	NON UTILITY PROPERTY	364,026.04		364,026.04
9	0124-00	OTHER INVESTMENTS	4,788,379.66		-
10	0131-04	SCOTT CO BANK	31,685.58		92,210.96
11	0131-11	SCOTTSBURG MANAGERS FUND ACCT	8,417.88		4,839.61
12	0131-13	PETTY CASH	430.43		430.43
13	0131-14	BLOOMFIELD MANAGERS FUND	1,836.66		1,843.41
14	0131-15	BLOOMFIELD STATE BANK	4,343.44		27,109.08
15	0131-21	ONB CHECKING ACCOUNT	171,087.04		56,349.13
16	0131-25	ONB SPECIAL ELECTRONIC ACCOUNT	543.19		542.55
17	0134-00	OTHER SPECIAL ACCOUNT	418.00		418.00
18	0141-01	NOTES RECEIVABLE - MICHAEL CROUCH	132,222.52		145,989.00
19	0142-01	ACCOUNTS RECEIVABLE SCB	844,505.57		1,642,014.34
20	0142-02	ACCOUNTS RECEIVABLE BLM	248,354.45		469,050.70
21	0143-00	OTHER ACCOUNTS RECEIVABLE	36,678.91		13,879.94
22	0143-01	OTHER ACCOUNTS RECEIVABLE NGP	726,568.86		1,101,080.93
23	0144-00	ACCUM PROVISION FOR BAD DEBTS	(68,700.52)		(75,556.90)
24	0154-04	MATERIAL INVENTORY SCOTTSBURG	545,556.81		457,641.22
25	0154-05	MATERIAL INVENTORY BLOOMFIELD	302,177.28		303,745.08
26	0166-00	PREPAID INSURANCE	46,623.01		51,883.31
27	0166-04	PREPAID KEYMAN LIFE INSURANCE	7,836.35		7,831.80
28	0166-06	PREPAID SOFTWARE	12,141.85		12,809.86
29	0166-08	MOBILE COMPUTERS	27,645.51		44,077.28
30	0174-00	CASH VALUE LIFE INSURANCE	219,272.00		223,323.50
31	0174-01	CASH VALUE LIFE INS DAO	158,327.86		145,724.00
32	0174-02	CASH VALUE LIFE INS MVC 2	334,418.25		317,191.25
33	0184-01	CLEARING ACCOUNT AUTO EXPENSE	-		-
34	0184-02	CLEARING ACCOUNT EMPLOYEES	(129.52)		190.22
35	0184-26	SALEM SR 56 CLEARING	-		114,400.69
36	0184-41	CLEARING - MUSCATATUCK PROJECT	240.00		240.00
37	0184-50	CLEARING LEOTA ROAD PROJECT	-		223,647.27
38	0184-52	CLEARING-HIGH/SCOTT ST N VERNON	-		59,085.80
39	0184-54	CLEARING - ODon SR 56 PROJECT	-		6,611.82
40	0184-56	CLEARING WORTHINGTON/PIONEER	-		159,723.65
41	0184-57	CLEARING - BLUE BARN ROAD	-		129,022.93
42	0184-58	CLEARING HWY 59 10" PROJECT	-		88,445.01
43	0184-59	CLEARING I-65 4" RELOCATE	-		187,307.97
44	0184-60	CLEARING 8" UPGRADE PROJECT	898,841.09		-
45	0184-61	CLEARING - SR 54 PLASTIC	2,895.39		-
46	0184-62	CLEARING-REMIMBURSEABLE SR 45	14,399.47		-
47	0184-63	CLEARING SCOTTSBURG 8"	13,452.50		-
48	0184-64	CLEARING SR 54 STEEL	56,173.75		-
49	0186-01	UNAMORT DECOUPLING EXP	-		36,170.40
50	0186-02	DEFERRED TAX BENEFIT CURRENT	11,796.55		(26,942.45)
51	0186-06	2011 RATE CASE AMORTIZATION	51,512.09		126,548.09

	A	B	C	D	E
1	MIDWEST NATURAL GAS				
2	TRIAL BALANCE				
3					
4			3/31/2016		3/31/2015
52	0201-00	COMMON STOCK	(723,340.50)		(723,340.50)
53	0208-00	CONTRIBUTED CAPITAL	(248,237.07)		(238,991.52)
54	0216-00	RETAINED EARNINGS	(21,656,248.76)		(20,712,587.60)
55	0216-01	OTHER COMPREHENSIVE INCOME	193,747.00		193,747.00
56	0217-00	TREASURY STOCK	15,227,123.54		14,865,266.54
57	0221-00	LONG TERM DEBT ONB	(849,074.12)		(1,146,293.09)
58	0221-13	LONG TERM DEBT ONB MORTGAGE	(255,530.71)		(345,291.56)
59	0221-14	LONG TERM DEBT ONB WASHINGTON MORT	(412,111.74)		(442,582.89)
60	0231-00	NOTES PAYABLE	(6,650,041.65)		(3,606,914.07)
61	0231-01	CURRENT PORTION LONG TERM	(443,085.00)		(419,598.00)
62	0231-08	Notes Payable - Northwestern Mutual	(132,222.52)		(145,989.00)
63	0231-10	NOTES PAYABLE - GENE SHAFER	0.00		(31,144.00)
64	0231-11	NOTES PAYABLE - BRICE ROBINSON	(71,000.00)		(142,000.00)
65	0232-00	ACCOUNTS PAYABLE	(1,172,325.51)		(1,716,423.70)
66	0235-00	CUSTOMER DEPOSITS SCOTTSBURG	(293,375.00)		(310,190.00)
67	0235-01	CUSTOMER DEPOSITS BLOOMFIELD	(104,320.00)		(101,155.00)
68	0235-11	CUSTOMER DEPOSITS UNREFUNDABLE	(11,476.28)		(5,536.71)
69	0236-01	FEDERAL UNEMPLOYMENT TAX	2,285.15		(4,785.88)
70	0236-02	INDIANA UNEMPLOYMENT TAX	(2,905.83)		(4,114.94)
71	0236-03	FICA EMPLOYERS SHARE	0.05		0.19
72	0236-04	PROPERTY TAX ACCRUED	(272,707.25)		(275,907.50)
73	0236-05	INDIANA GROSS CORP TAX	7,225.63		(19,144.37)
74	0236-06	FEDERAL INCOME TAX	(233,176.85)		(50,854.85)
75	0236-07	INTERCOMPANY TAXES PAYABLE	(304,581.00)		(191,940.00)
76	0236-08	UTILITY RECEIPTS TAX ACCRUAL	447,820.08		295,451.08
77	0236-51	IURC ANNUAL FEE	(4,766.63)		(4,501.64)
78	0237-02	CUSTOMER DEPOSITS INTEREST	(48,612.85)		(45,731.74)
79	0237-03	INTEREST BANKS AND OTHERS	(2,499.00)		(6,687.00)
80	0237-04	ACCRUED INTEREST- G SHAFER/B ROBINSON	(15,227.04)		(16,526.04)
81	0241-01	SALES TAX PAYABLE	(76,828.80)		(112,569.01)
82	0241-02	FICA EMPLOYERS SHARE	0.05		0.19
83	0241-03	FEDERAL INCOME TAX WITHHELD	(140.00)		(140.00)
84	0241-04	INDIANA STATE TAX WITHHELD	(7,470.24)		(7,041.49)
85	0242-00	OTHER CURRENT LIABILITY	(55,717.66)		(73,462.75)
86	0242-03	ACCRUED ESOP PAYABLE	(70,700.00)		(70,700.00)
87	0242-05	ACCRUED PENSION PAYABLE	(24,090.04)		(64,182.04)
88	0252-00	CUSTOMER ADVANCE FOR CONST	(13,323.96)		(16,450.46)
89	0253-00	OTHER DEFERRE D CREDITS	44,224.00		(657,423.00)
90	0282-01	ACCUM DEF INCOME TAX LIABILITY	(2,664,810.00)		(2,256,774.00)
91	0283-00	NON CURRENT REGULATORY LIABIU	1,273.00		1,273.00
92	0301-00	ORGANIZATION	8,512.43		8,512.43
93	0302-00	FRANCHISE & CONSENTS	29,503.16		29,503.16
94	0303-00	MI SC INTANGIBLE PLANT	850.00		850.00
95	0304-00	LAND & LAND RIGHTS	11,645.35		11,645.35
96	0331-00	SEARS PRODUCTION PLANT	-		21,374.01
97	0331-01	PLAINVILLE PRODUCTION PLANT	-		8,174.85
98	0334-00	SEARS MEASURE & REG EQUIP	-		4,371.76

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1	MIDWEST NATURAL GAS				
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4			3/31/2016		3/31/2015
99	0334-01	PLAINVILLE MEASURE & REG EQUIP	-		3,606.01
100	0336-00	PRODUCTION PURIFICATION	-		24,782.09
101	0336-01	PLAINVILLE PURIFICATION EQUIP	1,633.77		1,633.77
102	0364-00	LAND & LAND RIGHTS TRANSMISSION	172,449.29		153,925.29
103	0365-00	RIGHT OF WAY	117,979.52		116,668.68
104	0365-01	LAND TRANSMISSION FROM PG	1,500.00		1,500.00
105	0365-02	EASEMENTS TRANSMISSION FROM PG	59,757.39		59,757.39
106	0366-00	STRUCTURES & IMPROVEMENTS	3,997.15		3,997.15
107	0367-00	INTERMEDIATE MAINS	6,367,105.37		7,950,047.89
108	0367-01	TRANSMISSION 8"	1,989,834.40		-
109	0369-00	MEAS & REG STATION EQUIP	322,748.76		303,781.00
110	0370-00	COMMUNICATION EQUIPMENT	87,502.57		78,498.61
111	0374-00	LAND & LAND RIGHTS DISTRIBUTION	151,889.50		132,031.71
112	0375-00	STRUCTURES & IMPROVEMENTS	10,779.18		10,779.18
113	0376-00	DISTRIBUTION MAINS	10,011,722.65		9,125,500.51
114	0378-00	MEAS & REG STATION GENERAL	429,662.81		380,286.72
115	0379-00	MEAS & REG CITY GATE	369,397.79		369,397.79
116	0380-00	SERVICES	6,430,586.91		6,277,788.99
117	0381-00	METERS	1,649,139.18		1,605,408.99
118	0381-01	Meters - AMR	1,045,886.53		1,019,259.79
119	0382-00	METER INSTALLATION	227,629.06		223,413.77
120	0383-00	HOUSE REGULATORS	961,753.48		932,941.32
121	0384-00	HOUSE REG INSTALLATION	124,204.73		121,421.82
122	0385-00	INDUSTRIAL MEAS & REG	788,159.32		782,722.86
123	0387-00	OTHER EQUIPMENT	106,469.18		86,029.18
124	0389-00	LAND & LAND RIGHTS GENERAL	345,664.27		345,664.27
125	0390-00	STRUCTURES & IMP GENERAL	2,092,957.17		2,097,811.90
126	0391-00	OFFICE FURNITURE & EQUIP	207,001.39		228,166.52
127	0391-01	COMPUTER EQUIPMENT	203,608.36		197,633.45
128	0392-00	TRANSPORTATION EQUIPMENT	1,160,805.81		1,102,828.59
129	0394-00	TOOL & GARAGE EQUIPMENT	145,583.71		144,338.55
130	0395-00	LABORATORY EQUIPMENT	29,112.66		29,112.66
131	0396-00	POWER OPERATED EQUIP	339,260.42		322,175.42
132	0397-00	COMMUNICATION EQUIPMENT	88,735.71		82,093.93
133	0398-00	OTHER GENERAL EQUIPMENT PG	5,921.78		5,921.78
134	403	Depreciation	1,196,384.00		1,034,647.00
135	408	Payroll Taxes	143,434.25		145,996.46
136	408	Property Taxes	211,561.95		223,648.93
137	408	State Gross Income Tax	63,357.00		46,435.00
138	408	Utility Receipts Tax	173,355.00		232,607.00
139	409	Federal Income Tax	669,010.00		306,911.45
140	414	Gain/Loss on Disposition	0.00		1,473.40
141	419	Interest Income	(0.64)		(2,031.49)
142	419-01	Divident Income Assoc	(3,102,722.14)		(500,000.00)
143	421	Non-Operating Income	(4,285.59)		(3,819.19)
144	426	Other Deductions	7,365.00		3,366.00
145	431	Interest Expense	129,682.34		162,267.64

	A	B	C	D	E
1	MIDWEST NATURAL GAS				
2	TRIAL BALANCE				
3					
4			3/31/2016		3/31/2015
146	480	Residential	(6,271,089.92)		(8,525,797.10)
147	481-02	Commercial	(3,088,797.73)		(4,482,767.35)
148	481-03	Firm Industrial	(893,302.81)		(1,228,025.61)
149	481-04	Interruptible Industrial	(231,173.58)		(323,779.65)
150	482	Public Authorities	(751,162.05)		(1,084,608.19)
151	487	Foreited Discounts	(64,470.31)		(81,010.31)
152	488	Misc Service Revenue	(65,001.69)		(67,223.85)
153	489	Transportation Revenue	(991,743.88)		(1,041,324.02)
154	493	Rental Income	(7,500.00)		(7,500.00)
155	735	Misc Production Exp	3,000.00		3,000.00
156	803	Natural Gas Purchased	5,687,610.92		8,333,581.16
157	803-01	Gas Cost Adjustments	(701,647.00)		952,981.00
158	814-836	Shaw Expenses	50.00		-
159	850	Intermediate Superv	8,296.40		7,568.59
160	852	Communication Exp	97,510.26		94,733.72
161	856	Intermediate Mains Op	32,666.60		30,293.66
162	857	Purch PI Operations	21,782.36		21,951.47
163	863	Intermediate Maint of Mains	34,681.03		32,408.39
164	865	Maint Meas & Reg St	7,535.52		9,276.15
165	870	Distrib Oper Superv	42,965.11		40,641.79
166	874	Mans/Serv Operations	920,833.76		932,436.24
167	875	Reg Sta-Gen Operations	15,219.11		18,676.10
168	876	Reg Industrial Operations	2,970.45		3,458.42
169	877	City Gate Operations	12,160.45		15,004.81
170	878	House Reg Operations	284,437.62		275,967.82
171	879	Customer Service	3,905.62		3,855.04
172	881	Rents	34,074.73		33,333.41
173	887	Maint of Mains	42,043.61		54,880.20
174	889	Maint Meas & Reg Gen	15,281.31		12,547.68
175	890	Maint Meas & Reg Ind	31,109.49		31,410.60
176	891	Maint Meas & Reg St City	3,983.02		5,091.63
177	892	Maint of Services	60,714.25		35,501.31
178	893	Maint of Meters & Reg	116,743.42		165,359.47
179	894	Maint of Other Equip	63,286.76		56,326.30
180	901	Customer Superv	91,807.01		85,601.17
181	902	Meter Reading	34,900.95		28,361.09
182	903	Customer Operation	488,649.44		422,777.85
183	904	Uncollectable Accounts	38,696.00		82,911.00
184	913	Advertising	57,934.12		60,776.04
185	920	Administrative & General	461,178.79		446,725.79
186	921	Office Expense	270,278.31		275,510.81
187	923	Outside Services	123,327.45		106,086.25
188	924	Insurance	67,535.68		68,938.59
189	925	Injuries & Damages	43,512.12		44,928.74
190	926	Employee Benefits	739,502.32		798,492.29
191	928	Regulatory Expense	298,094.90		231,787.56
192	930	Misc General Expenses	43,903.30		39,834.36

	A	B	C	D	E
1	MIDWEST NATURAL GAS				
2	TRIAL BALANCE				
3					
4			3/31/2016		3/31/2015
193	932	General Plant Maint	55,341.03		66,256.27
194					
195					
196					
197					
198					
199					
200		Total	(0.00)		0.00
201					
202		Assets	23,812,891.09		19,680,557.46
203		Liabilities	(13,384,710.72)		(11,803,390.27)
204		Equity	(7,206,955.79)		(6,615,906.08)
205		Net Income	(3,221,224.58)		(1,261,261.11)
206					

Adjustment 1a

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(1) SALES ADJUSTMENTS

(a)
Decrease in operating revenue from elimination of GCA revenues included in the test year

(\$5,067,434)

GCA Revenue

Classes	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
(1) Residential:												
(1) GCA Factor -	0.4381	0.49413	0.53041	0.52064	0.43414	0.43691	0.44968	0.30174	0.31853	0.3160	0.31832	0.29832
(1) Volumes in Therms -	553,638	190,102	98,220	81,843	72,335	84,582	196,025	480,740	851,001	1,550,285	1,397,244	837,363
(1) GCA Dollar Amount =	\$ 242,565.42	\$ 93,935.10	\$ 52,096.87	\$ 42,610.74	\$ 31,403.52	\$ 36,954.72	\$ 88,148.52	\$ 145,058.49	\$ 271,069.35	\$ 489,890.06	\$ 444,770.71	\$ 249,802.13
(2) Small Commercial:												
(2) GCA Factor -	0.4381	0.49413	0.53041	0.52064	0.43414	0.43691	0.44968	0.30174	0.31853	0.3160	0.31832	0.29832
(2) Volumes in Therms -	84,504	29,541	19,823	18,541	18,343	20,252	29,472	64,866	134,002	265,714	254,062	136,216
(2) GCA Dollar Amount =	\$ 37,023.74	\$ 14,597.09	\$ 10,514.32	\$ 9,653.19	\$ 7,963.43	\$ 8,848.30	\$ 13,252.97	\$ 19,572.67	\$ 42,683.66	\$ 83,965.62	\$ 80,873.02	\$ 40,635.96
(3) Large Commercial:												
(3) GCA Factor -	0.4381	0.49413	0.53041	0.52064	0.43414	0.43691	0.44968	0.30174	0.31853	0.3160	0.31832	0.29832
(3) Volumes in Therms -	231,943	139,028	130,698	120,627	121,802	240,630	234,775	290,583	389,519	689,065	621,775	368,224
(3) GCA Dollar Amount =	\$ 101,621.19	\$ 68,697.91	\$ 69,323.53	\$ 62,803.24	\$ 52,879.12	\$ 105,133.65	\$ 105,573.62	\$ 87,680.51	\$ 124,073.49	\$ 217,744.54	\$ 197,923.42	\$ 109,848.58
(4) Small PA:												
(4) GCA Factor -	0.4381	0.49413	0.53041	0.52064	0.43414	0.43691	0.44968	0.30174	0.31853	0.3160	0.31832	0.29832
(4) Volumes in Therms -	8,692	2,294	1,111	930	881	1,018	2,079	7,297	15,307	30,688	27,368	14,521
(4) GCA Dollar Amount =	\$ 3,808.23	\$ 1,133.53	\$ 589.29	\$ 484.20	\$ 382.48	\$ 444.77	\$ 934.88	\$ 2,201.80	\$ 4,875.74	\$ 9,697.41	\$ 8,711.78	\$ 4,331.90
(5) Large PA:												
(5) GCA Factor -	0.4381	0.49413	0.53041	0.52064	0.43414	0.43691	0.44968	0.30174	0.31853	0.3160	0.31832	0.29832
(5) Volumes in Therms -	70,434	38,247	25,137	19,985	22,970	27,584	47,236	97,481	141,474	265,781	229,917	132,485
(5) GCA Dollar Amount =	\$ 30,859.25	\$ 18,898.99	\$ 13,332.92	\$ 10,404.99	\$ 9,972.20	\$ 12,051.73	\$ 21,241.08	\$ 29,413.92	\$ 45,063.71	\$ 83,986.80	\$ 73,187.18	\$ 39,522.93
(6) Firm Industrial:												
(6) GCA Factor -	0.4381	0.49413	0.53041	0.52064	0.43414	0.43691	0.44968	0.30174	0.31853	0.3160	0.31832	0.29832
(6) Volumes in Therms -	101,878	74,811	86,813	66,820	78,236	80,754	129,387	154,431	174,564	302,479	272,980	163,833
(6) GCA Dollar Amount =	\$ 44,635.81	\$ 36,966.36	\$ 46,046.48	\$ 34,789.16	\$ 33,965.38	\$ 35,282.23	\$ 58,182.75	\$ 46,598.01	\$ 55,603.87	\$ 95,583.36	\$ 86,894.99	\$ 48,874.66
(7) Interruptible:												
(7) GCA Factor -	0.4381	0.49413	0.53041	0.52064	0.43414	0.43691	0.44968	0.30174	0.31853	0.3160	0.31832	0.29832
(7) Volumes in Therms -	12,848	4,872	5,792	8,084	14,656	17,535	32,132	50,923	67,485	107,133	81,957	55,954
(7) GCA Dollar Amount =	\$ 5,629.09	\$ 2,407.40	\$ 3,072.13	\$ 4,208.85	\$ 6,362.76	\$ 7,661.22	\$ 14,449.12	\$ 15,365.51	\$ 21,496.00	\$ 33,854.03	\$ 26,088.55	\$ 16,692.20
(8) Transport:												
(8) GCA Factor -	0	0	0	0	0	0	0	0	0	0	0	0
(8) Volumes in Therms -	1,119,991	1,124,552	1,275,268	1,201,145	1,379,884	1,626,462	1,451,638	1,323,974	1,207,967	1,472,326	1,359,865	1,232,243
(8) GCA Dollar Amount =	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) School Transport:												
(9)GCA Factor -	0	0	0	0	0	0	0	0	0	0	0	0
(9) Volumes in Therms -	2,649	1,204	760	512	660	704	1,861	5,234	7,329	14,450	11,010	5,540
(9) GCA Dollar Amount =	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Totals by Month:	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	12 Month Totals:
Approved for Month GCA Factor -	0.4381	0.49413	0.53041	0.52064	0.43414	0.43691	0.44968	0.30174	0.31853	0.3160	0.31832	0.29832	0.4047
Volumes in Therms -	2,186,577	1,604,651	1,643,622	1,518,487	1,709,767	2,099,521	2,124,605	2,475,529	2,988,648	4,697,921	4,256,178	2,946,379	30,251,885
GCA Dollar Amount =	\$ 466,142.72	\$ 236,636.39	\$ 194,975.53	\$ 164,954.37	\$ 142,928.87	\$ 206,376.62	\$ 301,782.95	\$ 345,890.90	\$ 564,865.81	\$ 1,014,721.82	\$ 918,449.65	\$ 509,708.36	\$ 5,067,433.99

