Case No.: U-13898
Witness: E. Clinton
Exhibit No.: A-4
Schedule No.: D-1
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Michigan Consolidated Gas Company

Overall Rate of Return Summary
for the Year Ended December 31, 2002
($000)

			Capital Structure							
Line	Description	Cost Rate Source from Exhibit A-4 Schedule	13 Mo. Avg. Amount (1)	% Amount of Permanent Capital	% Amount of Total Capital	Cost Rate %	Weighted Cost of Permanent Capital (%)	Weighted Cost of Total Capital (%)	Pre-tax Multiplier	Pre-tax Cost of Capital
	(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)	(Col. 9)	(Col. 10)
1	Long-Term Debt	D-2	$ 764,733	53.17%	38.91%	6.78%	3.60%	2.64%	1.019	2.69%
2	Common Equity	D-5	673,550	46.83%	34.25%	11.50%	5.39%	3.94%	1.579	6.22%
3	Sub-Total		$ 1,438,283	100.00%			8.99%			
4	Short-Term Debt	D-3	$ 205,002		10.43%	2.54%		0.26%	1.019	0.26%
5	Customer Deposits	D-3	12,322		0.63%	11.50%		0.07%	1.019	0.07%
6	Other Interest Bearing Debits	D-3	(48,145)		-2.45%	2.71%		-0.07%	1.019	-0.07%
7	Other Interest Bearing Credits	D-3	49,241		2.51%	3.16%		0.08%	1.019	0.08%
8	Net Deferred Federal Income Tax (2)		285,746		14.54%	0.00%		0.00%		
9	Deferred Investment Tax Cr.		982		0.05%	0.00%		0.00%		
	JDITC									
10	JDITC - Long-Term Debt		11,803		0.60%	6.78%		0.04%	1.019	0.04%
11	JDITC - Common Equity		10,396		0.53%	11.50%		0.06%	1.579	0.09%
12	Total JDITC		$ 22,199							
13	Total		$ 1,965,630		100.00%			7.02%		9.38%

(1) Source: Exhibit A-2, Schedule B-3
(2) 282, 283 DFIT liability accounts less 190 DFIT asset accounts

Case No.:	U-13898
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Michigan Consolidated Gas Company

Long Term Debt Cost

for the Year Ended December 31, 2002

Line	Original Issue Date	Stated Maturity	Interest Rate	Principal Amount	Price to Public	Agents' Discounts and Commissions	Finance Expense	Proceeds to Company	Cost Based on Net Proceeds	12/31/2002 Amount Outstanding	Annual Cost
	(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)	(Col. 9)	(Col. 10)	(Col. 11)
1	09/01/93	05/01/25	7.000%	40,000,000	98.7600%	0.8750%	0.2085%	97.6765%	7.186%	40,000,000	2,874,348
2	09/29/93	11/01/23	6.750%	20,000,000	100.0000%	3.5000%	0.3499%	96.1501%	7.060%	14,176,000	1,000,767
3	09/26/94	05/01/14	8.250%	80,000,000	99.1500%	0.8750%	0.0000%	98.2750%	8.430%	80,000,000	6,744,007
4	05/25/95	05/01/20	7.500%	30,000,000	100.0000%	3.5000%	0.6037%	95.8963%	7.878%	28,411,000	2,238,112
5	06/13/95	06/15/03	6.720%	4,150,000	100.0000%	0.6000%	0.0932%	99.3068%	6.834%	4,150,000	283,600
6	06/14/95	06/15/03	6.800%	15,850,000	100.0000%	0.6000%	0.5437%	98.8563%	6.989%	15,850,000	1,107,742
7	05/30/96	05/30/06	7.150%	40,000,000	100.0000%	0.6250%	0.2732%	99.1018%	7.278%	40,000,000	2,911,196
8	05/20/97	05/01/07	7.210%	30,000,000	100.0000%	0.7500%	0.2592%	98.9908%	7.354%	30,000,000	2,206,184
9	05/20/97	05/01/12	7.060%	40,000,000	100.0000%	0.6375%	0.4478%	98.9147%	7.179%	40,000,000	2,871,577
10	05/20/97	05/01/17	7.600%	15,000,000	100.0000%	3.1250%	0.4013%	96.4737%	7.955%	14,604,000	1,161,722
11	06/23/98	06/30/38	6.200%	75,000,000	102.8500%	0.6000%	0.4698%	101.7802%	6.081%	75,000,000	4,560,588
12	06/23/98	06/30/38	6.450%	75,000,000	102.5000%	0.7120%	0.4388%	101.3492%	6.356%	75,000,000	4,767,340
13	06/09/99	06/01/38	6.850%	55,000,000	100.0000%	3.1500%	0.9913%	95.8587%	7.167%	52,354,000	3,751,982
14	06/09/99	06/01/39	6.850%	55,000,000	100.0000%	3.1500%	1.0100%	95.8400%	7.167%	55,000,000	3,941,597
15	08/22/01	09/01/08	6.125%	200,000,000	99.8160%	0.6250%	0.1812%	99.0098%	6.301%	200,000,000	12,602,546
16	05/19/97	05/19/05	6.934%	40,000,000					Interest Rate Swap Benefit		(1,217,866)
									6.7800%	764,545,000	51,805,442

