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UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION
MI0020

PERIOD ENDED
December, 2010 (Prepared with Audited Data)

BORROWER NAME
Alger-Delta Co-Operative Electric Association

INSTRUCTIONS - See help in the online application.

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects.

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Deborah Miles

4/5/2011

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	10,461,628	11,357,773	11,198,144	1,206,538
2. Power Production Expense				
3. Cost of Purchased Power	5,073,773	5,611,528	5,431,490	496,444
4. Transmission Expense		3,819		535
5. Regional Market Expense				
6. Distribution Expense - Operation	515,924	576,864	388,650	35,622
7. Distribution Expense - Maintenance	1,147,525	1,289,739	1,283,900	127,564
8. Customer Accounts Expense	415,368	493,535	329,200	94,738
9. Customer Service and Informational Expense	2,717	2,432		
10. Sales Expense				
11. Administrative and General Expense	830,664	888,621	854,850	75,365
12. Total Operation & Maintenance Expense (2 thru 11)	7,985,971	8,866,538	8,288,090	830,268
13. Depreciation and Amortization Expense	1,056,567	1,139,104	1,047,600	98,002
14. Tax Expense - Property & Gross Receipts	364,794	357,786	360,000	28,002
15. Tax Expense - Other				
16. Interest on Long-Term Debt	1,192,205	1,234,363	1,422,700	109,728
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	11,374	29,720	4,000	669
19. Other Deductions	72	8,623		
20. Total Cost of Electric Service (12 thru 19)	10,610,983	11,636,134	11,122,390	1,066,669
21. Patronage Capital & Operating Margins (1 minus 20)	(149,355)	(278,361)	75,754	139,869
22. Non Operating Margins - Interest	13,886	16,301	40,000	1,160
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	92,747	91,760	41,800	26,002
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	76,573	41,959	25,000	297
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	33,851	(128,341)	182,554	167,328

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FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			MI0020		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December, 2010		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	65	62	5. Miles Transmission		
2. Services Retired			6. Miles Distribution - Overhead	1,315.00	1,315.00
3. Total Services in Place	10,833	10,890	7. Miles Distribution - Underground	280.00	320.00
4. Idle Services (Exclude Seasonals)	285	330	8. Total Miles Energized (5 + 6 + 7)	1,595.00	1,635.00
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	42,155,259		30. Memberships		80,923
2. Construction Work in Progress	2,901,943		31. Patronage Capital		0
3. Total Utility Plant (1 + 2)	45,057,202		32. Operating Margins - Prior Years		8,240,356
4. Accum. Provision for Depreciation and Amort.	12,237,515		33. Operating Margins - Current Year		(236,402)
5. Net Utility Plant (3 - 4)	32,819,687		34. Non-Operating Margins		108,061
6. Non-Utility Property (Net)	0		35. Other Margins and Equities		18,309
7. Investments in Subsidiary Companies	0		36. Total Margins & Equities (30 thru 35)		8,211,247
8. Invest. in Assoc. Org. - Patronage Capital	108,728		37. Long-Term Debt - RUS (Net)		17,055,798
9. Invest. in Assoc. Org. - Other - General Funds	0		38. Long-Term Debt - FFB - RUS Guaranteed		3,756,321
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	469,433		39. Long-Term Debt - Other - RUS Guaranteed		0
11. Investments in Economic Development Projects	0		40. Long-Term Debt Other (Net)		4,439,655
12. Other Investments	820,977		41. Long-Term Debt - RUS - Econ. Devel. (Net)		0
13. Special Funds	0		42. Payments - Unapplied		0
14. Total Other Property & Investments (6 thru 13)	1,399,138		43. Total Long-Term Debt (37 thru 41 - 42)		25,251,774
15. Cash - General Funds	78,998		44. Obligations Under Capital Leases - Noncurrent		0
16. Cash - Construction Funds - Trustee	33		45. Accumulated Operating Provisions and Asset Retirement Obligations		0
17. Special Deposits	0		46. Total Other Noncurrent Liabilities (44 + 45)		0
18. Temporary Investments	0		47. Notes Payable		0
19. Notes Receivable (Net)	0		48. Accounts Payable		1,312,578
20. Accounts Receivable - Sales of Energy (Net)	1,062,130		49. Consumers Deposits		20,177
21. Accounts Receivable - Other (Net)	135,554		50. Current Maturities Long-Term Debt		815,816
22. Renewable Energy Credits	0		51. Current Maturities Long-Term Debt - Economic Development		0
23. Materials and Supplies - Electric & Other	354,553		52. Current Maturities Capital Leases		0
24. Prepayments	44,113		53. Other Current and Accrued Liabilities		531,725
25. Other Current and Accrued Assets	3,481		54. Total Current & Accrued Liabilities (47 thru 53)		2,680,296
26. Total Current and Accrued Assets (15 thru 25)	1,678,862		55. Regulatory Liabilities		0
27. Regulatory Assets	0		56. Other Deferred Credits		78,172
28. Other Deferred Debits	323,802		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)		36,221,489
29. Total Assets and Other Debits (5+14+26 thru 28)	36,221,489				