Adjustment 1b

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(1) SALES ADJUSTMENTS

	(b)	
Change in operating revenue for customer misclassification		<u>\$7,014</u>

108,079

		Total	Service											Block 1	Block 2	Block 3	Block 1	Block 2	Block 3	Service	Total										
		Consumption	Charge	1 - 100	101 - 200	201 - 300	301 - 400	401 - 500	501 - 1000	> 1000	Block 1	Block 2	Block 3	Rate	Rate	Rate	Margin	Margin	Margin	Charge	Margin										
Apr-15	Sm Comm	8,851	12	100	100	100	100	100	500	7,851	100	8,751		0.30753	0.22315		30.75	1,952.79	-	144	2,127.54										
	Lg Comm		24	100	100	100	100	100	500	7,851	500	500	7,851	0.26724	0.18818	0.13265	133.62	94.09	1,041.44	288	1,557.15										
May-15	Sm Comm	8,827	12	100	100	100	100	100	500	7,827	100	8,727		0.30753	0.22315		30.75	1,947.43	-	144	2,122.18										
	Lg Comm		24	100	100	100	100	100	500	7,827	500	500	7,827	0.26724	0.18818	0.13265	133.62	94.09	1,038.25	288	1,553.96										
Jun-15	Sm Comm	7,626	12	100	100	100	100	100	500	6,626	100	7,526		0.30753	0.22315		30.75	1,679.43	-	144	1,854.18										
	Lg Comm		24	100	100	100	100	100	500	6,626	500	500	6,626	0.26724	0.18818	0.13265	133.62	94.09	878.94	288	1,394.65										
Jul-15	Sm Comm	9,536	12	100	100	100	100	100	500	8,536	100	9,436		0.30753	0.22315		30.75	2,105.64	-	144	2,280.40										
	Lg Comm		24	100	100	100	100	100	500	8,536	500	500	8,536	0.26724	0.18818	0.13265	133.62	94.09	1,132.30	288	1,648.01										
Aug-15	Sm Comm	8,957	12	100	100	100	100	100	500	7,957	100	8,857		0.30753	0.22315		30.75	1,976.44	-	144	2,151.19										
	Lg Comm		24	100	100	100	100	100	500	7,957	500	500	7,957	0.26724	0.18818	0.13265	133.62	94.09	1,055.50	288	1,571.21										
Sep-15	Sm Comm	9,423	12	100	100	100	100	100	500	8,423	100	9,323		0.30753	0.22315		30.75	2,080.43	-	144	2,255.18										
	Lg Comm		24	100	100	100	100	100	500	8,423	500	500	8,423	0.26724	0.18818	0.13265	133.62	94.09	1,117.31	288	1,633.02										
Oct-15	Sm Comm	8,822	12	100	100	100	100	100	500	7,822	100	8,722		0.30753	0.22315		30.75	1,946.31	-	144	2,121.07										
	Lg Comm		24	100	100	100	100	100	500	7,822	500	500	7,822	0.26724	0.18818	0.13265	133.62	94.09	1,037.59	288	1,553.30										
Nov-15	Sm Comm	8,406	12	100	100	100	100	100	500	7,406	100	8,306		0.30753	0.22315		30.75	1,853.48	-	144	2,028.24										
	Lg Comm		24	100	100	100	100	100	500	7,406	500	500	7,406	0.26724	0.18818	0.13265	133.62	94.09	982.41	288	1,498.12										
Dec-15	Sm Comm	8,317	12	100	100	100	100	100	500	7,317	100	8,217		0.30753	0.22315		30.75	1,833.62	-	144	2,008.38										
	Lg Comm		24	100	100	100	100	100	500	7,317	500	500	7,317	0.26724	0.18818	0.13265	133.62	94.09	970.60	288	1,486.31										
Jan-16	Sm Comm	6,316	12	100	100	100	100	100	500	5,316	100	6,216		0.30753	0.22315		30.75	1,387.10	-	144	1,561.85										
	Lg Comm		24	100	100	100	100	100	500	5,316	500	500	5,316	0.26724	0.18818	0.13265	133.62	94.09	705.17	288	1,220.88										
Feb-16	Sm Comm	12,519	12	100	100	100	100	100	500	11,519	100	12,419		0.30753	0.22315		30.75	2,771.30	-	144	2,946.05										
	Lg Comm		24	100	100	100	100	100	500	11,519	500	500	11,519	0.26724	0.18818	0.13265	133.62	94.09	1,528.00	288	2,043.71										
Mar-16	Sm Comm	10,479	12	100	100	100	100	100	500	9,479	100	10,379		0.30753	0.22315		30.75	2,316.07	-	144	2,490.83										
	Lg Comm		24	100	100	100	100	100	500	9,479	500	500	9,479	0.26724	0.18818	0.13265	133.62	94.09	1,257.39	288	1,773.10										
		108,079																											25,947.08		
																														18,933.40	
																														Difference	\$ 7,013.69

Adjustment 1c

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(1) SALES ADJUSTMENTS

Change in operating revenue to move to new NOAA averages for NTA	(c)	<u><u>(\$181,837)</u></u>
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MIDWEST NATURAL GAS CORPORATION
NTA ADJUSTMENT
NOAA AVERAGE 1981-2010

Louisville					
MONTH	ACTUAL	30-YEAR			
	NOAA DAYS	AVERAGE	VARIANCE	% VARIANCE	
April	179	246	67	0.2724	
May	25	67	42	0.6269	
June	0	0			
July	0	0			
August	0	0			
September	0	0			
October	159	212	53	0.25	
November	369	493	124	0.2515	
December	458	841	383	0.4554	
January	935	933	-2	-0.0021	
February	709	732	23	0.0314	
March	337	538	201	0.3736	
TOTAL	<u>3,171</u>	<u>4,062</u>	<u>891</u>		

Indianapolis				
MONTH	ACTUAL	30-YEAR	VARIANCE	% VARIANCE
	NOAA DAYS	AVERAGE		
April	318	372	54	0.1452
May	80	140	60	0.4286
June	0	0		
July	0	0		
August	0	0		
September	0	0		
October	262	326	64	0.1963
November	510	641	131	0.2044
December	688	1034	346	0.3346
January	1112	1145	33	0.0288
February	873	922	49	0.0531
March	489	707	218	0.3083
TOTAL	4,332	5,287	955	

Combined				
MONTH	ACTUAL	30-YEAR		
	NOAA DAYS	AVERAGE	VARIANCE	% VARIANCE
April	214	278	64	0.2306
May	39	85	47	0.5513
June	0	0	0	#DIV/0!
July	0	0	0	#DIV/0!
August	0	0	0	#DIV/0!
September	0	0	0	#DIV/0!
October	185	241	56	0.2328
November	404	530	126	0.2377
December	516	889	374	0.4206
January	979	986	7	0.0071
February	750	780	30	0.0385
March	375	580	205	0.3533
TOTAL	3,461	4,368	907	

	Res	Sm Comm	Sm PA	L Comm	L PA	School
April	475,179	65,206	7,742	50,727	45,157	1,967
May	111,643	10,243	1,344	-42,188	32,970	522
June	0	0	0	0	0	0
July	0	0	0	0	0	0
August	0	0	0	0	0	0
September	0	0	0	0	0	0
October	117,566	10,174	1,129	53,559	21,959	1,179
November	402,281	45,568	6,347	109,367	72,204	4,552
December	771,330	114,704	14,357	178,363	116,197	6,647
January	10,471,826	246,416	29,738	507,849	240,504	13,768
February	1,318,785	234,764	26,418	440,559	204,640	10,328
March	758,904	116,918	13,571	187,008	107,208	4,858
	156,917	38,595	1,899	362,432	50,554	1,364
	941,502	231,570	11,394	2,174,592	303,324	8,184
	78,459	19,298	950	181,216	25,277	682

Adjustment 1d

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(1) SALES ADJUSTMENTS

(d)
Change in operating revenue to reflect the elimination of tariff rate D and the migration of those customers to tariff rate C

(\$3,187)

MIDWEST GAS CORPORATION
IURC CAUSE NO. 4XXXX
COMPLIANCE COST OF SERVICE STUDY

MIGRATION ANALYSIS OF PRESENT RATE D INTERRUPTIBLE CUSTOMERS TO RATE C FIRM
INDUSTRIAL CUSTOMERS

TYPE OF FILING: DRAFT CASE-IN-CHIEF 9-23-16
WITNESS: HEID

PETITIONER'S EXHIBIT KAH-2
SCHEDULE 9
PAGE 1 OF 1

0

	Annual Usage (therms)	Original Rate D Interruptible	Migrated Rate C Firm Industrial	Increase Amount
Flexcel	350,653	\$53,999	\$52,505	(\$1,493)
Peerless Gear	108,718	\$19,888	\$18,194	(\$1,694)
TOTAL	459,371	\$73,887	\$70,699	(\$3,187)

Adjustment 2

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(2) OTHER OPERATING REVENUE ADJUSTMENTS

Change in operating revenue for increase in amount charged to customers for reconnections.

\$3,200

Disconnect/Reconnect Charge Summary

Bloomfield					Scottsburg				
# of Reconnects for Test Year	Amount Increase				# of Reconnects for Test Year	Amount Increase			
164	\$	5.00	\$	820.00	473	\$	5.00	\$ 2,365.00	
After Hour Reconnects	2	\$	5.00	\$ 10.00	After Hour Reconnects	1	\$	5.00 \$ 5.00	
Totals:	166		\$	830.00		474		\$ 2,370.00	

Combined				
# of Reconnects for Test Year	Amount Increase			
637	\$	5.00	\$	3,185.00
After Hour Reconnects	3	\$	5.00	\$ 15.00
Total Amount for Reconnects				\$ 3,200.00

Adjustment 3

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(3) NATURAL GAS PURCHASED ADJUSTMENT

To adjust natural gas purchased to eliminate the cost of natural gas to be purchased from base rates.

Test Year Sales - Therms	14,423,445	
Adjustments	<u>0</u>	
Sub-Total	14,423,445	
Unaccounted for Gas Percentage - Schedule 11a GCA 131	<u>0.22%</u>	
Estimated Unaccounted For Gas	<u>31,732</u>	
Estimated Purchases of System Gas	31,732	
Anticipated Cost of System Gas - Per Therm	<u>\$0.4611</u>	
Total Pro-forma Cost of Purchased Gas	\$14,630	
Less: Test Year Purchased Gas	<u>4,985,964</u>	
Total Adjustment (3) - Increase/(Decrease)		<u><u>(\$4,971,334)</u></u>

MIDWEST NATURAL GAS CORPORATION
 TWELVE MONTHS ENDED March 31, 2016
 THERM VOLUMES PER CLASS

<u>CUSTOMER CLASS</u>	<u>Apr-15</u>	<u>May-15</u>	<u>Jun-15</u>	<u>Jul-15</u>	<u>Aug-15</u>	<u>Sep-15</u>	<u>Oct-15</u>	<u>Nov-15</u>	<u>Dec-15</u>	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	TOTAL THERMS	AVER CUST	THERM/CUST
MIDWEST TOTAL:															
RESIDENTIAL	553,638	190,102	98,220	81,843	72,335	84,582	196,025	480,740	849,789	1,550,285	1,397,244	837,363	6,392,166	12,031	531.31
SMALL COMMERCIAL	84,504	29,541	19,823	18,541	18,343	20,252	29,472	64,866	134,002	265,714	254,062	136,216	1,075,336	1,240	867.21
SMALL PUBLIC AUTHORITY	8,692	2,294	1,111	930	881	1,018	2,079	7,297	15,307	30,688	27,368	14,521	112,186	104	1,078.71
TOTAL SMALL COMMERCIAL	93,196	31,835	20,934	19,471	19,224	21,270	31,551	72,163	149,309	296,402	281,430	150,737	1,187,522	1,344	1,946
LARGE COMMERCIAL	231,943	139,028	130,698	120,627	121,802	240,630	234,775	290,583	389,519	689,065	621,775	368,224	3,578,669	400	8,946.67
LARGE PUBLIC AUTHORITY	70,434	38,247	25,137	19,985	22,970	27,584	47,236	97,481	141,474	265,781	229,917	132,485	1,118,731	86	13,008.50
TOTAL LARGE COMMERCIAL	302,377	177,275	155,835	140,612	144,772	268,214	282,011	388,064	530,993	954,846	851,692	500,709	4,697,400	486	21,955
FIRM INDUSTRIAL	101,878	74,811	86,813	66,820	78,236	80,754	129,387	154,431	174,564	302,479	272,980	163,833	1,686,986	11	153,362.36
INTERRUPTIBLE INDUSTRIAL	12,848	4,872	5,792	8,084	14,656	17,535	32,132	50,923	67,485	107,133	81,957	55,954	459,371	2	229,685.50
GCA TOTALS	1,063,937	478,895	367,594	316,830	329,223	472,355	671,106	1,146,321	1,772,140	3,211,145	2,885,303	1,708,596	14,423,445	13,874	407,480
INDUSTRIAL TRANSPORT	1,119,991	1,124,552	1,275,268	1,201,145	1,379,884	1,626,462	1,451,638	1,323,974	1,207,967	1,472,326	1,359,865	1,232,243	15,775,315	16	985,957.19
SCHOOL TRANSPORT	2,649	1,204	760	512	660	704	1,861	5,234	7,329	14,450	11,010	5,540	51,913	4	12,978.25
TOTAL TRANSPORT	1,122,640	1,125,756	1,276,028	1,201,657	1,380,544	1,627,166	1,453,499	1,329,208	1,215,296	1,486,776	1,370,875	1,237,783	15,827,228	20	998,935
COMPANY TOTAL DELIVERED	2,186,577	1,604,651	1,643,622	1,518,487	1,709,767	2,099,521	2,124,605	2,475,529	2,987,436	4,697,921	4,256,178	2,946,379	30,250,673	13,894	1,406,416

Adjustment 4a

MIDWEST NATURAL GAS CORPORATION**Detail of Adjustments****(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS**

(a)

To adjust operations and maintenance expenses for the annualization of test year payroll and wage increases.

