Request No.: AG-1-12
Please provide the earned return on average common equity for the twelve-month periods ending 12/31/1999, 6/30/2000, 12/31/2000, 6/30/2001, 12/31/2001, and 6/30/2002 for the Company's electric division and each of its affiliates.

Response:
Please refer to Common Discovery* Attachment AG 1-12, showing the returns on average common equity for Fitchburg Gas and Electric Light Company (FG&E), in total and by division, as well as for affiliates. The earned return on average common equity was calculated by dividing net income by average common equity as calculated from data reported by the Company and each of its affiliates on their respective financial statements.

The calculation of earned returns on equity for the Gas and Electric Divisions cannot be derived directly from the Company's financial statements primarily because the Company's capitalization (debt, equity, etc.) is not separately tracked or accounted for by Division. However, for purposes of this response, Gas and Electric Division returns on equity were estimated by allocating FG&E's capitalization to the divisions based on net plant factors adjusted for stranded generation assets and long-term cost deferrals associated with electric restructuring.

* Common Discovery is any attachment that is identical for D.T.E. 02-24 and D.T.E. 02-25.

Person Responsible: Mark H. Collin