

Total Sales Allocator

	Corporate	MERC-Minnesota	MERC-Michigan
Sales	875,136,679	753,081,025	122,055,654
%		86.0530%	13.9470%

System Sales Allocator

	Corporate	MERC-Minnesota	MERC-Michigan
Sales	285,282,440	285,282,440	0
%		100.0000%	0.0000%

Customer Allocator

	Corporate	MERC-Minnesota	MERC-Michigan
Fixed Charge Count	2,797,341	2,797,320	21
%		99.9992%	0.0008%

Distribution Allocator

Plant Account	Corporate	MERC-Minnesota	MERC-Minnesota	MERC-Michigan	MERC-Michigan
	\$	\$	%	\$	%
374	769,100	769,100	100.0000%	-	0.0000%
375	145,076	145,076	100.0000%	-	0.0000%
376	229,210,314	229,210,314	100.0000%	-	0.0000%
377	-	-	0.0000%	-	0.0000%
378	12,872,816	12,872,816	100.0000%	-	0.0000%
379	15,117,304	15,117,304	100.0000%	-	0.0000%
380	158,599,651	158,599,651	100.0000%	-	0.0000%
381, 383, 385	46,235,618	46,235,618	100.0000%	-	0.0000%
382	-	-	0.0000%	-	0.0000%
386	19,482,827	19,482,827	100.0000%	-	0.0000%
387	2,664,381	2,664,381	100.0000%	-	0.0000%
301	-	-	0.0000%	-	0.0000%
302	3,969,435	3,969,435	100.0000%	-	0.0000%
303	15,600,454	15,600,454	100.0000%	-	0.0000%
Total	504,666,976	504,666,976	100.0000%	-	0.0000%

Distribution Account	Allocator	Corporate	MERC-Minnesota	MERC-Minnesota	MERC-Michigan	MERC-Michigan
		\$	%	\$	%	\$
870	Total Plant	9,526	100.0000%	9,526	0.0000%	-
871	Total Plant	343,520	100.0000%	343,520	0.0000%	-
874	376 & 380	3,266,824	100.0000%	3,266,824	0.0000%	-
875	378	338,152	100.0000%	338,152	0.0000%	-
877	379	-	100.0000%	-	0.0000%	-
878	381, 383, 385	1,843,555	100.0000%	1,843,555	0.0000%	-
879	381, 383, 385	365,125	100.0000%	365,125	0.0000%	-
880	Total Plant	7,185,524	100.0000%	7,185,524	0.0000%	-
881	Total Plant	15,824	100.0000%	15,824	0.0000%	-
885	Total Plant	20,089	100.0000%	20,089	0.0000%	-
887	376	1,317,868	100.0000%	1,317,868	0.0000%	-
889	378	724,102	100.0000%	724,102	0.0000%	-
891	379	254,711	100.0000%	254,711	0.0000%	-
892	380	962,005	100.0000%	962,005	0.0000%	-
893	381, 383, 385	1,995,226	100.0000%	1,995,226	0.0000%	-
894	Total Plant	70,655	100.0000%	70,655	0.0000%	-
		18,712,706		18,712,706		-

Distribution Expense Allocator

100.0000%

0.0000%

Rate Base Allocator

Rate Base Item	Production	Transmission	Distribution	Customer	Total
	\$	\$	\$	\$	\$
Net Plant	1,213,629	4,916,115	263,449,425	8,607,461	278,186,630
Working Capital/Reg Assets & Liabilities	134,485	77,617	4,162,556	135,897	4,510,555
Material & Supplies			234,190		234,190
Gas Storage	7,304,375				7,304,375
Customer Advances			(36,180)		(36,180)
Total	8,652,489	4,993,732	267,809,991	8,743,358	290,199,570
Allocator	2.9816%	1.7208%	92.2848%	3.0129%	100.0000%

Salaries and Wages Allocator

	Corporate		MERC-MN	MERC-MN
	\$	Ratio	Allocator	Ratio
Production	621,945	3.6534%	100.0000%	3.6534%
Transmission	20,446	0.1201%	86.0530%	0.1034%
Distribution	11,970,144	70.3151%	100.0000%	70.3151%
Customer	4,411,043	25.9114%	99.9992%	25.9112%
	<u>17,023,578</u>	<u>100.0000%</u>		<u>99.9831%</u>