\$27,804

Midwest Natural Gas Corporation Payroll Adjustment																															
Emp #	Employee	Account	Regular Hours	Rate 1	Overtime Hours	Rate 1	Regular Hours	Rate 2	Overtime Hours	Rate 2	Regular Hours	Rate 3	Overtime Hours	Rate 3	Total Reg Hrs	Total OT Hrs	Total Reg Wages	Total OT Wages	Test Yr Wages	Wages to Non- Expense Accts	Expense Test Year Wages	Pro-Forma Hour Adj Regular	Pro-Forma Hour Adj Overtime	Pro-Forma Hours Regular	Pro-Forma Hours Overtime	Current Rates Regular	Current Rates Overtime	Pro-Forma Payroll	Pro-Forma Adjustment		
100 Abrams	Plant	89.0	21.22	-	31.83	132.0	21.86	-	32.79	192.0	22.00	2.0	33.00	413.0	2.0	8,998.10	66.00	9,064.10	(9,064.10)	-	(413.00)	(2.00)	-	-	22.66	33.99	-	-	-	-	
	Exp Allocat	-	21.22	-	31.83	-	21.86	-	32.79	29.0	22.00	-	33.00	29.0	-	638.00	-	638.00	-	638.00	-	-	-	29.0	-	22.66	33.99	657.14	19.14		
	856	-	21.22	-	31.83	-	21.86	-	32.79	16.0	22.00	-	33.00	16.0	-	352.00	-	352.00	-	352.00	-	-	-	16.0	-	22.66	33.99	362.56	10.56		
	857	11.0	21.22	-	31.83	12.0	21.86	-	32.79	76.0	22.00	-	33.00	99.0	-	2,167.74	-	2,167.74	-	2,167.74	-	2,167.74	-	99.0	-	22.66	33.99	2,243.34	75.60		
	865	-	21.22	-	31.83	4.0	21.86	-	32.79	3.0	22.00	-	33.00	7.0	-	153.44	-	153.44	-	153.44	-	-	-	7.0	-	22.66	33.99	158.62	5.18		
	874	345.0	21.22	14.0	31.83	280.0	21.86	10.0	32.79	435.0	22.00	13.0	33.00	1,060.0	37.0	23,011.70	1,202.52	24,214.22	24,214.22	24,214.22	-	24,214.22	1,060.0	37.0	22.66	33.99	25,277.23	1,063.01			
	875	3.0	21.22	-	31.83	18.0	21.86	-	32.79	17.0	22.00	-	33.00	38.0	-	831.14	-	831.14	-	831.14	-	-	-	38.0	-	22.66	33.99	861.08	29.94		
	877	9.0	21.22	-	31.83	5.0	21.86	-	32.79	21.0	22.00	-	33.00	35.0	-	762.28	-	762.28	-	762.28	-	-	-	35.0	-	22.66	33.99	793.10	30.82		
	878	18.0	21.22	2.0	31.83	9.0	21.86	2.0	32.79	32.0	22.00	2.0	33.00	39.0	6.0	1,282.70	195.24	1,477.94	1,477.94	1,477.94	-	1,477.94	18.0	6.0	22.66	33.99	1,540.88	62.94			
	879	4.0	21.22	3.0	31.83	-	21.86	2.0	32.79	22.00	5.0	33.00	4.0	10.0	84.88	326.07	410.95	-	410.95	-	-	-	4.0	10.0	22.66	33.99	430.54	19.59			
	887	-	21.22	-	31.83	-	21.86	-	32.79	10.0	22.00	2.0	33.00	10.0	2.0	220.00	66.00	286.00	-	286.00	-	-	-	10.0	2.0	22.66	33.99	294.58	8.58		
	889	-	21.22	-	31.83	15.0	21.86	1.0	32.79	-	22.00	-	33.00	15.0	1.0	327.90	32.79	360.69	-	360.69	-	-	-	15.0	1.0	22.66	33.99	373.89	13.20		
	890	-	21.22	-	31.83	20.0	21.86	-	32.79	-	22.00	-	33.00	20.0	-	437.20	-	437.20	-	437.20	-	-	-	20.0	-	22.66	33.99	453.20	16.00		
	891	2.0	21.22	-	31.83	3.0	21.86	-	32.79	1.0	22.00	-	33.00	6.0	-	130.02	-	130.02	-	130.02	-	-	-	6.0	-	22.66	33.99	135.96	5.94		
	892	38.0	21.22	-	31.83	7.0	21.86	-	32.79	39.0	22.00	-	33.00	84.0	-	1,817.38	-	1,817.38	-	1,817.38	-	-	-	84.0	-	22.66	33.99	1,903.44	86.06		
	893	8.0	21.22	-	31.83	7.0	21.86	-	32.79	8.0	22.00	-	33.00	23.0	-	498.78	-	498.78	-	498.78	-	-	-	23.0	-	22.66	33.99	521.18	22.40		
894	1.0	21.22	-	31.83	19.0	21.86	-	32.79	57.0	22.00	-	33.00	77.0	-	1,690.56	-	1,690.56	-	1,690.56	-	-	-	77.0	-	22.66	33.99	1,744.82	54.26			
903	20.0	21.22	2.0	31.83	4.0	21.86	-	32.79	12.0	22.00	-	33.00	36.0	2.0	775.84	63.66	839.50	-	839.50	-	-	-	36.0	2.0	22.66	33.99	883.74	44.24			
921	12.0	21.22	-	31.83	22.0	21.86	-	32.79	36.0	22.00	-	33.00	70.0	-	1,527.56	-	1,527.56	-	1,527.56	-	-	-	70.0	-	22.66	33.99	1,586.20	58.64			
932	-	21.22	-	31.83	3.0	21.86	-	32.79	5.0	22.00	-	33.00	8.0	-	175.58	-	175.58	-	175.58	-	-	-	8.0	-	22.66	33.99	181.28	5.70			
150 Begley	Plant	217.0	18.25	2.0	27.38	227.0	19.25	5.5	28.88	481.0	20.00	28.5	30.00	925.0	36.0	17,950.00	1,068.60	19,018.60	(19,018.60)	-	(925.00)	(36.00)	-	-	20.75	31.13	-	-	-	-	
	Exp Allocat	-	18.25	-	27.38	-	19.25	-	28.88	16.0	20.00	-	30.00	16.0	-	320.00	-	320.00	-	320.00	-	-	-	16.0	-	20.75	31.13	332.00	12.00	-	-
	874	60.0	18.25	7.0	27.38	24.0	19.25	10.0	28.88	100.0	20.00	12.0	30.00	184.0	29.0	3,557.00	840.46	4,397.46	-	4,397.46	-	-	-	184.0	29.0	20.75	31.13	4,720.77	323.31		
	878	30.0	18.25	1.0	27.38	124.0	19.25	11.5	28.88	40.0	20.00	12.0	30.00	194.0	24.5	3,734.50	719.50	4,454.00	-	4,454.00	-	-	-	194.0	24.5	20.75	31.13	4,788.19	334.19		
	887	65.0	18.25	-	27.38	24.0	19.25	7.0	28.88	125.0	20.00	6.0	30.00	214.0	13.0	4,148.25	382.16	4,530.41	-	4,530.41	-	-	-	214.0	13.0	20.75	31.13	4,845.19	314.78		
	892	72.0	18.25	11.0	27.38	67.0	19.25	3.0	28.88	28.0	20.00	5.0	30.00	167.0	19.0	3,163.75	537.82	3,701.57	-	3,701.57	-	-	-	167.0	19.0	20.75	31.13	4,056.72	355.15		
	893	-	18.25	-	27.38	-	19.25	-	28.88	10.0	20.00	-	30.00	10.0	-	200.00	-	200.00	-	200.00	-	-	-	10.0	-	20.75	31.13	207.50	7.50		
	894	90.0	18.25	-	27.38	72.0	19.25	-	28.88	112.0	20.00	-	30.00	274.0	-	5,268.50	-	5,268.50	-	5,268.50	-	-	-	274.0	-	20.75	31.13	5,685.50	417.00		
	903	16.0	18.25	-	27.38	6.0	19.25	-	28.88	12.0	20.00	-	30.00	-	-	-	-	-	-	-	-	-	-	-	-	20.75	31.13	-	-	-	-
	921	4.0	18.25	-	27.38	12.0	19.25	-	28.88	20.0	20.00	-	30.00	36.0	-	704.00	-	704.00	-	704.00	-	-	-	36.0	-	20.75	31.13	747.00	43.00		
	932	6.0	18.25	-	27.38	4.0	19.25	-	28.88	32.0	20.00	-	30.00	42.0	-	826.50	-	826.50	-	826.50	-	-	-	42.0	-	20.75	31.13	871.50	45.00		
250 Burns	Plant	12.0	19.93	0.5	29.90	40.0	20.53	0.5	30.80	82.0	21.00	19.5	31.50	134.0	20.5	2,782.36	644.60	3,426.96	-	3,426.96	-	-	-	134.0	20.5	21.63	32.45	3,563.65	136.69		
	Exp Allocat	-	19.93	-	29.90	-	20.53	-	30.80	56.0	21.00	-	31.50	56.0	-	1,176.00	-	1,176.00	-	1,176.00	-	-	-	56.0	-	21.63	32.45	1,211.28	35.28	-	-
	874	24.0	19.93	22.0	29.90	60.0	20.53	24.0	30.80	196.0	21.00	31.5	31.50	280.0	77.5	5,826.12	2,389.25	8,215.37	-	8,215.37	-	-	-	280.0	77.5	21.63	32.45	8,571.28	355.91		
	876	4.0	19.93	-	29.90	-	20.53	-	30.80	-	21.00	-	31.50	4.0	-	79.72	-	79.72	-	79.72	-	-	-	4.0	-	21.63	32.45	86.52	6.80		
	877	-	19.93	-	29.90	-	20.53	-	30.80	8.0	21.00	-	31.50	8.0	-	168.00	-	168.00	-	168.00	-	-	-	8.0	-	21.63	32.45	173.04	5.04		
	878	361.0	19.93	12.0	29.90	256.0	20.53	10.5	30.80	348.0	21.00	16.0	31.50	965.0	38.5	19,758.41	1,186.20	20,944.61	-	20,944.61	-	-	-	965.0	38.5	21.63	32.45	22,122.28	1,177.67		
	879.01	28.0	1																												

		865	3.0	14.25	-	21.38	-	16.25	-	24.38	-	17.00	-	25.50	3.0	-	42.75	-	42.75	3.0	-	17.75	26.63	53.25	10.50	
		874	185.0	14.25	23.0	21.38	315.0	16.25	25.5	24.38	365.0	17.00	18.0	25.50	865.0	66.5	13,960.00	1,572.43	15,532.43	865.0	66.5	17.75	26.63	17,124.55	1,599.62	
		875	12.0	14.25	-	21.38	32.0	16.25	-	24.38	34.0	17.00	1.0	25.50	78.0	-	1,294.50	25.50	1,294.50	78.0	1.0	17.75	26.63	1,411.13	116.63	
		876	-	14.25	-	21.38	-	16.25	-	24.38	2.0	17.00	-	25.50	2.0	-	34.00	-	34.00	2.0	-	17.75	26.63	35.50	1.50	
		877	20.0	14.25	2.0	21.38	42.0	16.25	-	24.38	34.0	17.00	-	25.50	96.0	2.0	1,545.50	42.76	1,588.26	96.0	2.0	17.75	26.63	1,757.26	169.00	
		878	255.0	14.25	6.0	21.38	57.0	16.25	-	24.38	325.0	17.00	11.0	25.50	637.0	17.0	10,085.00	408.78	10,493.78	637.0	17.0	17.75	26.63	11,759.46	1,265.68	
		879	2.0	14.25	2.0	21.38	3.0	16.25	1.0	24.38	4.0	17.00	1.0	25.50	9.0	4.0	145.25	92.64	237.89	9.0	4.0	17.75	26.63	266.27	28.38	
		889	-	14.25	-	21.38	6.0	16.25	-	24.38	9.0	17.00	-	25.50	6.0	-	97.50	-	97.50	6.0	-	17.75	26.63	106.50	9.00	
		892	2.0	14.25	-	21.38	-	16.25	2.0	24.38	39.0	17.00	6.0	25.50	41.0	8.0	691.51	201.76	893.26	41.0	8.0	17.75	26.63	940.79	47.53	
		893	13.0	14.25	-	21.38	1.0	16.25	-	24.38	39.0	17.00	-	25.50	53.0	-	864.50	-	864.50	53.0	-	17.75	26.63	940.75	76.25	
		894	2.0	14.25	-	21.38	4.0	16.25	-	24.38	2.0	17.00	-	25.50	8.0	-	127.50	-	127.50	8.0	-	17.75	26.63	142.00	14.50	
		902	16.0	14.25	1.0	21.38	36.0	16.25	6.0	24.38	31.0	17.00	3.0	25.50	83.0	10.0	1,340.00	244.16	1,584.16	83.0	10.0	17.75	26.63	1,739.55	155.39	
		903	9.0	14.25	-	21.38	8.0	16.25	-	24.38	7.0	17.00	-	25.50	24.0	-	377.25	-	377.25	24.0	-	17.75	26.63	426.00	48.75	
		921	12.0	14.25	-	21.38	6.0	16.25	-	24.38	10.0	17.00	-	25.50	28.0	-	438.50	-	438.50	28.0	-	17.75	26.63	497.00	58.50	
1500	Hinkle	Plant	48.0	27.59	-	41.39	462.0	28.42	19.0	42.63	-	-	-	-	510.0	19.0	14,454.36	809.97	15,264.33	-	-	(510.00)	(19.00)	-	-	
		Exp Allocat	-	27.59	-	41.39	68.0	28.42	-	42.63	-	-	-	-	68.0	-	1,932.56	-	1,932.56	-	-	-	-	-	-	
		856	-	27.59	-	41.39	-	28.42	1.0	42.63	-	-	-	-	-	1.0	-	-	42.63	42.63	-	-	-	-	-	
		857	29.0	27.59	-	41.39	116.0	28.42	-	42.63	-	-	-	-	145.0	-	4,096.83	-	4,096.83	145.0	-	1.0	30.00	45.00	45.00	2.37
		874	366.0	27.59	5.0	41.39	599.0	28.42	48.0	42.63	-	-	-	965.0	53.0	27,121.52	2,253.19	29,374.71	29,374.71	965.0	53.0	30.00	45.00	31,335.00	1,960.29	
		875	18.0	27.59	-	41.39	89.0	28.42	2.0	42.63	-	-	-	107.0	2.0	3,026.06	85.26	3,111.26	107.0	2.0	30.00	45.00	3,300.00	188.74	-	
		877	26.0	27.59	-	41.39	56.0	28.42	4.0	42.63	-	-	-	82.0	4.0	2,308.86	170.52	2,479.38	82.0	4.0	30.00	45.00	2,640.00	160.62	-	
		878	3.0	27.59	2.0	41.39	25.0	28.42	4.0	42.63	-	-	-	28.0	6.0	793.27	253.30	1,046.57	28.0	6.0	30.00	45.00	1,110.00	63.43	-	
		879	-	27.59	-	41.39	-	28.42	7.0	42.63	-	-	-	-	7.0	-	298.41	-	298.41	-	7.0	30.00	45.00	315.00	16.59	
		887	-	27.59	-	41.39	5.0	28.42	1.0	42.63	-	-	-	-	5.0	1.0	142.10	42.63	184.73	5.0	1.0	30.00	45.00	195.00	10.27	
		890	-	27.59	-	41.39	24.0	28.42	2.0	42.63	-	-	-	24.0	2.0	682.08	85.26	767.34	24.0	2.0	30.00	45.00	810.00	42.66	-	
		892	12.0	27.59	-	41.39	5.0	28.42	1.0	42.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		893	-	27.59	1.0	41.39	4.0	28.42	2.0	42.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		894	-	27.59	-	41.39	30.0	28.42	-	42.63	-	-	-	4.0	3.0	113.68	126.65	240.33	4.0	3.0	30.00	45.00	255.00	14.67	-	
		903	14.0	27.59	-	41.39	-	28.42	-	42.63	-	-	-	30.0	-	852.60	-	852.60	30.0	-	30.00	45.00	900.00	47.40	-	
		921	44.0	27.59	-	41.39	105.0	28.42	21.0	42.63	-	-	-	14.0	-	386.26	-	386.26	14.0	-	30.00	45.00	420.00	33.74	-	
											-	-	-	149.0	21.0	4,198.06	895.23	5,093.29	149.0	21.0	30.00	45.00	5,415.00	321.71	-	
1600	Humphrey	Plant	-	27.59	-	41.39	328.0	28.42	-	42.63	-	-	-	-	328.0	-	9,321.76	-	9,321.76	-	-	(328.00)	-	-	-	
		Exp Allocat	-	27.59	-	41.39	8.0	28.42	-	42.63	-	-	-	-	8.0	-	227.36	-	227.36	-	-	-	-	-	-	
		857	16.0	27.59	-	41.39	-	28.42	-	42.63	-	-	-	16.0	-	441.44	-	441.44	16.0	-	29.27	43.91	234.16	6.80	-	
		865	-	27.59	-	41.39	24.0	28.42	-	42.63	-	-	-	24.0	-	682.08	-	682.08	24.0	-	29.27	43.91	468.32	26.88	-	
		874	76.0	27.59	-	41.39	204.0	28.42	-	42.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		876	8.0	27.59	-	41.39	48.0	28.42	-	42.63	-	-	-	56.0	-	1,584.88	-	1,584.88	56.0	-	29.27	43.91	1,639.12	54.24	-	
		878	-	27.59	-	41.39	4.0	28.42	-	42.63	-	-	-	4.0	-	113.68	-	113.68	4.0	-	29.27	43.91	117.08	3.40	-	
		879	8.0	27.59	-	41.39	122.0	28.42	-	42.63	-	-	-	126.0	-	3,687.96	-	3,687.96	126.0	-	29.27	43.91	3,905.10	117.10	-	
		890	148.0	27.59	-	41.39	263.0	28.42	-	42.63	-	-	-	411.0	-	11,557.78	-	11,557.78	411.0	-	29.27	43.91	12,029.97	472.19	-	
		891	40.0	27.59	-	41.39	32.0	28.42	-	42.63	-	-	-	72.0	-	2,013.04	-	2,013.04	72.0	-	29.27	43.91	2,107.44	94.40	-	
		892	16.0	27.59	-	41.39	-	28.42	-	42.63	-	-	-	16.0	-	441.44	-	441.44	16.0	-	29.27	43.91	468.32	26.88	-	
		893	248.0	27.59	-	41.39	519.0	28.42	-	42.63	-	-	-	767.0	-	21,592.30	-	21,592.30	767.0	-	29.27	43.91	22,450.09	857.79	-	
		921	-	27.59	-	41.39	8.0	28.42	-	42.63	-	-	-	8.0	-	227.36	-	227.36	8.0	-	29.27	43.91	234.16	6.80	-	
		932	-	27.59	-	41.39	8.0	28.42	-	42.63	-	-	-	8.0	-	227.36	-	227.36	8.0	-	29.27	43.91	234.16	6.80	-	
1675	Kimmick	Plant	104.0	14.25	2.0	21.38	84.0	16.25	6.5	24.38	285.0	17.00	17.0	25.50	473.0	25.5	7,692.00	634.73	8,326.73	-	-	(473.00)	(25.50)	-	-	
		Exp Allocat	-	14.25	-	21.38	-	16.25	-	24.38	40.0	17.00	-	25.50	40.0	-	680.00	-	680.00	40.0	-	17.75	26.63	710.00	30.00	
		874	65.0	14.25	13.5	21.38	75.0	16.25	16.0	24.38	112.0	17.00	32.5	25.50	252.0	62.0	4,049.00	1,507.46	5,556.46	252.0	62.0	17.75	26.63	6,124.06	567.60	
		878	176.0	14.25	5.5	21.38	159.0	16.25	7.5	24.38	215.0	17.00	2.0	25.50	550.0	15.0	8,746.75	351.44	9,098.19	550.0	15.0	17.75	26.63	10,161.95	1,063.76	
		879	-	14.25	-	21.38	16.0	16.25	-	24.38	16.0	17.00	-	25.50	16.0	-	260.00	-	260.00	16.0	-	17.75	26.63	284.00	24.00	
		887	-	14.25	-	21.38	16.0	16.25	-	24.38	16.0	17.00	0.5	25.50	17.0	-	284.75	-	284.75	16.0	0.5	17.75	26.63	297.32	17.57	
		892	33.0	14.25	1.0	21.38	26.0	16.25	-	24.38	24.0	17.00	1.0	25.50	83.0	2.0	1,300.75	46.88	1,347.63	83.0	2.0	17.75	26.63	1,526.51	178.88	
		893	38.0	14.25	-	21.38	12.0	16.25	-	24.38	77.0	17.00	-	25.50	127.0	-	2,045.50	-	2,045.50	127.0	-	17.75	26.63	2,254.25	208.75	
		894	8.0	14.25	-	21.38	12.0	16.25	-	24.38	21.0	17.00	-	25.50	41.0	-	666.00	-	666.00	41.0	-	17.75	26.63	727.75	61.75	
		902	96.0	14.25	1.0	21.38	155.0	16.25	2.0	24.38	148.0	17.00	3.0	25.50	399.0	6.0	6,402.75	146.64	6,549.39	399.0	6.0	17.75	26.63	7,242.03	692.64	
		903	28.0	14.25	-	21.38	3.0	16.25	-	24.38	40.0	17.00	-	25.50	76.0	-	1,127.75	-	1,127.75	76.0	-	17.75	26.63	1,260.25	132.50	
		921	12.0	14.25	-	21.38	16.0	16.25	-	24.38	16.0	17.00	-	25.50	16.0	-	573.00	-	573.00	16.0	-	17.75	26.63	639.00	66.00	
		932	-	14.25	-	21.38	10.0	16.25	-	24.38	6.0															