Souce:

Column 1-6:	MichCon Prospectuses included in Part II
Column 7:	MPSC P-522 pg. 258 and Company accounting records
Column 8:	Column 5 - Column 6 - Column 7
Column 9:	Bond Yield Calculation
Coumn 10:	MPSC P-522 pg. 256-257
Column 11:	Column 9 x Column 10

Michigan Consolidated Gas Company
Short Term Debt, Customer Deposits, and Other Interest Bearing Items
Cost Rate Determination
12 Months Ended December 31, 2002
($000)

Line	Description (Col. 1)	Amount (Col. 2)	Source (Col. 3)
	Short Term Debt:		
1	Interest on commercial paper	$3,885	MPSC P-522 pg. 340A, line 6
2	Commitment Fees - Line of Credit	1,325	MPSC P-522 pg. 340A, line 7
3	Total Interest	$5,210	
4	13 mo. Avg. commercial paper	$205,002	Exhibit A-2, Schedule B-3 line 36
5	Short Term Debt Cost Rate	2.54%	Line 3 / Line 4
	Customer Deposits:		
6	Cost of Common Equity Case No. U-10150	11.50%	

Other Interest Bearing Items (2):

Line	Description (Col. 1)	Account (Col. 2)	13 Month Avg. Bal. (Col. 3)	Total Interest Expense / (Income) (Col. 4)	Interest Rate (Col. 5)
	Other Interest Bearing Debits				
7	Notes Rec. - Promotional Practices	141.25	$1	$0	
8	Notes Rec. - Customer Attachment Program	141.45	3,383	(368)	
9	Assoc. Cos. Notes Rec. - MichCon Pipeline	145.33	3,507	(129)	
10	Assoc. Cos. Notes Rec. - MichCon Enterprises/Home Services	145.40	154	(8)	
11	Accrued Undercollection - GCR Current	174.98	40,030	(797)	
12	Deferred Asset - GCR 2002	174.99	1,069	-	
13	Total		$48,144	($1,302)	2.71%
	Other Interest Bearing Credits				
14	Select Program Supplier Security Deposits	186.89	($2,037)	$37	
15	Assoc. Cos. Notes Payable to MichCon Subs	233.00	(46,659)	1,467	
16	GCR - MPSC 90/10 Refund Provision	253.AB	(544)	52	
17	Total		($49,241)	$1,556	3.16%

Michigan Consolidated Gas Company

Preferred Stock Cost
For The Year Ended December 31, 2002

The Company had no Preferred Stock outstanding during 2002

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Michigan Consolidated Gas Company

Cost of Common Equity
For The Year Ended December 31, 2002

U-10150 approved an 11.50% Cost of Common Shareholder's Equity