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PART D. NOTES TO FINANCIAL STATEMENTS

Deferred Debits Amortized for a period greater than 12 months

Stores - \$ 57,000

Special Early Retirement (SERP) \$313,109

Deferred Debits Amortized for a period of 12 months or less

Michigan Statewide Dues \$ 6,026.00

Miss Dig 916.68

Public Utility Assessment 2,186.33

Michigan Energy Efficiency Programs -68,984.35

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PART D. CERTIFICATION LOAN DEFAULT NOTES	

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PART E. CHANGES IN UTILITY PLANT

PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)
1. Distribution Plant	35,711,043	4,277,124	770,891		39,217,276
2. General Plant	2,094,823	135,556	39,417		2,190,962
3. Headquarters Plant	734,679	12,342			747,021
4. Intangibles	0				0
5. Transmission Plant	0				0
6. Regional Transmission and Market Operation Plant					
7. All Other Utility Plant	0				0
8. Total Utility Plant in Service (1 thru 7)	38,540,545	4,425,022	810,308		42,155,259
9. Construction Work in Progress	5,686,109	(2,784,166)			2,901,943
10. Total Utility Plant (8 + 9)	44,226,654	1,640,856	810,308		45,057,202

PART F. MATERIALS AND SUPPLIES

ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	345,147	169,395		189,250		29,261	354,553
2. Other	0						0

PART G. SERVICE INTERRUPTIONS

ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE				TOTAL (e)
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)	
1. Present Year	91.040	111.050	5.530	56.650	264.270
2. Five-Year Average	70.680	289.070	21.900	105.070	486.720

PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS

1. Number of Full Time Employees	20	4. Payroll - Expensed	769,016
2. Employee - Hours Worked - Regular Time	37,741	5. Payroll - Capitalized	246,799
3. Employee - Hours Worked - Overtime	3,166	6. Payroll - Other	318,303

PART I. PATRONAGE CAPITAL

ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements		56,240
	b. Special Retirements	1,990	454,996
	c. Total Retirements (a + b)	1,990	511,236
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power		
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	8,129	
	c. Total Cash Received (a + b)	8,129	

PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE

1. Amount Due Over 60 Days	\$ 22,905	2. Amount Written Off During Year	\$ 21,471
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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION					BORROWER DESIGNATION MI0020				
INSTRUCTIONS - See help in the online application					PERIOD ENDED December, 2010				
PART K. kWh PURCHASED AND TOTAL COST									
No	ITEM	RUS USE ONLY SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Wisconsin Electric Power Co	20847			22,925,246	1,845,704	8.05		
2	Wisconsin Public Power Inc	20858			3,967,326	294,365	7.42		
3	Upper Peninsula Power Company	19578			23,692,964	2,108,736	8.90		
4	Marquette Board Of Light & Power	800173			15,949,085	1,257,978	7.89		
5	Wisconsin Public Power Inc	20858				104,745	0.00		
	Total				66,534,621	5,611,528	8.43		