3500 Todd	Plant	24.0	22.55	-	33.83	20.0	23.23	-	34.85	41.0	24.00	-	36.00	85.0	-	1,989.80	-	1,989.80	(1,989.80)	-	(85.00)	-	-	-	-	24.72	37.08	-	-
	Exp Allocat	-	22.55	-	33.83	-	23.23	-	34.85	61.0	24.00	-	36.00	61.0	-	1,464.00	-	1,464.00	-	1,464.00	-	61.0	-	-	-	24.72	37.08	1,507.92	43.92
	856	-	22.55	-	33.83	1.0	23.23	-	34.85	16.0	24.00	-	36.00	17.0	-	407.23	-	407.23	-	407.23	-	17.0	-	-	-	24.72	37.08	420.24	13.01
	857	25.0	22.55	2.0	33.83	59.0	23.23	-	34.85	72.0	24.00	-	36.00	156.0	2.0	3,662.32	67.66	3,729.98	-	3,729.98	-	156.0	2.0	-	-	24.72	37.08	3,930.48	200.50
	865	3.0	22.55	-	33.83	-	23.23	-	34.85	8.0	24.00	-	36.00	11.0	-	259.65	-	259.65	-	259.65	-	11.0	-	-	-	24.72	37.08	271.92	12.27
	874	329.0	22.55	13.5	33.83	321.0	23.23	19.0	34.85	486.0	24.00	21.0	36.00	1,136.0	53.5	26,539.78	1,874.86	28,414.64	-	28,414.64	-	1,136.0	53.5	-	-	24.72	37.08	30,065.70	1,651.07
	875	4.0	22.55	-	33.83	20.0	23.23	-	34.85	3.0	24.00	-	36.00	27.0	-	626.80	-	626.80	-	626.80	-	27.0	-	-	-	24.72	37.08	667.44	40.64
	877	9.0	22.55	-	33.83	46.0	23.23	-	34.85	25.0	24.00	1.0	36.00	80.0	1.0	1,871.53	36.00	1,907.53	-	1,907.53	-	80.0	1.0	-	-	24.72	37.08	2,014.68	107.15
	878	89.0	22.55	1.5	33.83	23.0	23.23	4.0	34.85	139.0	24.00	9.0	36.00	251.0	14.5	5,877.24	514.15	6,391.39	-	6,391.39	-	251.0	14.5	-	-	24.72	37.08	6,742.38	351.00
	879	2.0	22.55	-	33.83	-	23.23	2.0	34.85	5.0	24.00	6.0	36.00	7.0	8.0	165.10	285.70	450.80	-	450.80	-	7.0	8.0	-	-	24.72	37.08	469.68	18.88
	889	-	22.55	-	33.83	5.0	23.23	-	34.85	-	24.00	-	36.00	5.0	-	116.15	-	116.15	-	116.15	-	5.0	-	-	-	24.72	37.08	123.60	7.45
	891	3.0	22.55	-	33.83	-	23.23	-	34.85	-	24.00	-	36.00	3.0	-	67.65	-	67.65	-	67.65	-	3.0	-	-	-	24.72	37.08	74.16	6.51
	892	3.0	22.55	-	33.83	-	23.23	2.0	34.85	8.0	24.00	1.0	36.00	11.0	3.0	259.65	105.70	365.35	-	365.35	-	11.0	3.0	-	-	24.72	37.08	383.16	17.81
	893	13.0	22.55	-	33.83	6.0	23.23	-	34.85	20.0	24.00	2.0	36.00	39.0	2.0	912.53	72.00	984.53	-	984.53	-	39.0	2.0	-	-	24.72	37.08	1,038.24	53.71
	894	-	22.55	-	33.83	13.0	23.23	-	34.85	64.0	24.00	-	36.00	77.0	-	1,837.99	-	1,837.99	-	1,837.99	-	77.0	-	-	-	24.72	37.08	1,903.44	65.45
	902	32.0	22.55	1.0	33.83	24.0	23.23	-	34.85	26.0	24.00	1.0	36.00	92.0	2.0	1,903.12	69.83	1,972.95	-	1,972.95	-	82.0	2.0	-	-	24.72	37.08	2,101.20	128.25
	903	12.0	22.55	-	33.83	4.0	23.23	-	34.85	5.0	24.00	-	36.00	21.0	-	483.52	-	483.52	-	483.52	-	21.0	-	-	-	24.72	37.08	519.12	35.60
	921	12.0	22.55	-	33.83	14.0	23.23	-	34.85	42.0	24.00	-	36.00	68.0	-	1,603.82	-	1,603.82	-	1,603.82	-	68.0	-	-	-	24.72	37.08	1,680.96	77.14
	932	-	22.55	-	33.83	4.0	23.23	-	34.85	-	24.00	-	36.00	4.0	-	92.92	-	92.92	-	92.92	-	4.0	-	-	-	24.72	37.08	98.88	5.96
4150 Williams	Exp Allocat	-	18.31	-	27.47	-	18.86	-	28.29	46.0	19.75	-	29.63	46.0	-	908.50	-	908.50	-	908.50	-	46.0	-	-	-	20.34	30.51	935.64	27.14
	865	24.0	18.31	-	27.47	-	18.86	-	28.29	-	19.75	-	29.63	24.0	-	439.44	-	439.44	-	439.44	-	24.0	-	-	-	20.34	30.51	488.16	48.72
	874	269.0	18.31	6.0	27.47	328.0	18.86	14.0	28.29	523.0	19.75	19.0	29.63	1,120.0	39.0	21,440.72	1,123.85	22,564.57	-	22,564.57	-	1,120.0	39.0	-	-	20.34	30.51	23,970.69	1,406.12
	878	224.0	18.31	1.0	27.47	211.0	18.86	1.0	28.29	423.0	19.75	4.0	29.63	858.0	6.0	16,435.15	174.28	16,609.43	-	16,609.43	-	858.0	6.0	-	-	20.34	30.51	17,634.78	1,025.35
	879	3.0	18.31	2.0	27.47	5.0	18.86	2.0	28.29	4.0	19.75	4.0	29.63	12.0	8.0	228.23	230.04	458.27	-	458.27	-	12.0	8.0	-	-	20.34	30.51	488.16	29.89
	893	-	18.31	-	27.47	2.0	18.86	1.0	28.29	1.0	19.75	-	29.63	3.0	1.0	57.47	28.29	85.76	-	85.76	-	3.0	1.0	-	-	20.34	30.51	91.53	5.77
	894	-	18.31	-	27.47	6.0	18.86	-	28.29	-	19.75	-	29.63	6.0	-	113.16	-	113.16	-	113.16	-	6.0	-	-	-	20.34	30.51	122.04	6.88
	902	32.0	18.31	1.0	27.47	-	18.86	-	28.29	-	19.75	-	29.63	32.0	1.0	585.92	27.47	613.39	-	613.39	-	32.0	1.0	-	-	20.34	30.51	681.39	68.00
	903	4.0	18.31	-	27.47	-	18.86	-	28.29	1.0	19.75	-	29.63	5.0	-	92.99	-	92.99	-	92.99	-	5.0	-	-	-	20.34	30.51	101.70	8.71
	921	4.0	18.31	-	27.47	8.0	18.86	-	28.29	8.0	19.75	1.0	29.63	20.0	1.0	382.12	29.63	411.75	-	411.75	-	20.0	1.0	-	-	20.34	30.51	437.31	25.56
Total Outside Plant Outside Expense Outside Expense %	Exp Allocat	-	31.84	-	47.76	80.0	32.79	-	49.19	-	-	-	-	80.0	-	2,623.20	-	2,623.20	-	2,623.20	-	80.0	-	-	-	33.78	50.67	2,702.40	79.20
	866	4.0	31.84	-	47.76	-	32.79	-	49.19	-	-	-	-	4.0	-	127.36	-	127.36	-	127.36	-	4.0	-	-	-	33.78	50.67	135.12	7.76
	874	253.0	31.84	1.0	47.76	838.0	32.79	4.0	49.19	-	-	-	-	1,091.0	5.0	35,533.54	244.52	35,778.06	-	35,778.06	-	1,091.0	5.0	-	-	33.78	50.67	37,107.33	1,329.27
	893	2.0	31.84	-	47.76	-	32.79	-	49.19	-	-	-	-	2.0	-	63.68	-	63.68	-	63.68	-	2.0	-	-	-	33.78	50.67	67.56	3.88
	894	2.0	31.84	-	47.76	-	32.79	-	49.19	-	-	-	-	2.0	-	63.68	-	63.68	-	63.68	-	2.0	-	-	-	33.78	50.67	67.56	3.88
	902	-	31.84	-	47.76	4.0	32.79	-	49.19	-	-	-	-	4.0	-	131.16	-	131.16	-	131.16	-	4.0	-	-	-	33.78	50.67	135.12	3.96
	903	220.0	31.84	-	47.76	541.0	32.79	7.0	49.19	-	-	-	-	761.0	7.0	24,744.19	344.33	25,088.52	-	25,088.52	-	761.0	7.0	-	-	33.78	50.67	26,061.27	972.75
	921	79.0	31.84	-	47.76	137.0	32.79	26.0	49.19	-	-	-	-	216.0	26.0	7,007.59	1,278.94	8,286.53	-	8,286.53	-	216.0	26.0	-	-	33.78	50.67	8,613.90	327.37
Total Outside Plant Outside Expense Outside Expense %		11,200.0		393.0		19,262.5		752.5		11,941.0		605.0		41,607.0	1,749.5	928,836.3	54,619.7	983,456.0		983,456.0	Total Outside	36,736.0	1,568.5						
		918.0		11.5		2,298.0		76.5		1,789.0		113.5		5,005.0	201.5	109,233.1	6,477.1	115,710.2		115,710.22	Average	1,837.0	78.0						
		10,282.0		381.5		16,964																							

2400 K Reed		920	280.0	69.89	-	104.84	520.0	71.99	-	107.99	240.0	74.32	-	111.48	1,040.0	-	74,840.80	-	74,840.80		74,840.80		1,040.0	-	76.48	114.72		79,539.20	4,698.40
		921	140.0	69.89	-	104.84	260.0	71.99	-	107.99	120.0	74.32	-	111.48	520.0	-	37,420.40	-	37,420.40		37,420.40		520.0	-	76.48	114.72		39,769.60	2,349.20
	Exp Allocat	143	180.0	14.00	-	21.00	52.0	14.50	-	21.75	-	-	-	-	232.0	-	3,274.00	-	3,274.00	(3,274.00)	-	(232.00)	-	-	15.00	22.50		-	-
		13.0	14.00	-	21.00	-	14.50	-	21.75	-	-	-	-	-	13.0	-	182.00	-	182.00		182.00		13.0	-	15.00	22.50		195.00	13.00
		920	524.0	14.00	-	21.00	108.0	14.50	-	21.75	-	-	-	-	632.0	-	8,902.00	-	8,902.00		8,902.00	886.00	1,518.0	-	15.00	22.50		22,770.00	13,868.00
2900 Sexton		903	560.0	17.54	85.5	26.31	560.0	18.07	92.5	27.11	962.0	19.00	160.0	28.50	2,082.0	338.0	38,219.60	9,317.18	47,536.78		47,536.78		2,082.0	338.0	19.57	29.36		50,668.42	3,131.64
		921	-	17.54	-	26.31	-	18.07	-	27.11	8.0	19.00	1.5	28.50	8.0	1.5	152.00	42.75	194.75		194.75		8.0	1.5	19.57	29.36		200.60	5.85
3300 Smith		920	264.0	22.15	-	33.23	376.0	22.60	-	33.90	-	-	-	-	640.0	-	14,345.20	-	14,345.20		14,345.20	(640.00)	-	-	-	-		-	(14,345.20)
3600 Vandeventer	Exp Allocat	-	18.56	-	-	27.84	-	19.12	-	28.68	45.0	19.50	-	29.25	45.0	-	877.50	-	877.50		877.50		45.0	-	20.09	30.14		904.05	26.55
	901	-	18.56	-	-	27.84	-	19.12	-	28.68	160.0	19.50	-	29.25	160.0	-	3,120.00	-	3,120.00		3,120.00		160.0	-	20.09	30.14		3,214.40	94.40
	903	560.0	18.56	5.0	-	27.84	560.0	19.12	4.0	28.68	800.0	19.50	5.0	29.25							-				20.09			-	-
4200 Yoder		143	12.0	15.00	-	22.50	-	20.00	-	30.00	-	-	-	-	12.0	-	180.00	-	180.00	(180.00)	-	(12.00)	-	-	20.00	30.00		-	-
		920	112.0	15.00	-	22.50	159.0	20.00	-	30.00	-	-	-	-	271.0	-	4,860.00	-	4,860.00		4,860.00	(271.00)	-	-	20.00	30.00		-	(4,860.00)
Total															1,910,500.83												1,754,284.32	27,804.49	

Adjustment 4b

MIDWEST NATURAL GAS CORPORATION**Detail of Adjustments****(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS**

(b)

To adjust operations and maintenance expenses for changes in pension expense.

Increase in pension expense resulting from increases in employee payroll	\$4,304
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Increase in pension expense due to change in actuarial discount rate	14,494
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Settlement cost for retiree taking a lump sum payment from pension plan	\$112,779
Amortization over 5 years	<u>5</u>

Amortization of settlement costs	<u>22,556</u>
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Total increase in pension expenses	<u><u>\$41,354</u></u>
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Dave Osmon

From: Fireoved, Taylor <taylor.fireoved@nyhart.com>
Sent: Friday, September 30, 2016 6:09 PM
To: 'Dave Osmon'
Cc: Meggos, Nick; Merrill, Malcolm
Subject: Discount Rate Analysis- ASC 715 Disclosure 8/31/2016
Attachments: Taylor Fireoved ASA.vcf

Dave,

As requested, we've completed an analysis of two different discount rate assumptions and the impact they have on your accounting disclosure results. As a result of the lump sum payments made this year, a settlement was triggered which adds an additional amount to be recognized in the 2015-2016 expense. We have allocated the additional settlement expense by division. This was not done in the same manner as the expense allocation, which is based on compensation. Instead, we allocated the settlement expense based on the liability of each participant that received a lump sum. Please see below table for results:

	Discount Rate = 4.5%			Discount Rate = 4.0%		
Projected Benefit Obligation	\$ (3,133,119)			\$ (3,383,464)		
Market Value of Assets	\$ 2,168,338			\$ 2,168,338		
Funded Status	\$ (964,781)			\$ (1,215,126)		
		Midwest	Gwaltney		Midwest	Gwaltney
Net Periodic Benefit Cost FYE 2016	\$160,272	\$108,582	\$51,690	\$160,272	\$108,582	\$51,690
Settlement Cost	\$100,199	\$99,945	\$254	\$113,057	\$112,779	\$278
Final Net Benefit Cost FYE 2016	\$260,471	\$208,527	\$51,944	\$273,329	\$221,361	\$51,968
		Midwest	Gwaltney		Midwest	Gwaltney
Net Periodic Benefit Cost FYE 2017	\$139,154	\$93,490 (A)	\$45,664	\$160,727	\$107,984 (A)	\$52,743

Please note that the selection of the discount rate should not be based on the results that the assumption produces. Ideally, it should reflect yields on high-quality fixed income debt instruments available at the measurement date to provide the necessary cash flows to pay benefit obligations when due. We strongly suggest that this matter be reviewed with your accountants and/or other financial advisors.

If you have any questions, please feel free to let us know. Once a discount rate is selected, we can send a formal report.

Thanks,
Taylor

$$(A) \$107,984 - \$93,940 = \$14,494$$

Midwest Natural Gas Corporation
Pension Plan

	Eligible <u>Payroll</u>	Pension <u>Expense</u>	<u>%</u>
31-Aug-12	1,889,572	88,641	4.69%
31-Aug-13	1,781,297	121,651	6.83%
31-Aug-14	1,853,670	98,693	5.32%
31-Aug-15	1,758,005	97,356	5.54%
Historical Average of Pension Expense			5.60%

Pro-Forma Non-Expense Payroll	179,807
Pro-Forma Expense Payroll	1,754,284
Total Payroll	1,934,091
Pension Plan Contribution Rate	<u>5.60%</u>
Pro-Forma ESOP Contribution	\$ 108,212
Test Year Expense	<u>(103,908)</u>
Pro-Forma Adjustment	<u><u>\$ 4,304</u></u>

Adjustment 4c

MIDWEST NATURAL GAS CORPORATION**Detail of Adjustments****(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS**

(c)

To adjust operations and maintenance expenses for the amortization of rate case expenses

Estimate of rate case expenses	\$260,000
Mailing and other company related rate case expenses	2,500
Total costs to be amortized	<u>\$262,500</u>
Amortization period (years)	<u>5</u>

Annual rate case amortization expense	\$52,500
Test year amortization of rate case expenses	<u>75,036</u>

Adjustment - Increase/(Decrease) (\$22,536)

Adjustment 4d

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS

(d)

To adjust operations and maintenance expenses for the annualization of employee health insurance premiums.

Annualized test year health insurance

\$427,908

Test year health insurance

401,787

Adjustment - Increase/(Decrease)

\$26,121

Midwest Natural Gas Corporation
List of employees on Health Insurance Coverage

		Pro-Forma Annualized Health Premium Costs					
		Aug-16 Monthly	Aug-16 Claim	Aug-16 Annual	Aug-16 Per Pay	Aug-16 Annual	Aug-16
Employee Name	Code	Total Cost	Total Cost3	Total Cost2	Employee	Employee3	MNG Cost
Michael Abrams	Emp + Ch	544.32	1,044.19	19,062.12	150.30	3,907.80	15,154.32
Jerry W Begley	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Jeremy W Burns	Emp + Ch	544.32	1,044.19	19,062.12	150.30	3,907.80	15,154.32
Herbert Campbell (Bruce)	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Estill L Combs	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Michael V. Crouch	Emp + Sp	544.32	1,242.10	21,437.04	169.02	4,394.52	17,042.52
Loretta Dixon	Emp + Sp	544.32	1,242.10	21,437.04	169.02	4,394.52	17,042.52
Beth Eskew	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Timothy Hall	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Zevirah Hamm	Family	544.32	1,597.45	25,701.24	202.64	5,268.64	20,432.60
Kenneth Hinkle	Family	544.32	1,597.45	25,701.24	202.64	5,268.64	20,432.60
Rhonda Hobson	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Alan Hohn	Emp + Sp	544.32	1,242.10	21,437.04	169.02	4,394.52	17,042.52
Rita Houchens	Emp + Ch	544.32	1,044.19	19,062.12	150.30	3,907.80	15,154.32
Larry Humphrey	Emp + Sp	544.32	1,242.10	21,437.04	169.02	4,394.52	17,042.52
Albert Kimmick	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Dallas Lucas	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Cody Osmon	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
David Osmon	Emp + Sp	544.32	1,242.10	21,437.04	169.02	4,394.52	17,042.52
Kari Reed	Emp + Ch	544.32	1,044.19	19,062.12	150.30	3,907.80	15,154.32
Michael Reed	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Christopher Robinson	Family	544.32	1,597.45	25,701.24	202.64	5,268.64	20,432.60
Brenda Sexton	Emp + Sp	544.32	1,242.10	21,437.04	169.02	4,394.52	17,042.52
Kelly Shafer	Emp + Ch	544.32	1,044.19	19,062.12	150.30	3,907.80	15,154.32
Terry Shafer	Family	544.32	1,597.45	25,701.24	202.64	5,268.64	20,432.60
James Skomp	Emp + Ch	544.32	1,044.19	19,062.12	150.30	3,907.80	15,154.32
Carla Stone	Single	257.81	646.34	10,849.80	85.55	2,224.30	8,625.50
Cory Todd	Family	544.32	1,597.45	25,701.24	202.64	5,268.64	20,432.60
Anneita Vandeventer	Emp + Sp	544.32	1,242.10	21,437.04	169.02	4,394.52	17,042.52
Ted Williams	Family	544.32	1,597.45	25,701.24	202.64	5,268.64	20,432.60
				537,987.24		110,287.58	427,699.66

	Pro-Forma Annual	Test Year	Pro-Forma Adjustment	
Michael Abrams	15,154.32	14,072.90	1,081.42	20.500%
Jerry W Begley	8,625.50	7,954.28	671.22	
Jeremy W Burns	15,154.32	14,072.90	1,081.42	
Herbert Campbell (Bruce)	8,625.50	10,032.92	(1,407.42)	
Estill L Combs	8,625.50	7,954.28	671.22	
Michael V. Crouch	17,042.52	15,814.60	1,227.92	
Loretta Dixon	17,042.52	15,814.60	1,227.92	
Beth Eskew	8,625.50	7,954.28	671.22	
Timothy Hall	8,625.50	7,954.28	671.22	
Zevirah Hamm	20,432.60	18,941.44	1,491.16	
Kenneth Hinkle	20,432.60	18,941.44	1,491.16	
Rhonda Hobson	8,625.50	7,954.28	671.22	
Alan Hohn	-	15,814.60	(15,814.60)	
Rita Houchens	15,154.32	14,072.90	1,081.42	
Larry Humphrey	17,042.52	15,814.60	1,227.92	
Albert Kimmick	8,625.50	7,954.28	671.22	
Dallas Lucas	8,625.50	7,954.28	671.22	
Cody Osmon	8,625.50	-	8,625.50	
David Osmon	17,042.52	18,941.44	(1,898.92)	
Kari Reed	15,154.32	2,633.54	12,520.78	
Michael Reed	8,625.50	7,954.28	671.22	
Christopher Robinson	20,432.60	18,941.44	1,491.16	
Brenda Sexton	17,042.52	15,814.60	1,227.92	
Kelly Shafer	15,154.32	14,072.90	1,081.42	
Terry Shafer	20,432.60	18,941.44	1,491.16	
James Skomp	15,154.32	10,251.14	4,903.18	
Carla Stone	8,625.50	7,954.28	671.22	
Cory Todd	20,432.60	14,119.27	6,313.33	
Anneita Vandeventer	17,042.52	15,814.60	1,227.92	
Ted Williams	20,432.60	18,941.44	1,491.16	
Arthur Campbell	-	15,814.60	(15,814.60)	
Erin Cox	-	10,895.81	(10,895.81)	
Garrett Smith	-	1,623.41	(1,623.41)	
New Hire 1	8,625.50		8,625.50	
New Hire 2	8,625.50		8,625.50	
Total Pro-Forma Adjustment	427,908.14	401,787.05	26,121.09	

Adjustment 4e

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS

(e)

To adjust operations and maintenance expenses to reflect the IURC fee.

