Request No. AG-7-48 (Electric)
Referring to Schedule MHC-6, please reconcile the Electric Division FICA amount shown there with the amount shown on page 49 of the Company's 2001 Annual Report to the Department.

Response:
The total Electric Division FICA expense of $206,284 as shown on Schedule MHC-6 (Electric) is the pre-capitalization FICA taxes. The $83,148 difference between the filing and the $123,236 amount as shown on the Company's 2001 Annual Report to the Department is the total amount that was capitalized on FG&E's books in 2001.

Person Responsible: Mark H. Collin