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PART K. kWh PURCHASED AND TOTAL COST		
No	Comments	
1		
2		
3		
4		
5		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION MI0020	
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PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
	TOTAL		

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INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2010	
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 6/16/2010	2. Total Number of Members 9,995	3. Number of Members Present at Meeting 125	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 0	6. Total Number of Board Members 9	7. Total Amount of Fees and Expenses for Board Members \$ 89,167	8. Does Manager Have Written Contract? Y

RUS Financial and Operating Report Electric Distribution

Revision Date 2010

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION MI0020
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2010

PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	17,055,798	947,678	572,712	1,520,390
2	National Rural Utilities Cooperative Finance Corporation	1,988,712	146,711	99,978	246,689
3	CoBank, ACB	2,450,943	21,975	47,855	69,830
4	Federal Financing Bank	3,756,321	115,410	16,166	131,576
5	RUS - Economic Development Loans				
6	Payments Unapplied				
	TOTAL	25,251,774	1,231,774	736,711	1,968,485

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INSTRUCTIONS - See help in the online application.

PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY

CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER	AVERAGE NO. CONSUMERS SERVED	TOTAL YEAR TO DATE
		(a)	(b)	(c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	5,219	5,201	
	b. kWh Sold			37,944,497
	c. Revenue			6,912,116
2. Residential Sales - Seasonal	a. No. Consumers Served	4,243	4,268	
	b. kWh Sold			7,623,563
	c. Revenue			2,266,681
3. Irrigation Sales	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	519	523	
	b. kWh Sold			12,394,918
	c. Revenue			2,003,603
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
6. Public Street & Highway Lighting	a. No. Consumers Served	25	23	
	b. kWh Sold			296,119
	c. Revenue			58,038
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		10,006	10,015	
11. Total kWh Sold (lines 1b thru 9b)				58,259,097
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				11,240,438
13. Transmission Revenue				
14. Other Electric Revenue				117,335
15. kWh - Own Use				
16. Total kWh Purchased				66,534,621
17. Total kWh Generated				
18. Cost of Purchases and Generation				5,615,347
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				17,061

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INSTRUCTIONS - See help in the online application.

PART P. ENERGY EFFICIENCY PROGRAMS

CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers <i>(a)</i>	Amount Invested <i>(b)</i>	Estimated MMBTU Savings <i>(c)</i>	No. of Consumers <i>(d)</i>	Amount Invested <i>(e)</i>	Estimated MMBTU Savings <i>(f)</i>
1. Residential Sales (excluding seasonal)						
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less						
5. Comm. and Ind. Over 1000 KVA						
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale - RUS Borrowers						
9. Sales for Resale - Other						
10. Total						

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION MI0020 PERIOD ENDED December, 2010
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INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART O. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
2	Investments in Associated Organizations				
	NISC Patronage Capital	11,812			
	NRUCFC		329,837	13,886	
	NRUCFC		96,271		
	NRUCFC		1,000		
	RESCO Stock	5,100			
	RESCO Patronage Capital	116,144			
	Co-Bank	645			
	Investment In MECA Building	11,440			
	CRC Membership	2,500			
	NISC Membership	2,412			
	CO-Bank Membership	1,000			
	Totals	151,053	427,108	13,886	
4	Other Investments				
	Federated Stock	17,500			
	Federated Capital Credits	28,386			
	American Transmission Common Stock	770,118			
	Corporate Response Center Capital Credits	4,973			
	Totals	820,977			
6	Cash - General				
	General Funds	78,998			
	Totals	78,998			
9	Accounts and Notes Receivable - NET				
	Accounts Receivable-Other	135,554			
	Totals	135,554			
11	TOTAL INVESTMENTS (1 thru 10)	1,186,582	427,108	13,886	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION MI0020 PERIOD ENDED December, 2010
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PART Q. SECTION II. LOAN GUARANTEES					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		BORROWER DESIGNATION MI0020			
		PERIOD ENDED December, 2010			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
SECTION III. RATIO					
RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]					2.63 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
	TOTAL				