Applicable revenues at present rates
IURC rate

\$13,646,385

0.001171996Pro-forma fee at present rates
Test year IURC fee

15,994

19,067

Adjustment - Increase/(Decrease)

(\$3,073)

Adjustment 4f

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(f)

To adjust operations and maintenance expenses for the proforma cost of property and casualty insurance

Pro-forma cost of insurance

Commercial package	\$11,029
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Workers' compensation	28,252
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Commercial umbrella	25,765
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Auto business	51,608
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Pro-forma cost of insurance	116,654
-----------------------------	---------

Test year insurance expense	111,048
-----------------------------	---------

Adjustment - Increase/(Decrease)

\$5,606

[illegible]

INVOICE

**Lupke Rice Insurance
and Financial Services**
P.O. Box 11309
Fort Wayne, IN 46857

Customer	Midwest Natural Gas Corp.
Date	August 30, 2016
Customer Service	Laura Antil, CIC Renee Riles
Page	1 of 1

Midwest Natural Gas Corp.
PO Box 520
Washington, IN 47501

Payment Information	
Invoice Summary	\$36,794.00
Payment Amount	
Payment for:	

Thank You

Please detach and return with payment

Customer: Midwest Natural Gas Corp.

Invoice	Effective	Transaction	Description	Amount
10940	8-31-2016	Renewal	Policy #B6014833 Selective – Primary Crime Policy Premium	\$ 250.00
			Policy #B6038283 Selective – Excess Crime Policy Premium	\$ 250.00
10939	8-31-2016	Renewal	Policy #S1708445 Selective – Property/Equipment Policy Premium	\$ 9,597.00
11109	8-31-2016	Renewal	Policy #TH7-641-005043-126 Liberty Mutual - \$10 Million Excess Liability	\$ 17,365.00
			Policy #Ho14EXC7368581V Navigator Insurance - \$10 Million Excess Liab – 2 nd layer	\$ 8,400.00
11110	8-31-2016	Rewrite	Policy #TBD Cincinnati Insurance – Boiler & Machinery	\$ 932.00
Payment due upon receipt.				
Thank you for your business!				
				TOTAL
				\$36,794.00

Lupke Rice Insurance and Financial Services P.O. Box 11309 Fort Wayne, IN 46857	(260)424-4150	Date
		Upon Receipt

Adjustment 4g

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(g)
To adjust operations and maintenance expenses for the increase associated with the contribution to the ESOP

\$16,373

Midwest Natural Gas Corporation
ESOP Contribution

Pro-Forma Non-Expense Payroll	179,807.09
Pro-Forma Expense Payroll	<u>1,754,284.32</u>
Total Payroll	1,934,091.41
Payroll Charged to Others	<u>(34,652.83)</u>
ESOP Contribution Payroll	1,899,438.58
ESOP Contribution Rate	<u>6%</u>
Pro-Forma ESOP Contribution	\$ 113,966
Test Year Expense	<u>(97,593)</u>
Pro-Forma Adjustment	<u>\$ 16,373</u>

Adjustment 4h

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(h)

To adjust operations and maintenance expenses to average actual bad debt write offs

Actual bad debt write-off as of August 31

2015	\$116,021
2014	82,973
2013	29,624
2012	62,801
2011	169,644
2010	<u>81,649</u>

Average bad debt expense

\$90,452

Test year expense

\$38,696

Adjustment - Increase/(Decrease)

\$51,756

Write-Offs Detail

2015			2014			2013			2012			2011			2010		
Month	BLF	SCB	Month	BLF	SCB	Month	BLF	SCB	Month	BLF	SCB	Month	BLF	SCB	Month	BLF	SCB
Sep.	\$ 108.71	\$ 44,569.44	Sep.	\$ 243.54	\$ 26,194.68	Sep.			Sep.			Sep.	\$ 577.49	\$ 84,494.01	Sep.		
Oct.	\$ 272.83	\$ 13,362.11	Oct.			Oct.	\$ 637.28	\$ 508.46	Oct.		\$ 11,824.78	Oct.			Oct.	\$ 4,530.60	
Nov.	\$ 949.12		Nov.	\$ 2,332.51	\$ 11,706.92	Nov.			Nov.	\$ 1,197.97		Nov.		\$ 8,816.28	Nov.	\$ 818.72	
Dec.	\$ 1,980.75		Dec.		\$ 3,274.44	Dec.	\$ 607.17	\$ 1,364.63	Dec.			Dec.	\$ 2,303.07	\$ 14,161.95	Dec.		\$ 13,362.22
Jan.	\$ 372.24	\$ 2,626.15	Jan.		\$ 283.31	Jan.	\$ 407.39		Jan.		\$ 2,857.22	Jan.			Jan.	\$ 956.14	
Feb.	\$ 2,325.94	\$ 1,243.28	Feb.		\$ 1,077.76	Feb.		\$ 1,780.18	Feb.	\$ 2,643.54	\$ 3,369.86	Feb.	\$ 3,129.42	\$ 2,884.38	Feb.	\$ 6,693.61	\$ 2,258.99
Mar.	\$ 597.56	\$ 3,060.87	Mar.	\$ 1,414.65	\$ 1,394.70	Mar.	\$ 4,137.87		Mar.		\$ 498.14	Mar.			Mar.		
Apr.			Apr.	\$ 5,638.61		Apr.		\$ 4,477.04	Apr.	\$ 434.24	\$ 1,515.40	Apr.		\$ 4,646.92	Apr.		\$ 5,877.52
May	\$ 1,978.33	\$ 8,936.17	May	\$ 1,830.53		May		\$ 122.83	May	\$ 4,022.57		May	\$ 1.12		May	\$ 2,215.99	
Jun.	\$ 993.50		Jun.	\$ 8,989.84		Jun.		\$ 8,146.31	Jun.	\$ 734.76	\$ 7,603.07	Jun.	\$ 257.25	\$ 12,210.65	Jun.	\$ 769.18	\$ 4,508.45
Jul.	\$ 1,344.73	\$ 29,113.68	Jul.		\$ 13,196.10	Jul.	\$ 1,942.31	\$ 376.58	Jul.			Jul.	\$ 1,508.08	\$ 51.73	Jul.	\$ 1,316.36	
Aug.	\$ 2,185.55		Aug.	\$ 5,395.24		Aug.		\$ 599.09	Aug.		\$ 26,099.19	Aug.		\$ 34,601.35	Aug.	\$ 80.33	\$ 38,260.51
	<u>\$ 13,109.26</u>	<u>\$ 102,911.70</u>		<u>\$ 25,844.92</u>	<u>\$ 57,127.91</u>		<u>\$ 7,732.02</u>	<u>\$ 21,892.36</u>		<u>\$ 9,033.08</u>	<u>\$ 53,767.66</u>		<u>\$ 7,776.43</u>	<u>\$ 161,867.27</u>		<u>\$ 17,380.93</u>	<u>\$ 64,267.69</u>
Total Actual W/O	\$	116,020.96		\$	82,972.83		\$	29,624.38		\$	62,800.74		\$	169,643.70	Total Actual W/O	\$	81,648.62
Gross	\$	16,471,352.51		\$	17,058,605.73		\$	14,365,816.13		\$	12,145,106.51		\$	16,050,704.55	Gross	\$	16,404,327.54
%		0.70%			0.49%			0.21%			0.52%			1.06%	%		0.50%

Adjustment 4i

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(i)

To adjust operations and maintenances expenses for new billing software and maintenance fees

Cost of new billing software amortized over 5 years	\$13,727	
Annual maintenance cost of new software	5,085	
Additional cost for hosting software	1,465	
Additional cost for increased internet provider costs	<u>3,475</u>	
Adjustment - Increase/(Decrease)		<u><u>\$23,752</u></u>

Midwest Natural Gas Corporation
Pro-Forma Software Adjustment

Note: Midwest Natural Gas and Indiana Natural Gas are jointly purchasing the Alliance software customer information/billing program from United Systems. The amounts below divide the various cost of the initial purchase and resulting annual maintenance fees between the two companies. Amortization of the purchase is over a period of 60 months. The second maintenance software, SolarWinds N-able, is antivirus and patch monitoring software that is billed annually.

United Systems (Alliance) Quote

Quantity	Alliance UMS Windows Suite	Midwest Natural Gas	Indiana Natural Gas	Total
1	Alliance G5 Utility Management System Software Bundle	\$ 14,687.50	\$ 14,687.50	\$ 29,375.00
10	Alliance Software User Licensing System	9,950.00		9,950.00
1	Alliance Technical/Training Services	9,790.00		9,790.00
1	Utility Data Conversion First Dataset of about 14,000 Services	16,500.00		16,500.00
				-
	Alliance Counter Receipt System Printing, Cas Collections & Scanning			-
1	Alliance Counter Receipts	2,748.90	1,416.10	4,165.00
6	Epson TMH60000IV Counter Receipts Slip Printer/Validator, thermal slip & validation printing	3,000.00	1,500.00	4,500.00
6	Motorola USB Scanner for Automatic Payment Scanning with Stand	1,000.00	500.00	1,500.00
	Second Data Set Items Below			-
5	Alliance Software User Licensing System	-	4,975.00	4,975.00
1	Utility Data Conversion Second Dataset of about 8,000 Services	-	12,000.00	12,000.00
	Alliance Customization			-
1	2nd Database with First Year Maintenance (Alliance)		1,610.00	1,610.00
1	Service Orders Text File Exports	2,500.00	2,500.00	5,000.00
1	Service Orders Enhanced File Imports	2,500.00	2,500.00	5,000.00
	Alliance Additional Modules			-
2	Web Bill Presentment Application	995.00	995.00	1,990.00
2	Services for Web Bill Presentment Setup	995.00	995.00	1,990.00
2	Services for Credit Card Payment Setup	300.00	300.00	600.00
2	Annual Hosting for Web Bill Presentment & Credit Card Payments	1,134.00	1,134.00	2,268.00
2	SSL Certificate for Red Flag Rules	60.00	60.00	120.00
1	Outsourced Statement Fulfillment Services	-	-	-
1	IVR Interface Import/Export	1,247.50	1,247.50	2,495.00
1	IVR Remote Technical Services & Training	525.00	525.00	1,050.00
1	IVR Remote Technical Services - Programming Automatic Processing	700.00	700.00	1,400.00
	Total Alliance Software Purchase Amount:	\$ 68,632.90	\$ 47,645.10	\$ 116,278.00
		59%	41%	100%
	Monthly Amount (Total divided by 60 Months):	\$ 1,143.88	\$ 794.09	\$ 1,937.97
	Total Annual Amount Software Amortization:	\$ 13,726.58	\$ 9,529.02	\$ 23,255.60
	Annual Maintenance Fees:			
	Software Bundle	1,512.50	1,512.50	3,025.00
	Licensing System	1,950.00	-	1,950.00
	Counter Receipts	130.65	64.35	195.00
	Second Data Set Licensing System		975.00	975.00
	Second Data Base		1,610.00	1,610.00
	Annual Hosting Web Bill Presentment and Credit Cards	1,134.00	1,134.00	2,268.00
	Certificate for Red Flag Rules	60.00	60.00	120.00
	IVR Interface Import/Export	297.50	297.50	595.00
	Total Annual Maintenance Fees:	\$ 5,084.65	\$ 5,653.35	\$ 10,738.00
	Total Pro-Forma Alliance Software Expense	\$ 18,811.23	\$ 15,182.37	\$ 33,993.60
	SolarWinds N-able (\$244.20/month)	1,465.20	1,465.20	2,930.40
	Total Pro-Forma Software Expense	\$ 20,276.43	\$ 16,647.57	\$ 36,924.00



Purchase Order - Hosted Subscription

SolarWinds N-able
450 March Road, 2nd Floor
Ottawa, Ontario K2K 3K2
CANADA
Tel: +1 (613) 592-6676
Toll Free: 1-877-655-4689

Customer Name: Midwest Natural Gas

Postal Code: 47501

Account Number:

Street Address: P.O. Box 520

Time Zone:

Contact Name: Allen Brown

City: Washington

Phone: (812) 254-5087

Email: abrown@midnatgas.com

State/Province: IN

Fax:

Billing Contact:

Country: United States

Payment Term: Net 15

Billing Email:

Pricing Effective From: 5/31/2016 to 5/31/2016

NOTE: Unit Price (subscription items) and Maintenance & Support (if applicable) has been pro-rated to your next renewal date of 6/1/2017.

Product Id	Product	Type	Quantity	Unit Price	Subtotal	Discount	Extended Price
ESSHOINMTENDTIUS	N-central Essentials	Subscription	7	\$1.00	\$7.00	\$0.00	\$7.00
DESHOINMTENDTIUS	N-central Professional/Desktop	Subscription	40	\$3.00	\$120.00	\$0.00	\$120.00
SERHOINMTENDTIUS	N-central Professional/Server	Subscription	4	\$10.00	\$40.00	\$0.00	\$40.00
AVDNHOINMTENDTIUS	Security Manager AV Defender	Subscription	44	\$1.00	\$44.00	\$0.00	\$44.00
PMTHOINMTENDTIUS	Patch Manager Third Party Applications	Subscription	44	\$0.25	\$11.00	\$0.00	\$11.00
NCESHOINMTENDTIUS	N-central Service Organization	Subscription	1	\$0.00	\$0.00	\$0.00	\$0.00
MISCHOHOINMTENDTIUS	Services Hosting Surcharge	Services	1	\$22.20	\$22.20	\$0.00	\$22.20

Monthly Total (USD)

\$244.20

50/50
mw/JNG
122.10
1yr. 2,930.40
1,465.20

Test Year	
Rise Broadband	
Monthly Cost	
Apr-15	\$ 400.50
May-15	\$ 400.50
Jun-15	\$ 400.50
Jul-15	\$ 400.50
Aug-15	\$ 400.50
Sep-15	\$ 400.50
Oct-15	\$ 400.50
Nov-15	\$ 400.50
Dec-15	\$ 400.50
Jan-16	\$ 400.50
Feb-16	\$ 400.50
Mar-16	\$ 400.50
\$ 4,806.00	

Pro Forma	
AT & T	
Monthly Cost	
Apr-16	\$ 690.08
May-16	\$ 690.08
Jun-16	\$ 690.08
Jul-16	\$ 690.08
Aug-16	\$ 690.08
Sep-16	\$ 690.08
Oct-16	\$ 690.08
Nov-16	\$ 690.08
Dec-16	\$ 690.08
Jan-17	\$ 690.08
Feb-17	\$ 690.08
Mar-17	\$ 690.08
\$ 8,280.96	

Monthly Diff: \$ 289.58

Annual Diff: \$ 3,474.96

Adjustment 4j

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(i)		
To adjust operations and maintenances expenses to remove energy efficiency costs from NTA order		
Energy efficiency costs from NTA order	<u>(25,000)</u>	
Adjustment - Increase/(Decrease)		<u><u>(\$25,000)</u></u>

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF MIDWEST NATURAL)
GAS CORPORATION FOR APPROVAL)
UNDER I.C. 8-1-2-42(A) AND I.C. 8-1-2.5-)
1, ET SEQ., OF THE CHANGE OF ITS)
TARIFFS INCORPORATING A)
NORMAL TEMPERATURE)
ADJUSTMENT)

CAUSE NO. 43107

PETITIONER'S REPORT OF USE OF FUNDS

Comes now your Petitioner, Midwest Natural Gas Corporation (hereinafter "Petitioner"), and files the attached report on its use of funds in the above-referenced cause.

In explanation of the context of this filing, Petitioner would show the following:

1. Petitioner was authorized to implement a normal temperature adjustment mechanism ("NTA") on December 6, 2006, by order of the Commission in this Cause and in similar but separate proceedings for other small gas utilities ("Joint Petitioners").

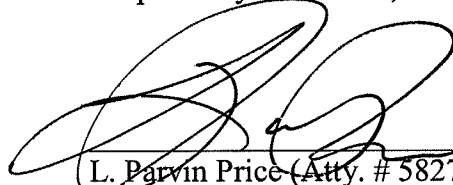
2. As part of the implementation, Petitioner, along with Joint Petitioners, participated in a technical conference established by the Commission on October 14, 2009. As part of such technical conference, Petitioner, along with the Joint Petitioners, filed reports on use of funds similar to the report attached here.

3. Following such technical conference, this Commission entered its Order of December 2, 2009 in this Cause authorizing Petitioner to continue its NTA mechanism and ordering Petitioner, and the Joint Petitioners, to annually file a report on the funds set aside and used for the promotion of energy efficiency. The attached "Exhibit A" has been prepared by London Witte Group on behalf of this Petitioner as such annual filing.

WHEREFORE, Petitioner respectfully requests that this report be filed of record; that should this Commission or the Office of the Utility Consumer Counselor have any additional

questions, the same be addressed to the undersigned or Mr. Duane Mercer of London Witte Group; and for all other relief appropriate in this Cause.

