Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Responses to the Attorney General's Seventh Set of Information Requests

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Request No. AG-7-45 (Electric)

Referring to Schedule MHC-7-11, please reconcile the Total amount of Accumulated Deferred Income Taxes of $12,614,252 with the amount shown in the Company's 2001 Return to the Department, page 36D, line 2, column (k).

Supplemental Response of September 20, 2002:

At the September 9, 2002 hearing, Mr. Collin was questioned by the DTE staff regarding differences between the amounts in the 2001 DTE Annual Return and the FERC Form 1 as compared to the amounts on Schedules MHC-11 (Electric) and MHC-11 (Gas) related to deferred income taxes, FAS 109 Regulatory Asset and FAS 109 Regulatory Liability accounts. The table below is a reconciliation of the amounts for those items as they will be reflected in final revisions to the Regulatory Annual Reports and the totals of those items as shown on Schedules MCH-11 (gas) and MCH-11 (electric).

On Attachments 1 and 2, the final amounts below are compared to the last revised 2001 FERC Form 1 and DTE Annual Reports. The footnotes on the Attachments describe the reasons for the changes in these final revisions. The amounts on Schedules MHC-11 (Gas) and MHC-11 (Electric) as filed do not change.

:	Electric	Gas	Total
Final Revisions to Regulatory Annual Reports:			
Account 282 Deferred tax Liability	10,372,193	4,353,912	14,726,105
Account 283 Deferred Tax Liability	8,259,808	3,756,429	12,016,237
Account 190 Deferred Tax Asset-CIAC	(370,407)	(154,248)	(524,655)
Sub-total	18,261,594	7,956,093	26,217,687
Plus: Items included on MCH-11, not in Accounts 282, 283, 190			
FAS 109 Regulatory Asset	(7,944,588)	(3,697,540)	(11,642,128)
FAS 109 Regulatory Liability	2,297,248	1,101,048	3,398,296
Total Deferred Income taxes	12,614,254	5,359,601	17,973,855
Amounts Per Schedule MCH-11 as filed	12,614,252	5,359,602	17,973,854
Difference	2	(1)	1

Person Responsible: Mark H. Collin

Final Revision To 2001 DTE Annual Return:

	Electric	Gas	Total
Account 282 (Page 36D)	10,372,193	4,353,912	14,726,105
Account 283 (Page 36F)	8,259,808 (1)	3,756,429 (1)	12,016,237
Account 190 (Page 36B)	(370,407) (2)	(154,248) (2)	(524,655)
Account 186 FAS 109 Regulatory Asset (**Page 27**)	(7,944,588)	(3,697,540)	(11,642,128)
Account 253 FAS 109 Regulatory Liability (**Page33**)	2,297,248	1,101,048	3,398,296
Total	12,614,254	5,359,601	17,973,855

Previous Revision of August 28, 2002:

	Electric	Gas	Total
Account 282 (Page 36D)	10,372,193	4,353,912	14,726,105
Account 283 (Page 36F)	11,163,104 (1)	853,132 (1)	12,016,236
Account 190 (Page 36B)	(331,086) (2)	(193,569) (2)	(524,655)
Account 186 FAS 109 Regulatory Asset (**Page 27**)	(7,944,588)	(3,697,540)	(11,642,128)
Account 253 FAS 109 Regulatory Liability (**Page 33**)	2,297,248	1,101,048	3,398,296
Total	15,556,871	2,416,983	17,973,854

Reasons for Final Revisions:

(1) Amounts in August 28 Revision for Electric and Gas Divisions used the incorrect allocations from the initial filing of FERC Form 1 Report of March, 2002.
(2) Correction of allocation error of $39,321 between Electric and Gas Divisions, as explained in response to Request AG-7-45 (Electric), inadvertently not included in August 28 Revision.

Final Revision To 2001 FERC Form 1 Report:

	Electric	Gas	Total
Account 282 (**Page 275**)	10,372,193	4,353,912	14,726,105
Account 283 (**Page 277**)	8,259,808	3,756,429 (1)	12,016,237 (1)
Account 190 (**Page 234**)	(370,407) (2)	(154,248) (2)	(524,655)
Account 186 FAS 109 Regulatory Asset (**Page 232**)			(11,642,128) (3)
Account 253 FAS 109 Regulatory Liability (**Page 278**)	2,297,248	1,101,048	3,398,296
Total			17,973,855

Previous Revision of August 12, 2002:

	Electric	Gas	Total
Account 282 (**Page 275**)	10,372,193	4,353,913	14,726,106
Account 283 (**Page 277**)	8,259,808	4,729,216 (1)	12,989,024 (1)
Account 190 (**Page 234**)	(331,086) (2)	(193,569) (2)	(524,655)
Account 186 FAS 109 Regulatory Asset (**Page 232**)			(12,272,416) (3)
Account 253 FAS 109 Regulatory Liability (**Page 278**)	2,297,248	1,101,048	3,398,296
Total			18,316,355

Reasons for Final Revisions:

(1) Error in journal entry of December 2001 of $972,786, as explained in response to AG-RR-30, not properly corrected in balances in August 12 Revision.
(2) Correction of allocation error of $39,321 between Electric and Gas Divisions, as explained in response to Request AG-7-45 (Electric), inadvertently not included in August 12 Revision.
(3) Error in initial preparation, the FAS 109 Regulatory Asset (Line 1) was grouped with another Regulatory Asset ($630,288) that related to Reg Asset-Electric Restructuring(Line 2). This amount of $630,288 should have been reported on line 2 and not line 1.