Respectfully Submitted,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

L. Parvin Price (Atty. # 5827-49)
Bose McKinney & Evans LLP
111 Monument Circle, Suite 2700
Indianapolis, IN 46204
Telephone: (317) 684-5000
Fax: (317) 684-5173
pprice@boselaw.com

Attorney for Petitioner,
Midwest Natural Gas Corporation

MIDWEST NATURAL GAS CORPORATION

Cause No. 43107

Schedule of Annual Rebates

For the Twelve Months Ended June 30, 2010

Midwest Natural Gas Corporation

Customer Rebate Program

Annual Funding per NTA Order	\$ 25,000
------------------------------	------------------

Furnace	\$ 22,500
Water Heater	875
Other Appliance	1,950
Customer Awareness Program	-
Rebates Fiscal Year Ended September 2008	\$ 25,325
 Furnace	 \$ 23,100
Water Heater	1,500
Other Appliance	1,375
Customer Awareness Program	-
Rebates Fiscal Year as of June 2009	\$ 25,975
 Furnace	 \$ 24,375
Water Heater	1,875
Other Appliance	75
Customer Awareness Program	-
Rebates Fiscal Year as of June 2010	\$ 26,325
 Accumulated Customer Rebate Pool	 \$ (2,625)

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing has been served upon the following
counsel of record by electronic mail this 12th day of October, 2010:

Leja Courter
Indiana Office of Utility Consumer Counselor
115 West Washington Street, Suite 1500 South
Indianapolis, IN 46204



L. Parvin Price

Adjustment 4k

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(k)
To adjust operations and maintenances expenses to remove amortization of Cause No. 43995

Eliminate amortization of Cause No. 43995 (32,800)

Adjustment - Increase/(Decrease) (\$32,800)

MIDWEST NATURAL GAS
ENERGY EFFICIENCY PROCEEDING

Amount invoiced to date
Midwest's percentage

\$ 300,000
32.8%

Estimate

\$ 98,400

Amortization 3 years

Annual Expense \$32,800

Adjustment 4I

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(I)

To adjust operations and maintenances expenses to amortize the cost of a necessity certificate filing

Total cost of necessity certificate	\$27,868	
Amortization period	<u>5</u>	
Annual amortization	5,574	
Test year expenses	<u>(27,868)</u>	
Adjustment - Increase/(Decrease)		<u><u>(\$22,294)</u></u>

Midwest Natural Gas Corp
Regulatory Expense Detail - G/L Acct #928
April 2015 - March 2016

	<u>Payroll</u>	<u>Auto Dist</u>	<u>Rate Case Am</u>	<u>GCA</u>	<u>General</u>	<u>Necessity Certificate</u>	<u>Decoupling Expense</u>	<u>IURC Fee</u>	<u>Monthly</u>
April	1,796.65 1,796.65 428.84	-	6,253.00	2,635.00	2,082.50	-	4,020.00	1,500.54	20,513.18
May	1,796.65 1,796.65	22.73	6,253.00	1,955.00	4,165.00	-	4,020.00	1,500.54	21,509.57
June	1,796.65 1,796.65 662.23	426.46	6,253.00	2,742.25	-	6,075.00	4,020.00	1,765.49	25,537.73
July	1,796.65 1,850.60 1,850.60 469.58	-	6,253.00	2,971.70	467.50	2,925.00	4,020.00	1,588.87	24,193.50
August	1,850.60 1,850.60	797.05	6,253.00	1,105.00	4,177.50	-	4,020.00	1,588.87	21,642.62
September	1,850.60 1,850.60	405.46	6,253.00	1,908.20	1,997.50	1,170.00	4,020.00	1,588.87	21,044.23
October	1,850.60 1,850.60 379.58	-	6,253.00	1,692.25	467.50	7,380.00	4,020.00	1,588.87	25,482.40
November	1,850.60 1,850.60 476.91	-	6,253.00	-	-	-	4,020.00 32,501.00	1,588.87	48,540.98
December	1,850.60 4,650.00 1,850.60 1,850.60	1,005.06 686.61	6,253.00	2,419.10	4,229.60	2,488.00	4,020.00	1,588.87	32,892.04
January	1,906.95 1,906.95 406.73	1,052.21	6,253.00	2,558.30	1,682.50	2,160.00	4,020.00 (4,029.60)	1,588.87	19,505.91
February	1,906.95 1,906.95	483.80	6,253.00	5,698.50	1,392.00	3,285.00	-	1,588.87	22,515.07
March	1,906.95 866.47	325.38	6,253.00	522.00	870.00	2,385.00	-	1,588.87	14,717.67
	54,509.44	5,204.76	75,036.00	26,207.30	21,531.60	27,868.00	68,671.40	19,066.40	298,094.90

Adjustment 4m

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(m)

To adjust operations and maintenances expenses to for changes to external IT contract expenses

Adjustment - Increase/(Decrease)

\$1,452

Midwest Natural Gas Corporation
Adjustment for Computer Programming Contract

Monthly Amount	\$ 4,790
# of Months	<u>12</u>

57,480

Test Year Expense

Apr-15	(4,600)
May-15	(4,600)
Jun-15	(4,600)
Jul-15	(4,692)
Aug-15	(4,692)
Sep-15	(4,692)
Oct-15	(4,692)
Nov-15	(4,692)
Dec-15	(4,692)
Jan-16	(4,692)
Feb-16	(4,692)
Mar-16	<u>(4,692)</u>

Pro-Forma Adjustment	<u><u>\$ 1,452</u></u>
----------------------	------------------------

Adjustment 4n

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(n)

To adjust operations and maintenance expenses for changes to engineering retainer.

Adjustment - Increase/(Decrease)

\$1,050

USDI Retainer Information

Test Year		
Date	Amount	Account
Apr-15	\$ -	n/a
May-15	\$ -	n/a
Jun-15	\$ -	n/a
Jul-15	Clearing	
Aug-15	\$ 175.00	874
Sep-15	Clearing	
Oct-15	Clearing	
Nov-15	\$ 175.00	874
Dec-15	\$ 175.00	874
Jan-16	\$ 175.00	874
Feb-16	\$ 175.00	874
Mar-16	\$ 175.00	874
Total	\$ 1,050.00	

Pro Forma		
Date	Amount	Account
Apr-16	\$ 175.00	expense
May-16	\$ 175.00	expense
Jun-16	\$ 175.00	expense
Jul-16	\$ 175.00	expense
Aug-16	\$ 175.00	expense
Sep-16	\$ 175.00	expense
Oct-16	\$ 175.00	expense
Nov-16	\$ 175.00	expense
Dec-16	\$ 175.00	expense
Jan-17	\$ 175.00	expense
Feb-17	\$ 175.00	expense
Mar-17	\$ 175.00	expense
Total	\$ 2,100.00	

Pro Forma Adjustment **\$ 1,050.00**

* Hourly rate for principal engineering went from \$135 an hour to \$119

Adjustment 4o

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(o)

To adjust operations and maintenance expenses to defer administrative costs of energy efficiency in excess of revenues collected in rate base

Amount included in base rates

\$14,229

Total amount of expenses related to energy efficiency

34,584

Adjustment - Increase/(Decrease)

(\$20,355)

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) ADMINISTRATIVE AND GENERAL EXPENSE ADJUSTMENTS

(a)

To adjust "Administrative and General" expense for the increase in the cost of property and casualty insurance.

Pro-forma Cost of Insurance	
Commercial Package	\$25,826
Workers' Compensation	24,237
Commercial Umbrella	30,800
Auto Business	21,808
Pro-forma Cost of Insurance	<u>\$102,671</u>
Less: Test Year Insurance Expense	<u>101,570</u>
Adjustment - Increase/(Decrease)	<u><u>\$1,101</u></u>

(b)

To adjust "Administrative & General" expenses for change in directors fees (300)

(c)

To adjust "Administrative & General" expense for the increase associated with the contribution to the ESOP \$5,038

(d)

To adjust "Administrative & General" expense for the elimination of consulting fee to Henry Gwaltney (\$39,970)

(e)

To adjust "Administrative & General" expense to an average of debt debts.

2011	\$60,991
2010	<u>75,400</u>
Average bad debt expense	\$68,196
Test year expense	<u>\$60,991</u>
Adjustment - Increase/(Decrease)	<u><u>\$7,205</u></u>

(f)

To adjust "Administrative & General" expense for additional miscellaneous adjustments

Increase in operating costs of new billing system	\$45,138
Additional regulatory costs associated with Decoupling	<u>14,229</u>
Energy efficiency costs from NTA order	<u>(25,000)</u>
Adjustment - Increase/(Decrease)	<u><u>\$34,367</u></u>

(g)

To adjust the "Administrative and General" expense for the requested amortization of the cost to implement the Decoupling proceeding over the three years of the program

Total Actual Cost	\$98,400
Amortization Period	<u>3</u>
Annual Decoupling Proceeding Amortization Adjustment	<u><u>\$32,800</u></u>

Adjustment 4p

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(4) OPERATION & MAINTENANCE EXPENSE ADJUSTMENTS (Continued)

(p)

To adjust operations and maintenance expenses for miscellaneous expenses

Lobbying costs	(\$974)
Membership dues	(9,375)
Advertising	(1,685)
Invoices related to direct energy efficiency program costs	(13,957)
Other miscellaneous expenses	<u>(26,666)</u>

Adjustment - Increase/(Decrease)

(\$52,657)

Indiana ENERGY Association

1600 ONE AMERICAN SQUARE, BOX 82065 INDIANAPOLIS, INDIANA 46282 317-632-4406 FAX 317-262-4940 www.indianaenergy.org

Ed Simcox, President Emeritus

Mark T. Maassel, President

Timothy J. Rushenberg, Vice President

Boonville Natural Gas Corp.

Citizens Energy Group

Community Natural Gas Co., Inc.

Duke Energy

Fountaintown Gas Co., Inc.

Indiana Michigan Power

Indiana Natural Gas Corp.

Indianapolis Power & Light Company

Midwest Natural Gas Corp.

Northern Indiana Public Service Co.

Ohio Valley Gas Corp.

South Eastern Indiana Natural Gas Co., Inc.

Sycamore Gas Co.

Vectren Energy Delivery of Indiana, Inc.

February 26, 2016

Mr. Dave Osmon
Midwest Natural Gas Corporation
101 S. E. Third Street
Post Office Box 520
Washington, Indiana 47501-0520

Re: Calendar 2015 Non-Deductible Dues

Dear Dave:

Each year, the Indiana Energy Association advises you as to the portion of your company's member dues deemed nondeductible for tax purposes. Federal tax law removes the tax deductibility feature for the portion of your company's dues attributable to lobbying activities.

The law requires tax-exempt organizations to send notices to their members specifying the portion of dues allocable to lobbying and political expenditures. In response to that requirement, please note the following

- (1) In 2015, the Indiana Energy Association incurred total nondeductible expenses in the amount of \$656,761.94. Total nondeductible expenses include 50% of entertainment expenses including ticket purchases and also including all lobbying expenses. Your company's allocation of the **total nondeductible expenses** based on your member dues allocation rate (88%) **is \$1,942.50.**
- (2) Also under federal law, of the total nondeductible expenses of \$656,761.94 incurred by the Association, \$329,162.55 was allocable to lobbying expenses or 12.4% of the total member dues received by the Association. Your company's 2015 dues allocation **for lobbying is \$973.56.**
- (3) Although the \$973.56 is included in the \$1,942.50 figure contained in paragraph (1) above, **the \$973.56 relates specifically to expenses considered lobbying expenses by the federal government.**

THE VOICE FOR INDIANA ENERGY

Mr. Dave Osmon
Page Two
February 26, 2016

If you should have any questions concerning this matter, please feel to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim", with a stylized flourish extending from the end.

Kim Reed
Secretary/Treasurer

/kmr

Due Detail

Columbia Club

	MW
Apr-15	\$ 154.16
May-15	\$ 154.16
Jun-15	\$ 131.00
Jul-15	\$ 136.81
Aug-15	\$ 131.00
Sep-15	\$ 151.96
Oct-15	\$ 254.85
Nov-15	\$ 131.00
Dec-15	\$ 219.58
Jan-16	\$ 134.00
Feb-16	\$ 136.25
Mar-16	\$ 134.00
	<u>\$ 1,868.77</u>

Richland Counrty Club

	MW
Apr-15	\$ 420.90
May-15	\$ 421.90
Jun-15	\$ 422.90
Jul-15	\$ 849.49
Aug-15	\$ 1,381.43
Sep-15	\$ 443.75
Oct-15	\$ 482.75
Nov-15	\$ 444.75
Dec-15	\$ 444.75
Jan-16	\$ 443.75
Feb-16	\$ 1,231.84
Mar-16	\$ 508.31
	<u>\$ 7,496.52</u>

Grand Total: \$ 9,365.29

Joseph Dixon

From: Bonnie Mann
Sent: Tuesday, November 15, 2016 3:07 PM
To: Joseph Dixon
Subject: FW: Correct Detail for Wal-Mart Cards
Attachments: Wal-Mart Detail.xlsx

Part of the equation on advertising expense

From: Dave Osmon [mailto:dosmon@midnatgas.com]
Sent: Monday, July 18, 2016 2:02 PM
To: Bonnie Mann <Bonnie.Mann@LWGCpa.com>
Subject: FW: Correct Detail for Wal-Mart Cards

Bonnie:

This is the Wal-Mart card that I mention on the voicemail. A lot of snacky stuff I am sure they will want out.

Also, I mention the advertising account. I found \$1400 we spent to sponsor the starting lineups of football and basketball games. Last time this was questioned and we kept 25% of the sponsorship cost because they were "Call before you Dig" ads. Emailed the guy today, and he thinks 25% still applies. So, we need to eliminate 75% of the \$1400. Also, throw out another \$600 for 4-H sponsorship.

Hopefully we are narrowing this down for you.

If you have questions on these items, I will be around most of Tuesday.

Thanks.

David Osmon
Midwest Natural Gas Corporation
PO Box 520
101 SE Third St
Washington, Indiana 47501
Office: 812.254.5087
Cell: 812.617.1170

From: Cody Osmon [mailto:cosmon@midnatgas.com]
Sent: Monday, July 18, 2016 12:28 PM
To: 'David Osmon' <dosmon@midnatgas.com>
Subject: Correct Detail for Wal-Mart Cards

Attached is the Correct Schedule.

Thank you,

Cody Osmon
Midwest Natural Gas Corporation
P.O. Box 520
101 SE Third St.
Washington, IN 47501
Office: 812-254-5087

6/3/2015	87,110	PMTRX00002095	Purchases	REBATE/ BAIR	BYERS QUALITY HEATING, COOLING/ELI	\$25.00	
6/3/2015	87,113	PMTRX00002095	Purchases	FURNACE	BAIR, TERRY	\$425.00	
6/3/2015	87,114	PMTRX00002095	Purchases	FURNACE	BARNES, CAROLYN	\$225.00	
6/3/2015	87,119	PMTRX00002095	Purchases	JUNE2015	DEX MEDIA	\$234.15	
6/3/2015	87,132	PMTRX00002095	Purchases	REBATE/ ROBERTS	MILLER HEATING/COOLING, PLUMBING	\$25.00	
6/3/2015	87,133	PMTRX00002095	Purchases	REBATE/BARNES	MILLER HEATING/COOLING, PLUMBING	\$25.00	
6/3/2015	87,143	PMTRX00002095	Purchases	FURNACE	ROBERTS, JOHN	\$225.00	
6/10/2015	87,197	PMTRX00002096	Purchases	1130886196/JUNE2015	BERRY	\$28.20	
6/10/2015	87,208	PMTRX00002096	Purchases	JUNE2015	DAVIESS COUNTY RIGHT TO LIFE	\$35.00	
6/10/2015	87,211	PMTRX00002096	Purchases	52128404/JUNE2015	FIRST BANKCARD	\$68.13	
6/10/2015	87,242	PMTRX00002096	Purchases	JUNE2015	YP	\$19.00	
6/17/2015	87,345	PMTRX00002097	Purchases	REBATE/RICHLAND CREEK	BYERS ELECTRIC, HEATING AND COOLING	\$25.00	
6/17/2015	87,346	PMTRX00002097	Purchases	REBATE/HORNE	BYERS ELECTRIC, HEATING AND COOLING	\$25.00	
6/17/2015	87,363	PMTRX00002097	Purchases	REBATE/FURNACE	HORNE, STANLEY	\$225.00	
6/17/2015	87,369	PMTRX00002097	Purchases	JUNE2015	HIBU, INC. - WEST	\$100.00	
6/17/2015	87,376	PMTRX00002097	Purchases	REBATE/OSMON	LENGACHER MECHANICAL LLC	\$25.00	
6/17/2015	87,379	PMTRX00002097	Purchases	FURNACE	OSMON, JERRY	\$225.00	
6/17/2015	87,380	PMTRX00002097	Purchases	19362	O E I	\$247.49	
6/17/2015	87,389	PMTRX00002097	Purchases	FURNACE	REECE, ROY	\$225.00	
6/17/2015	87,390	PMTRX00002097	Purchases	FURNACE	RICHLAND CREEK HOMES, LLC	\$200.00	
6/17/2015	87,396	PMTRX00002097	Purchases	REBATE/REECE	TRUESDEL HEATING & COOLING	\$25.00	
6/17/2015	87,409	PMTRX00002097	Purchases	JUNE 2015	YP	\$61.00	
6/24/2015	87,490	CMTRX00001698	Bank Transaction Entry	DEP000004270	VOID CK 46078 / JAN132015		\$225.00
6/24/2015	87,494	CMTRX00001698	Bank Transaction Entry	DEP000004274	VOID CK 45916 / DEC232014		\$25.00
7/1/2015	87,602	PMTRX00002103	Purchases	0010027381/JULY2015	BERRY	\$104.60	
7/1/2015	87,605	PMTRX00002103	Purchases	REBATE/DISCOVERY	BJ HEATING & AIR CONDITIONING INC	\$25.00	
7/1/2015	87,606	PMTRX00002103	Purchases	FURNACE	BAIRD, ERNIE	\$225.00	
7/1/2015	87,611	PMTRX00002103	Purchases	REBATE/ROMAGE	COOLEYS HEATING AND AIR INCORPOR	\$25.00	
7/1/2015	87,612	PMTRX00002103	Purchases	REBATE/BAIRD	COOLEYS HEATING AND AIR INCORPOR	\$25.00	
7/8/2015	87,698	PMTRX00002105	Purchases	390001377902/JULY15	DEX MEDIA	\$235.40	
7/8/2015	87,699	PMTRX00002105	Purchases	WATER HEATER	DAVIS, WAYNE	\$200.00	
7/8/2015	87,708	PMTRX00002105	Purchases	FURNACE	INGRAM, COREY	\$225.00	
7/8/2015	87,710	PMTRX00002105	Purchases	FURNACE	KINDRED, BRAD	\$225.00	
7/8/2015	87,713	PMTRX00002105	Purchases	REBATE/NICHOLAS	MILLER HEATING/COOLING, PLUMBING	\$25.00	
7/8/2015	87,718	PMTRX00002105	Purchases	FURNACE	NICHOLAS, DOROTHY	\$225.00	
7/8/2015	87,727	PMTRX00002105	Purchases	FURNACE	ROMAGE, HOLLY	\$225.00	
7/8/2015	87,735	PMTRX00002105	Purchases	REBATE/KINDRED	TRUESDEL HEATING & COOLING	\$25.00	
7/8/2015	87,741	PMTRX00002105	Purchases	WATER HEATERS	WARREN, STEVEN	\$550.00	
7/14/2015	87,844	PMTRX00002109	Purchases	1130886196/JULY2015	BERRY	\$28.20	
7/14/2015	87,854	PMTRX00002109	Purchases	FURNACE	DAEGER, WILLIAM	\$200.00	
7/14/2015	87,863	PMTRX00002109	Purchases	REBATE/DAEGER	HALL HEATING	\$25.00	
7/14/2015	87,865	PMTRX00002109	Purchases	074187/JULY2015	HIBU, INC. - WEST	\$100.00	
7/21/2015	88,073	PMTRX00002110	Purchases	REBATE/WHITE	COOLEYS HEATING AND AIR INCORPOR	\$25.00	
7/21/2015	88,074	PMTRX00002110	Purchases	REBATE/POWERS	COOLEYS HEATING AND AIR INCORPOR	\$25.00	
7/21/2015	88,075	PMTRX00002110	Purchases	FURNACE	CARROLL, AMY	\$200.00	
7/21/2015	88,131	PMTRX00002110	Purchases	FURNACE	WHITE, TIM	\$225.00	
7/21/2015	88,133	PMTRX00002110	Purchases	FURNACES 2	WARREN, STEVEN	\$400.00	
7/22/2015	88,197	PMTRX00002111	Purchases	FURNACE	CARPENTER, JASON	\$225.00	
7/22/2015	88,210	PMTRX00002111	Purchases	JULY 2015	YP	\$42.00	
7/22/2015	88,213	PMTRX00002111	Purchases	REBATE/WILLIAMS	COOLEYS HEATING AND AIR INCORPOR	\$25.00	
7/22/2015	88,214	PMTRX00002111	Purchases	REBATE/JACKSON	COOLEYS HEATING AND AIR INCORPOR	\$25.00	
7/22/2015	88,217	PMTRX00002111	Purchases	FURNACE	E T INSURANCE INC	\$225.00	
7/22/2015	88,219	PMTRX00002111	Purchases	REBATE/RUSS	HALL HEATING	\$25.00	
7/22/2015	88,220	PMTRX00002111	Purchases	FURNACE	JACKSON, JAMES	\$225.00	
7/22/2015	88,225	PMTRX00002111	Purchases	FURNACE	RUSS, VICKY	\$200.00	
7/31/2015	88,358	GLTRX00006390				\$140.00	
8/11/2015	88,421	PMTRX00002118	Purchases	1130886196/AUG2015	BERRY	\$28.20	
8/11/2015	88,424	PMTRX00002118	Purchases	0010027381/AUG2015	BERRY	\$104.60	
8/11/2015	88,430	PMTRX00002118	Purchases	FURNACE	BURTON, HEATHER A.	\$225.00	
8/11/2015	88,440	PMTRX00002118	Purchases	REBATE/HOOSIER HILL	COOLEYS HEATING AND AIR INCORPOR	\$25.00	
8/11/2015	88,441	PMTRX00002118	Purchases	REBATE/MUSUEM	COOLEYS HEATING AND AIR INCORPOR	\$25.00	

Midwest Natural Gas Corporation
Credit Card Charges

First Bankcard	Shafer
Tier 1	3886
Apr-15	
May-15	\$ 17.03 Amazon shower curtain
Jun-15	(wrong card)
Jul-15	
Aug-15	
Sep-15	
Oct-15	
Nov-15	
Dec-15	
Jan-16	
Feb-16	
Mar-16	
Total:	\$ 17.03

Grand Total for First Bankcard: \$ 17.03

Grand Total for American Express: \$ 15,661.80

Tier 1	Total:	\$ 15,678.83
Tier 2	Total:	\$ 6,150.14
Mike Gasoline	Total:	\$ 4,486.18
Total:		<u>\$ 26,315.15</u>

AMEX		31046	31020	31012
		Alan Hohn	Michael Crouch	David Osmon
Apr-15 Period	Date	Description	Amount	
	3/18/2015	Itunes	\$ 7.96	4/17/2015 Sirius \$ 219.22
	3/20/2015	Four Seasons Resort	\$ 538.48	
	3/22/2015	Four Seasons Resort	\$ 342.20	
	3/23/2015	Itunes	\$ 0.99	
	3/5/2015	Itunes	\$ 3.50	
	3/14/2015	Itunes	\$ 1.38	
	3/28/2015	Itunes	\$ 0.99	
May-15 Period	4/21/2015	Itunes	\$ 1.38	
	4/23/2015	Itunes	\$ 0.99	
	4/23/2015	Itunes	\$ 1.38	
	4/28/2015	Itunes	\$ 0.99	
	4/6/2015	Itunes	\$ 8.38	
	4/29/2015	Giovanni Ristorante	\$ 443.75	
	4/26/2015	Airport Park	\$ 171.00	
	4/29/2015	Sinema	\$ 150.74	
Jun-15 Period	5/23/2015	Itunes	\$ 0.99	
	5/23/2015	Itunes	\$ 8.80	
	5/28/2015	Itunes	\$ 0.99	
	5/6/2015	Itunes	\$ 3.18	
	5/13/2015	Itunes	\$ 3.50	
Jul-15 Period	6/23/2015	Itunes	\$ 0.99	
	6/23/2015	Itunes	\$ 8.70	
	6/27/2015	Itunes	\$ 21.35	
	6/28/2015	Itunes	\$ 0.99	
	6/28/2015	Itunes	\$ 2.13	
	6/2/2015	Itunes	\$ 6.58	
	6/4/2015	Southwest	\$ 750.00	
	6/13/2015	Itunes	\$ 22.47	
Aug-15 Period	7/13/2015	Itunes	\$ 12.94	
	7/17/2015	Itunes	\$ 4.27	
	7/22/2015	Itunes	\$ 25.36	
	7/23/2015	Itunes	\$ 0.99	
	7/28/2015	Itunes	\$ 2.13	
	7/28/2015	Itunes	\$ 0.99	
	7/6/2015	Itunes	\$ 8.54	
	7/6/2015	Southwest	\$ 934.00	
	7/8/2015	Itunes	\$ 8.38	
	7/9/2015	Itunes	\$ 2.76	
	7/20/2015	Barton Perreira	\$ 323.00	
Sep-15 Period	8/28/2015	Itunes	\$ 2.13	
	8/28/2015	Itunes	\$ 0.99	
	8/9/2015	Itunes	\$ 2.13	
	8/14/2015	Itunes	\$ 1.38	
	8/22/2015	Itunes	\$ 4.27	
	8/23/2015	Itunes	\$ 1.06	
	8/23/2015	Itunes	\$ 0.99	
	8/27/2015	Southwest	\$ 1,209.98	
	8/4/2015	Hyatt House	\$ 356.58	
	8/3/2015	Nashville Airport Park	\$ 60.00	
	8/2/2015	Hutch Pkwy South	\$ 28.84	
	8/1/2015	Brothers Trattoria	\$ 164.25	
	8/1/2015	Sapone Fishkill	\$ 572.49	
	8/2/2015	Hertz Car Rental	\$ 315.76	
	8/2/2015	Itunes	\$ 10.18	
Oct-15 Period	9/16/2015	Itunes	\$ 1.06	
	9/23/2015	Itunes	\$ 0.99	
	9/6/2015	Itunes	\$ 28.07	
	9/29/2015	Airport Park	\$ 126.00	
	9/25/2015	Marine's Memorial	\$ 458.28	
	9/29/2015	Itunes	\$ 0.99	
Nov-15 Period	10/23/2015	Itunes	\$ 0.99	
	10/23/2015	Itunes	\$ 2.44	
	10/28/2015	Itunes	\$ 27.01	
	10/28/2015	Itunes	\$ 0.99	
	10/7/2015	Itunes	\$ 18.14	
	10/7/2015	Itunes	\$ 22.42	
	10/14/2015	Itunes	\$ 5.34	
	10/15/2015	Itunes	\$ 26.98	
Dec-15 Period	11/21/2015	Itunes	\$ 1.06	
	11/23/2015	Itunes	\$ 0.99	
	11/28/2015	Itunes	\$ 0.99	
	11/1/2015	Itunes	\$ 106.99	
	11/10/2015	Itunes	\$ 43.03	
Jan-16 Period	12/20/2015	HSC Backdoor Hanalei, HI	\$ 272.93	12/5/2015 Lowes \$ 200.00
	12/23/2015	Itunes	\$ 0.99	12/2/2015 French Lick Resort \$ 11,000.00
	12/11/2015	Itunes	\$ 1.06	12/9/2015 French Lick Resort \$ 698.21
	12/13/2015	Diana Warner	\$ 107.07	
	12/16/2015	Itunes	\$ 25.47	
	12/26/2015	Sirius	\$ 219.22	
	12/2/2015	Sirius	\$ 18.26	
	12/27/2015	Airport Park	\$ 210.00	
	12/29/2015	Itunes	\$ 0.99	
Feb-16 Period	1/15/2016	Itunes	\$ 31.12	
	1/23/2016	Itunes	\$ 0.99	
	1/23/2016	Itunes	\$ 3.50	
	1/28/2016	Itunes	\$ 0.99	
	1/2/2016	Itunes	\$ 3.50	
	1/10/2016	Flemings	\$ 592.12	
	1/13/2016	Itunes	\$ 2.12	
	1/30/2016	Itunes	\$ 9.34	
Mar-16 Period	2/19/2016	Itunes	\$ 16.65	
	2/23/2016	Itunes	\$ 0.99	
	2/23/2016	Itunes	\$ 0.74	
	2/28/2016	Itunes	\$ 0.99	
	2/11/2016	Itunes	\$ 2.44	
Total:	\$ 219.22		\$ 8,953.41	\$ 6,489.17

First Bank							
Tier 2		Osmon <u>3282</u>	Eskew <u>3442</u>	Shafer <u>3886</u>	Crouch <u>4741</u>	Williams <u>8404</u>	
Apr-15	\$ 39.00	Overlimit fee				\$ 53.94	Roy retirement
May-15							
Jun-15			\$ 118.40 Wal Mart Office		\$ 650.00 Plastic Surgery		
Jul-15					\$ 91.00 Atmos travel		
Aug-15	\$ 26.84	Atmos Seminar	\$ 109.44 Wal Mart Office		\$ 385.00 Elan Skin Laser		
Oct-15			\$ 74.95 Wal Mart Office				
Nov-15			\$ 66.62 Wal Mart Office			\$ 162.24	Sams Office
Dec-15			\$ 54.21 Wal Mart Office \$ 105.73 Wal Mart Office				
Jan-16	\$ 536.76	Odon Locker	\$ 161.55 Wal Mart Office \$ 58.54 Wal Mart Office	\$ 80.92 Tanners Christmas Party	\$ 800.00 Elan Skin Laser		
Feb-16	\$ 22.34	WM		\$ 1,477.66 Christmas			
Mar-16					\$ 1,075.00 Clymer Pla Surg		
Totals	\$ 624.94		\$ 749.44	\$ 1,558.58	\$ 3,001.00	\$ 216.18	<u><u>\$ 6,150.14</u></u>

First Bankcard	Column2	Column3	Column4
7/6/2015	Shell	\$ 80.41	N
10/13/2015	Shell	\$ 39.72	N
10/18/2015	Chuckles	\$ 39.00	W
10/18/2015	Exxon	\$ 31.52	N
10/20/2015	Exxon	\$ 40.81	N
10/23/2015	Shell	\$ 50.00	Indy
10/27/2015	Exxon	\$ 16.58	N
10/27/2015	Exxon	\$ 51.97	N
11/25/2015	Shell	\$ 25.10	N
10/23/2016	Exxon	\$ 51.76	N
10/28/2016	Chuckles	\$ 29.94	W
	Total:	\$ 456.81	

Out-of-State Fuel \$ 4,486.18

In-State Fuel \$ 2,249.47

American Express	Column1	Column2	Column3
3/15/2015	Exxonmobile	\$ 60.42	N
3/16/2015	Shell Oil	\$ 44.44	N
3/17/2015	Chuckles Stores	\$ 39.09	W
3/19/2015	Exxonmobile	\$ 42.09	N
3/1/2015	Shell Oil	\$ 12.50	Venice, FL
3/1/2015	Cligo	\$ 34.37	Venice, FL
3/2/2015	Thorntons	\$ 57.35	Henderson, KY
3/4/2015	Kroger Fuel	\$ 50.55	N
3/8/2015	Exxonmobile	\$ 23.34	N
3/9/2015	Chuckles Stores	\$ 48.39	W
3/11/2015	Shell Oil	\$ 50.77	Park City, KY
3/11/2015	Vernon Mara Hg Shop	\$ 46.23	Vernon, KY
3/25/2015	Chuckles Stores	\$ 61.40	W
3/27/2015	Shell Oil	\$ 35.60	N
3/30/2015	Chuckles Stores	\$ 33.50	W
4/15/2015	Chuckles Stores	\$ 17.32	W
4/15/2015	Huck's Food & Fuel	\$ 52.01	Madisonville, KY
4/17/2015	Shell Oil	\$ 5.77	Venice, FL
4/26/2015	Exxonmobile	\$ 46.80	N
4/27/2015	Chuckles Stores	\$ 45.78	W
4/27/2015	Shell Oil	\$ 50.05	N
4/5/2015	Exxonmobile	\$ 19.74	N
4/6/2015	Chuckles Stores	\$ 29.93	W
4/9/2015	Belle Mead Express 6	\$ 38.96	N
4/9/2015	Belle Mead Express 6	\$ 51.07	N
5/21/2015	Exxonmobile	\$ 41.85	N
5/23/2015	Speedway	\$ 69.61	Ohio
5/26/2015	Exxonmobile	\$ 56.94	N
5/27/2015	Chuckles Stores	\$ 43.76	W
5/1/2015	Kroger Fuel	\$ 40.56	N
5/4/2015	Chuckles Stores	\$ 46.73	W
5/6/2015	Exxonmobile	\$ 47.65	N
5/11/2015	Chuckles Stores	\$ 54.16	W
5/15/2015	Kroger Fuel	\$ 57.01	N
5/16/2015	Kroger Fuel	\$ 63.28	N
5/18/2015	Shell Oil	\$ 59.66	Greenfield, IN
5/19/2015	Chuckles Stores	\$ 55.09	W
6/14/2015	Exxonmobile	\$ 73.10	N
6/16/2015	Chuckles Stores	\$ 53.97	W
6/19/2015	Shell Oil	\$ 46.42	N
6/22/2015	Chuckles Stores	\$ 40.80	W
6/12/2015	Chuckles Stores	\$ 22.82	W
6/12/2015	Thorntons	\$ 68.74	Henderson, KY
6/6/2015	Shell Oil	\$ 51.59	N
6/7/2015	Exxonmobile	\$ 68.26	N
6/9/2015	Chuckles Stores	\$ 45.77	W
7/9/2015	Exxonmobile	\$ 42.72	N
7/12/2015	Thorntons	\$ 68.43	Henderson, KY
7/14/2015	Love's Travel Stops	\$ 37.81	Ingalls, IN
7/15/2015	Shell Oil	\$ 75.10	West Branch, MI
7/18/2015	Shell Oil	\$ 76.52	Pottsville, MI
7/20/2015	Chuckles Stores	\$ 64.05	W
7/21/2015	Shell Oil	\$ 5.22	Venice, FL
7/26/2015	Shell Oil	\$ 43.95	Venice, FL
7/27/2015	Shell Oil	\$ 10.40	Palmeto, FL
6/27/2015	Exxonmobile	\$ 58.95	N
6/29/2015	Chuckles Stores	\$ 51.37	N
7/5/2015	Exxonmobile	\$ 72.16	N
7/6/2015	Chuckles Stores	\$ 38.05	W
7/9/2015	Shell Oil	\$ 58.32	N
8/8/2015	Exxonmobile	\$ 68.21	N
8/9/2015	Exxonmobile	\$ 67.03	N
8/10/2015	Chuckles Stores	\$ 42.46	W
8/12/2015	Shell Oil	\$ 49.12	N
8/15/2015	Exxonmobile	\$ 68.34	N
8/17/2015	Kroger Fuel	\$ 64.93	Madisonville, KY
8/20/2015	Exxonmobile	\$ 67.69	N
8/24/2015	Chuckles Stores	\$ 67.70	W
7/28/2015	Exxonmobile	\$ 67.70	N
7/30/2015	Shell Oil	\$ 69.88	Columbus, IN
8/2/2015	Kroger Fuel	\$ 49.23	N
8/3/2015	Chuckles Stores	\$ 43.73	W
9/14/2015	Chuckles Stores	\$ 49.80	W
9/16/2015	Exxonmobile	\$ 48.41	N
9/16/2015	Exxonmobile	\$ 35.40	N
9/20/2015	Shell Oil	\$ 64.76	Whitestown
9/20/2015	Exxonmobile	\$ 43.25	N
9/21/2015	Chuckles Stores	\$ 35.47	W
9/22/2015	Exxonmobile	\$ 32.78	N
8/29/2015	Exxonmobile	\$ 39.37	N
8/30/2015	Chuckles Stores	\$ 35.35	W
9/1/2015	Exxonmobile	\$ 37.96	N
9/2/2015	Chuckles Stores	\$ 38.48	W
9/2/2015	Exxonmobile	\$ 31.94	N
9/6/2015	Speedway	\$ 58.92	Cincinnati, OH
9/8/2015	Chuckles Stores	\$ 32.87	W
9/10/2015	Shell Oil	\$ 44.99	N
10/10/2015	Exxonmobile	\$ 39.99	N
10/5/2015	Chuckles Stores	\$ 59.73	W
10/9/2015	Exxonmobile	\$ 48.40	N
10/10/2015	Mapco Express	\$ 61.30	N
10/11/2015	Chuckles Stores	\$ 44.69	W
11/27/2015	Shell Oil	\$ 61.72	N
10/30/2015	Exxonmobile	\$ 62.58	N
11/2/2015	Chuckles Stores	\$ 47.67	W
11/3/2015	Exxonmobile	\$ 37.11	N
11/6/2015	Shell Oil	\$ 59.63	N
11/7/2015	Huck's Food & Fuel	\$ 60.63	Evansville, IN
11/9/2015	Chuckles Stores	\$ 37.07	W
11/14/2015	Exxonmobile	\$ 62.99	N
11/16/2015	Shell Oil	\$ 19.87	N
11/17/2015	Chuckles Stores	\$ 31.34	W
12/16/2015	Exxonmobile	\$ 51.78	N
12/25/2015	Chevron	\$ 53.78	Hawaii
12/1/2015	Chuckles Stores	\$ 46.16	W
12/5/2015	Shell Oil	\$ 51.61	N
12/7/2015	Chuckles Stores	\$ 33.15	W
12/6/2015	Exxonmobile	\$ 58.81	N
12/11/2015	Exxonmobile	\$ 49.83	N
12/14/2015	Chuckles Stores	\$ 37.37	W
1/14/2016	Exxonmobile	\$ 32.74	N
1/19/2016	Caseys	\$ 56.53	W
1/21/2016	Exxonmobile	\$ 38.16	N
1/26/2016	Exxonmobile	\$ 33.82	N
1/27/2016	Chuckles Stores	\$ 33.61	W
12/28/2015	Chuckles Stores	\$ 37.96	W
12/13/2015	Shell Oil	\$ 46.22	N
1/2/2016	Shell Oil	\$ 38.47	N
1/4/2016	Chuckles Stores	\$ 43.08	W
1/7/2016	Exxonmobile	\$ 43.18	N
1/12/2016	Exxonmobile	\$ 35.79	N
1/13/2016	Chuckles Stores	\$ 45.07	W
2/17/2016	Chuckles Stores	\$ 32.94	W
2/22/2016	Kroger Fuel	\$ 30.32	N
2/23/2016	Chuckles Stores	\$ 29.29	W
2/25/2016	Exxonmobile	\$ 43.49	N
2/26/2016	Shell Oil	\$ 42.36	N
1/30/2016	Exxonmobile	\$ 42.70	N
2/1/2016	Chuckles Stores	\$ 28.25	W
2/5/2016	Exxonmobile	\$ 45.38	N
2/9/2016	Exxonmobile	\$ 45.00	N
2/9/2016	Exxonmobile	\$ 17.26	N
2/10/2016	Chuckles Stores	\$ 29.50	W
2/12/2016	Shell Oil	\$ 56.96	N
2/16/2016	Kroger Fuel	\$ 18.83	N
2/29/2016	Kroger Fuel	\$ 24.12	N
2/29/2016	Caseys	\$ 26.74	W
	Total:	\$ 6,278.84	

Wal-Mart Card Detail

	Product	Amount	Total After Tax
Apr-15	Powder Sugar Donuts	\$ 2.00	\$ 2.00
	Chocodile	\$ 1.00	\$ 1.00
	Ding Dong	\$ 2.00	\$ 2.00
	Apple Pie	\$ 2.00	\$ 2.00
	Choc. Cupcake	\$ 2.00	\$ 2.00
	Twinkies	\$ 2.00	\$ 2.00
	Mt. Dew	\$ 7.47	\$ 7.99
	Dt. Coke	\$ 7.48	\$ 8.00
	Coke	\$ 7.48	\$ 8.00
	Dr. Pepper	\$ 7.47	\$ 7.99
Total:		\$	42.99
May-15	Mt. Dew	\$ 7.47	\$ 7.99
	Coke	\$ 7.48	\$ 8.00
	Sunkist	\$ 3.98	\$ 4.26
	A & W Root Beer	\$ 3.98	\$ 4.26
	Dr. Pepper	\$ 3.00	\$ 3.21
Total:		\$	27.72
Jun-15		\$	-
Jul-15	Mt. Dew	\$ 7.47	\$ 7.99
	Coke	\$ 7.48	\$ 8.00
	Dr. Pepper	\$ 7.47	\$ 7.99
Total:		\$	23.99
Aug-15	Frosted Donuts	\$ 3.48	\$ 3.48
	Hostess Coffee Cake	\$ 2.98	\$ 2.98
	Mt. Dew	\$ 7.47	\$ 7.99
	Dt. Coke	\$ 7.48	\$ 8.00
	Coke	\$ 7.48	\$ 8.00
	Dr. Pepper	\$ 7.47	\$ 7.99
	Pepsi	\$ 7.47	\$ 7.99
	Dt. Pepsi 2	\$ 7.47	\$ 7.99
Total:		\$	54.44
Sep-15	Pepsi	\$ 6.98	\$ 7.47
	Mt. Dew	\$ 6.98	\$ 7.47
	Dr. Pepper	\$ 6.98	\$ 7.47
Total:		\$	22.41
Oct-15		\$	-
Nov-15		\$	-
Dec-15	Apple Fuji	4.87	\$ 5.21
	Cream Cheese Cinnamon Rolls	2.98	\$ 2.98
	Cinnabon Cinnamon Rolls	11.98	\$ 11.98
Total:		\$	20.17
Jan-16	Pepsi	\$ 6.98	\$ 7.47
	Mt. Dew	\$ 6.98	\$ 7.47
	Diet Coke	\$ 7.48	\$ 8.00
	Coke	\$ 7.48	\$ 8.00
	Dr. Pepper	\$ 6.98	\$ 7.47
	Cinnamon Pull Apart	\$ 6.00	\$ 6.00
	Pepsi 2 liter	\$ 2.00	\$ 2.14
	Dt. Pepsi 2 liter	\$ 1.00	\$ 1.07
	Mt. Dew 2 liter	\$ 2.00	\$ 2.14
	Coke 2 liter	\$ 2.00	\$ 2.14
	Sprite 2 liter	\$ 1.00	\$ 1.07
	A-1 Steak Sauce	\$ 2.98	\$ 2.98
	Worcester Sauce	\$ 3.42	\$ 3.42
	Lawry Marinade	\$ 1.98	\$ 1.98
	3 piece chef set	\$ 14.97	\$ 16.02
	11.6 lb. Briq.	\$ 37.76	\$ 37.76
	4 Piece steak knives	\$ 5.91	\$ 6.32
	Lawry Marinade	\$ 1.98	\$ 1.98
Total:		\$	123.43
Feb-16	Mt. Dew	\$ 6.98	\$ 7.47
	Coke	\$ 7.68	\$ 8.22
	A & W Root Beer	\$ 5.98	\$ 6.40
	Sunkist	\$ 5.98	\$ 6.40
	Dr. Pepper	\$ 6.98	\$ 7.47
Total:		\$	35.95
Mar-16		\$	-

Grand Total for Test Year **\$ 351.11**

Adjustment 5

MIDWEST NATURAL GAS CORPORATION**Detail of Adjustments****(5) DEPRECIATION EXPENSE ADJUSTMENT**

To adjust deprecation expense to reflect current plant in service as of March 31, 2016.

Utility Plant-in-Service		\$36,100,951	
Less:			
Non-depreciable property	\$683,148		
Transportation equipment	1,160,806		
Computer equipment	203,608		
Office furniture	207,001		
Tools	145,584		
Power operated equipment	339,260		
Communications equipment	<u>88,736</u>		
Total deductions		<u>2,828,143</u>	
Distribution plant		33,272,808	
Additions through June 30,2016		<u>1,277,386</u>	
		34,550,194	
Depreciation rate		<u>2.75%</u>	
Distribution plant depreciation			\$950,130
Transportation and computer equipment		1,364,414	
Fully depreciated equipment		(349,249)	
Additions through June 30,2016		<u>4,051</u>	
		1,019,216	
Depreciation rate		<u>20.00%</u>	
Transportation and computer equipment depreciation expense			203,843
Office furniture, tools, and communications equipment		780,581	
Fully depreciated equipment		<u>(158,747)</u>	
		621,834	
Depreciation rate		<u>10.00%</u>	
Office furniture, tools, and communications equipment depreciation expense			<u>62,183</u>
Pro-forma depreciation expense			\$1,216,156
Test year depreciation expense			<u>1,196,384</u>
Total Adjustment (5) - Inc/(Dec)			<u><u>\$19,772</u></u>

		Balance	Non-	Depreciable	Non-Composite	Non-Fully	Allocation	Depreciation	Non-Composite	31-Mar-16	April-June	April-June	Balance	Non-	30-Jun-16	Non-Composite	Non-Fully	Allocation	April-June
		31-Mar-16	Depreciable	Plant	Fully-Depreciated	Depreciated	%	Allocation	Fully-Depreciated	Accumulated	Additions	Retirements	30-Jun-16	Depreciable	Depreciable	Fully-Depreciated	Depreciated	%	Depreciation
0301-00	ORGANIZATION	8,512.43	(8,512.43)	-	-	-	-	-	-	-	-	-	8,512.43	(8,512.43)	-	-	-	-	-
0302-00	FRANCHISE & CONSENTS	29,503.16	(29,503.16)	-	-	-	-	-	-	-	-	-	29,503.16	(29,503.16)	-	-	-	-	-
0303-00	MISC INTANGIBLE PLANT	850.00	(850.00)	-	-	-	-	-	-	-	-	-	850.00	(850.00)	-	-	-	-	-
0304-00	LAND & LAND RIGHTS	11,645.35	(11,645.35)	-	-	-	-	-	-	-	-	-	11,645.35	(11,645.35)	-	-	-	-	-
0336-01	PLAINVILLE PURIFICATION EQUIP	1,633.77	-	1,633.77	-	1,633.77	0.0047%	1,009.06	-	1,009.06	-	-	1,633.77	-	1,633.77	-	1,633.77	0.0045%	14
0364-00	LAND & LAND RIGHTS TRANSMISSIO	172,449.29	(172,449.29)	-	-	-	-	-	-	-	-	-	172,449.29	(172,449.29)	-	-	-	-	-
0365-00	RIGHT OF WAY	117,979.52	(117,979.52)	-	-	-	-	-	-	-	12,871.12	-	130,850.64	(117,979.52)	12,871.12	-	-	-	-
0365-01	LAND TRANSMISSION FROM PG	1,500.00	(1,500.00)	-	-	-	-	-	-	-	-	-	1,500.00	(1,500.00)	-	-	-	-	-
0365-02	EASEMENTS TRANSMISSION FROM PG	59,757.39	(59,757.39)	-	-	-	-	-	-	-	-	-	59,757.39	(59,757.39)	-	-	-	-	-
0366-00	STRUCTURES & IMPROVEMENTS	3,997.15	-	3,997.15	-	3,997.15	0.0115%	2,468.99	-	2,468.99	-	-	3,997.15	-	3,997.15	-	3,997.15	0.0111%	36
0367-00	INTERMEDIATE MAINS	6,367,105.37	-	6,367,105.37	-	6,367,105.37	18.3526%	3,940,204.26	-	3,940,204.26	259,814.81	-	6,626,920.18	-	6,626,920.18	-	6,626,920.18	18.4232%	59,101
0367-01	TRANSMISSION 8"	1,989,834.40	-	1,989,834.40	-	1,989,834.40	5.7355%	1,231,380.92	-	1,231,380.92	328,754.94	-	2,318,589.34	-	2,318,589.34	-	2,318,589.34	6.4458%	20,678
0369-00	MEAS & REG STATION EQUIP	322,748.76	-	322,748.76	-	322,748.76	0.9303%	199,730.39	-	199,730.39	488,419.17	(70,228.15)	740,939.78	-	740,939.78	-	740,939.78	2.0598%	6,608
0370-00	COMMUNICATION EQUIPMENT	87,502.57	-	87,502.57	-	87,502.57	0.2522%	54,145.98	-	54,145.98	-	-	87,502.57	-	87,502.57	-	87,502.57	0.2433%	780
0374-00	LAND & LAND RIGHTS DISTRIBUTIO	151,889.50	(151,889.50)	-	-	-	-	-	-	-	-	-	151,889.50	(151,889.50)	-	-	-	-	-
0375-00	STRUCTURES & IMPROVEMENTS	10,779.18	-	10,779.18	-	10,779.18	0.0311%	6,677.00	-	6,677.00	-	-	10,779.18	-	10,779.18	-	10,779.18	0.0300%	96
0376-00	DISTRIBUTION MAINS	10,011,722.65	-	10,011,722.65	-	10,011,722.65	28.8579%	6,195,635.52	-	6,195,635.52	82,843.66	(4,512.90)	10,090,053.41	-	10,090,053.41	-	10,090,053.41	28.0508%	89,986
0378-00	MEAS & REG STATION GENERAL	429,662.81	-	429,662.81	-	429,662.81	1.2385%	265,899.27	-	265,899.27	74,308.16	-	503,970.97	-	503,970.97	-	503,970.97	1.4011%	4,495
0379-00	MEAS & REG CITY GATE	369,397.79	-	369,397.79	-	369,397.79	1.0648%	228,606.82	-	228,606.82	135.95	-	369,533.74	-	369,533.74	-	369,533.74	1.0273%	3,296
0380-00	SERVICES	6,430,586.91	-	6,430,586.91	-	6,430,586.91	18.5356%	3,979,493.37	-	3,979,493.37	46,275.81	(13,676.18)	6,463,186.54	-	6,463,186.54	-	6,463,186.54	17.9680%	57,640
0381-00	METERS	1,649,139.18	-	1,649,139.18	-	1,649,139.18	4.7535%	1,020,550.82	-	1,020,550.82	17,773.25	(2,005.64)	1,664,906.79	-	1,664,906.79	-	1,664,906.79	4.6285%	14,848
0381-01	Meters - AMR	1,045,886.53	-	1,045,886.53	-	1,045,886.53	3.0147%	647,239.83	-	647,239.83	-	-	1,045,886.53	-	1,045,886.53	-	1,045,886.53	2.9076%	9,327
0382-00	METER INSTALLATION	227,629.06	-	227,629.06	-	227,629.06	0.6561%	140,861.13	-	140,861.13	214.41	-	227,843.47	-	227,843.47	-	227,843.47	0.6334%	2,032
0383-00	HOUSE REGULATORS	961,753.48	-	961,753.48	-	961,753.48	2.7722%	595,176.39	-	595,176.39	2,644.08	(377.58)	964,019.98	-	964,019.98	-	964,019.98	2.6800%	8,597
0384-00	HOUSE REG INSTALLATION	124,204.73	-	124,204.73	-	124,204.73	0.3580%	76,860.67	-	76,860.67	214.39	-	124,419.12	-	124,419.12	-	124,419.12	0.3459%	1,110
0385-00	INDUSTRIAL MEAS & REG	788,159.32	-	788,159.32	-	788,159.32	2.2718%	487,743.21	-	487,743.21	8,287.11	-	796,446.43	-	796,446.43	-	796,446.43	2.2142%	7,103
0387-00	OTHER EQUIPMENT	106,469.18	-	106,469.18	-	106,469.18	0.3069%	65,889.78	-	65,889.78	-	-	106,469.18	-	106,469.18	-	106,469.18	0.2960%	950
0389-00	LAND & LAND RIGHTS GENERAL	345,664.27	(345,664.27)	-	-	-	-	-	-	-	-	-	345,664.27	(345,664.27)	-	-	-	-	-
0390-00	STRUCTURES & IMP GENERAL	2,092,957.17	-	2,092,957.17	-	2,092,957.17	6.0328%	1,295,209.63	-	1,295,209.63	-	-	2,092,957.17	-	2,092,957.17	-	2,092,957.17	5.8185%	18,665
0391-00	OFFICE FURNITURE & EQUIP	207,001.39	-	207,001.39	(63,263.97)	143,737.42	0.4143%	89,947.98	63,263.97	152,211.95	-	-	207,001.39	-	207,001.39	(63,263.97)	143,737.42	0.3996%	1,282
0391-01	COMPUTER EQUIPMENT	203,608.36	-	203,608.36	(88,263.98)	115,344.38	0.3325%	71,385.96	88,263.98	159,649.94	4,959.21	-	208,567.57	-	208,567.57	(88,263.98)	120,303.59	0.3344%	1,073
0392-00	TRANSPORTATION EQUIPMENT	1,160,805.81	-	1,160,805.81	(260,984.68)	899,821.13	2.5937%	556,853.40	260,984.68	817,838.08	38,754.21	-	1,199,560.02	-	1,199,560.02	(260,984.68)	938,575.34	2.6093%	8,371
0394-00	TOOL & GARAGE EQUIPMENT	145,583.71	-	145,583.71	(31,436.28)	114,147.43	0.3290%	70,634.53	31,436.28	102,070.81	-	-	145,583.71	-	145,583.71	(31,436.28)	114,147.43	0.3173%	1,018
0395-00	LABORATORY EQUIPMENT	29,112.66	-	29,112.66	(226.50)	28,886.16	0.0833%	17,884.06	226.50	18,110.56	-	-	29,112.66	-	29,112.66	(226.50)	28,886.16	0.0803%	258
0396-00	POWER OPERATED EQUIP	339,260.42	-	339,260.42	(32,380.34)	306,880.08	0.8846%	189,918.85	32,380.34	222,299.19	-	-	339,260.42	-	339,260.42	(32,380.34)	306,880.08	0.8531%	2,737
0397-00	COMMUNICATION EQUIPMENT	88,735.71	-	88,735.71	(31,440.09)	57,295.62	0.1651%	35,446.08	31,440.09	66,886.17	1,916.50	-	90,652.21	-	90,652.21	(31,440.09)	59,212.12	0.1646%	528
0398-00	OTHER GENERAL EQUIPMENT PG	5,921.78	-	5,921.78	-	5,921.78	0.0168%	3,606.87	-	3,606.87	-	-	5,921.78	-	5,921.78	-	5,921.78	0.0524%	168
		36,100,950.76	(899,750.91)	35,201,199.85	(507,995.84)	34,693,204.01	100.0000%	21,469,460.77	507,995.84	21,977,456.61	1,368,186.78	(90,800.45)	37,378,337.09	(899,750.91)	36,478,586.18	(507,995.84)	35,970,590.34	100.0000%	320,797
				35,201,199.85		34,693,204.01		21,469,460.78			check		37,378,337.09		36,478,586.18		35,975,719.22		320,795
														(216,602.91)					

Adjustment 6a

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(6) TAXES OTHER THAN INCOME TAXES

(a)

To adjust taxes other than income taxes for increases in FICA tax for payroll increases.

\$2,127

Midwest Natural Gas Corporation
Payroll Tax Adjustment

OASDI Portion of FICA

Total projected pro forma payroll increase	\$ 27,804	
Portion of wage increase which would not be subject to the OASDI portion of FICA limited to \$97,500 for 2007	<u>-</u>	
Wages subject to the OASDI portion of FICA	\$ 27,804	
OASDI rate	<u>6.20%</u>	
TOTAL OASDI PORTION OF FICA		1,724

Hospital Insurance portion of FICA

Total pro forma payroll (No income limitation)	\$ 27,804	
Hospital Insurance Rate	<u>1.45%</u>	
TOTAL HEALTH INSURANCE PORTION OF FICA		403
TOTAL PRO FORMA FICA ADJUSTMENT		<u><u>2,127</u></u>

Adjustment 6b

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(6) TAXES OTHER THAN INCOME TAXES

(b)

To adjust taxes other than income tax for an increase in property taxes based on rate base at March 31, 2016.

Rate base as of June 30, 2016

15,096,841

Average tax rate

0.016042915

Anticipated property taxes

242,197

Test year property tax expense

211,562

Adjustment - Increase/(Decrease) in property tax expense

30,635

Adjustment 6c

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(6) TAXES OTHER THAN INCOME TAXES

(c)

To adjust taxes other than income taxes to reflect utility receipts taxes at present rates.

Utility receipts	\$7,114,498	
Less: Exemption	1,000	
Bad debts (above)	<u>90,452</u>	
Receipts subject to utility receipts tax	\$7,023,046	
Applicable utility receipts tax rate	<u>1.40%</u>	
Pro-Forma at present rates	\$98,323	
Test year expense	<u>173,355</u>	
Adjustment-Increase/(Decrease)		<u><u>(\$75,032)</u></u>

Adjustment 7a

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(7) INCOME TAX ADJUSTMENTS

To adjust income tax to reflect pro-forma present operating revenues and expenses

(a) STATE INCOME TAXES

Net operating income before taxes	\$711,167	
ADD: Utility receipts taxes	98,323	
LESS: Synchronized interest	<u>(184,906)</u>	
State taxable income		\$624,584
Applicable rate		<u>6.250%</u>
Pro-Forma at present rates		\$39,037
Test year expense		<u>63,357</u>
Adjustment-Decrease		<u><u>(\$24,320)</u></u>

Adjustment 7b

MIDWEST NATURAL GAS CORPORATION

Detail of Adjustments

(7) INCOME TAX ADJUSTMENTS

To adjust income tax to reflect pro-forma present operating revenues and expenses

(b) FEDERAL INCOME TAXES

Net operating income before federal and state taxes	\$711,167	
Less:		
Synchronized interest	184,906	
State income tax	<u>39,037</u>	
Taxable income	\$487,224	
Federal tax rate	<u>34.00%</u>	
Pro-forma federal income tax expense		\$165,656
Test year federal income tax		<u>669,010</u>
Adjustment-Decrease		<u><u>(\$503,354)</u></u>